

Brussels, 14 February 2008

## **"Performing artists - no longer be the 'poor cousins' of the music business" – Charlie McCreevy**

*Commissioner Charlie McCreevy today announced his intention to propose to the College that the term of copyright protection for European performers be increased from 50 to 95 years. Summarising the main thrust of the proposal, Commissioner McCreevy stated: "I strongly believe that copyright protection for Europe's performers represents a moral right to control the use of their work and earn a living from their performances. I have not seen a convincing reason why a composer of music should benefit from a term of copyright which extends to the composer's life and 70 years beyond, while the performer should only enjoy 50 years, often not even covering his lifetime. It is the performer who gives life to the composition and while most of us have no idea who wrote our favourite song – we can usually name the performer."*

The Internal Market Commissioner intends to bring forward a proposal to extend the term of protection for sound recordings to 95 years. This proposal should be ready for adoption by the Commission before the summer break of 2008.

If nothing is done, thousands of European performers who recorded in the late fifties and sixties will lose all of their airplay royalties over the next ten years. *"I am not talking about featured artists like Cliff Richard or Charles Aznavour. I am talking about the thousands of anonymous session musicians who contributed to sound recordings in the late fifties and sixties. They will no longer get airplay royalties from their recordings. But these royalties are often their sole pension",* says Commissioner Charlie Mc Creevy in describing the rationale behind his proposal.

*"I am determined to ensure that this extension will benefit all artists – whether featured artists or session musicians,"* the Commissioner says. *"For session musicians, the record companies will set up a fund – a substantial fund reserving at least 20% of the income during the extended term to them. For featured artists, original advances may no longer be set off against royalties in the extended term. That means the artist would get all the royalties during the extended term."* he adds.

The Commissioner also proposes a 'use it or lose it' provision. That means that, in case a record company is unwilling to re-release a performance during the extended term, the performer can move to another label.

### **Filling the pension gap**

A Commission survey shows that many European performers or singers start their career in their early 20's. Session musicians, who are not a member of a band, often start performing when they are 17. That means that when the current 50 year protection ends, they will be in their 70's and given life expectancy in the EU - 75 years for men and 81 years for women - it is not unusual for performers to live well into their 80's and 90's.

But once copyright protection for sound recordings has ended, performers no longer receive any income from their sound recordings. For session musicians and lesser known artists that means that income stops when performers are at the most vulnerable period of their lives (retirement). They will also not get any payment when their performances are sold on the Internet.

### **No negative impact on consumer prices**

The Commissioner stressed that the proposal should not have a negative impact on consumer prices. "Empirical studies on the price effects of copyright protection show that the price of sound recordings that are out of copyright is not necessarily lower than that of sound recordings in copyright.

### **No negative impact on Europe's external trade balance**

The Commission has also looked at the trade implications of a longer term of protection and provisionally concludes that most of the additional revenue collected in an extended term would stay in Europe and benefit European performers. This is good for promoting Europe's performers and the cultural vibrancy of European sound recordings.