



EUROPEAN COMMISSION
Directorate General Internal Market and Services

BRIEFING FOR THE COMMISSIONER PREPARING THE HEARING BY THE EUROPEAN PARLIAMENT

11 SEPTEMBER 2014

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II. POLICIES IN THE FIELD OF INTELLECTUAL PROPERTY

1. Copyright reform

BACKGROUND

- Objective: To adapt EU copyright rules taking into account the changes brought by digital technologies and the opportunities offered by the single market.
- Content and state of play:
The Commission carried out a public consultation on the review of the EU copyright rules between December 2013 and March 2014, covering a large number of issues (almost 10,000 replies received). Several legal and economic studies have been carried out recently to assess the functioning of the current EU copyright framework, the need to adjust certain rules and the impacts of possible changes, in particular on issues such as territoriality of copyright and exceptions.

The Commission is currently pulling together all these work strands and insights in view of comprehensive policy action (including possible legislation).

Such policy action could cover three main areas: (i) the cross-border availability of and access to content in the Digital Single Market, (ii) the need to a proper interplay between copyright protection and other public policy objectives, (iii) the functioning of the copyright marketplace and the need to set the right incentives for investment in creative and intellectual work.

The topic of the copyright reform is likely to remain high on the agenda of the European Parliament.

KEY MESSAGES

- Copyright should not be perceived as an obstacle to access of EU citizens to music, films, books or other types of content. It must be a tool to stimulate creativity, innovation and cultural diversity.
- President Juncker committed in his political guidelines of 15 July to achieve a Connected Digital Single Market and stated that ambitious legislative steps should be taken in that respect, including a revision of the copyright rules.
- The Commission is currently working on the basis of the results of the

public consultation on the review of the EU copyright rules, to see what is the best possible follow-up action to be taken, which can include legislation.

DEFENSIVES

Is copyright a brake to innovation?

- On the contrary, copyright is in the core of many activities strongly linked to innovation, such as the creation and distribution of new products and new services, for example music streaming services (e.g. Spotify, iTunes), and it is core to activities at the basis of innovation such as education and research.
- Copyright does not only protect literary and artistic works like books, films or music but also key element in any innovative product or service such as software or databases.
- Copyright also recognises the importance of access to knowledge in order to facilitate innovation. A balanced system of exceptions and limitations to copyright incentivises innovation by ensuring the dissemination of products and services and the access to knowledge, while keeping an attractive reward for creators.
- Copyright is not the only tool available to face the challenges of the access to knowledge and the promotion of innovation. Other areas of law, such as competition law, as well as voluntary agreements and market-led solutions are key achieve those goals.

- Copyright reform (general) –

Is copyright reform necessary? Won't it favour big internet companies at the expense of European creators?

- The EU copyright rules need updating.
- This does not mean favouring big players or damaging creators. It simply means that – as with other areas of law – they need to be reviewed in light of the realities of a market that is digital and fundamentally cross-border in nature.
- We need more clarity in our rules, we need to act when we have the required evidence and we need to inject the dynamics of the single market into our copyright framework.

- This cannot but be a win-win result for all players involved: creators and creative industries, digital companies, consumers, libraries and heritage institutions, researchers and libraries etc.

What are your views on the need for and the contents of a copyright reform?

- Copyright is central and will remain so in the Commission's drive to create a Digital Single Market.
- We don't start from scratch, far from it.
- In addition to economic and legal analyses, and a broad stakeholder dialogue on licencing ("Licences for Europe"), a major public consultation was carried out that garnered the views of almost 10,000 citizens, organised stakeholders and public authorities.
- Views are far from unanimous on the need for reform, as a start, and on the details.
- However, three main areas can already be outlined which will have my attention and shall be addressed concretely :
 1. Obstacles to the cross-border provision and access to content services in the single market (e.g. consumers cannot access video-on-demand service in other Member States);
 2. Friction between current copyright system and new digital uses (e.g. distance learning or text and data-mining);
 3. The need for a more efficient marketplace for copyright works (e.g. licensing infrastructure, remuneration of creators).



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- Google and copyright / press snippets –

Will the case about Google's dominant position (alleged abuse of) have any implication on copyright policy?

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Do you think some extra form of copyright protection for press publishers is needed for the use of press clippings by the likes of Google news (press aggregators)?

- The Commission has been monitoring developments in this area.
- I am well aware of discussions over the need to grant a specific right to press publishers over this online use.
- So far, only one Member State *[Germany]* has introduced legislation to that effect. It is too early to take a position. We still need to see the effects of such legislation in practice.
- In any event, it is of primary importance that, if a solution is devised to an identified problem, that solution does not hamper the functioning of the digital single market (news aggregators work across borders).

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