



INDEPENDENT MUSIC PUBLISHERS FORUM

To: Dr. Nemessanyi, Zoltan, Deputy State Secretary for International Cooperation in Judicial Matters, Ministry of Justice, Government of Hungary

Date: October 19, 2017

Delivered by email to: Niehat@im.gov.hu

Dear Deputy State Secretary,

We are writing to you on behalf of the **Independent Music Publishers Forum (IMPF)**. With this letter, we would like to ask the Hungarian government to **support the Value Gap provisions** (Article 13 and the related recitals) of the European Commission's proposal for a Directive on Copyright in the Digital Single Market.

As music publishers, our business is to license and provide access to a wide selection of music on behalf of the composers and songwriters we represent. This music has allowed numerous digital platforms, such as YouTube, to benefit and grow and significantly increase their profits. Those of us who provide the music and create that value need therefore to be **properly remunerated**. At present, digital revenue shares vary enormously and are not sufficient neither, to allow small independent publishers to continue investing in new talent, or our composers and songwriters to earn a half decent living. Digital platforms **hide behind 'safe harbour' provisions** while continuing to profit from the exploitation of works that they have not contributed to in any way. Furthermore, this limited liability regime creates an **unequal playing field**, making it possible for the platforms to abuse their negotiating power when it comes to concluding licensing deals with rightsholders.

The approach in the Commission's proposal has to a great extent been supported by the CJEU in L'Oreal v eBay and confirmed most recently in Stichting Brein v Ziggo BV cases. In an opinion formulated by the Council Legal Services the misunderstandings regarding the Sabam/Netlog NV judgment have also been clarified, which is helpful as those skeptical of the Value Gap provisions often claim that the proposed Article 13 would go against principles laid down in that judgment. And, in the recently launched "Communication on Tackling Illegal Content online - Towards an enhanced responsibility of online platforms", **Responsible platform behaviour**, is also supported.

It is in the interest of all those who promote **cultural diversity and heritage to ensure fair reward** for those who invest in the creation and distribution of music. **Hungarians are famous for their musical creativity** and talent. The name of **Liszt Ferenc** is well known around the world, but contemporary music also contributes to Hungary's rich cultural heritage, which would not be possible without publishers investing in new talent. Yet these very Hungarian musicians and publishers are exploited by large digital platforms, **such as You Tube**, with their continuing refusal to remunerate properly. It is our belief that it is in Hungary's best interest to support the European Commission's proposal which has the potential to empower **European and Hungarian music** and the creative sector in general. It is a once in a lifetime opportunity for creators to get their fair share.

Our music publishers in Hungary would be happy to meet with you at any time to discuss further.

Your Sincerely,

Pierre Mossiat, President, and Chair of the Board of Directors

IMPF, Rue Saint Laurent 36-38. Brussels 1000, Belgium

IMPF serves as a network and meeting place for independent music publishers. Its main objectives are to share experiences and best practices in music publishing; exchange information on the legal framework and music publishing environment; coordinate actions and support projects relevant to songwriting and music publishing; represent the interests of the independent music publishing community; and stimulate a favourable environment for artistic, cultural, linguistic and commercial diversity for composers and music publishers.