



## JOINT DECLARATION FROM EUROPE'S AUTHORS AND PRODUCERS ON DIRECT INJECTION

Dear MEP,

We authors, writers, producers, film and TV directors and their collective management organizations write to you today on a vital issue for creators in the Draft Broadcasting Regulation – **Direct Injection**.

Direct Injection is a technology used by broadcasters to transmit their signals directly to distributors without those signals being accessible to the public until they have been supplied by the distributor to its subscriber base. The use of Direct Injection technology in the broadcasting sector is leading to a de facto **resource transfer** from Europe's creators on the one hand to distributors and broadcasters on the other.

This is because Direct Injection is used by some broadcasters and distributors to take advantage of a **new loophole** in Europe's copyright framework. They argue that when a signal is directly injected there is no copyright relevant act (i.e. communication to the public) to be licensed under the EU copyright acquis. This is unacceptable.

Cable Europe members (distributors) generated some €11 billion in 2015 from the audiovisual content services they offer, whereas retransmission services generate approximately €120 million annually for independent producers and €128 million for audiovisual authors in 2015. Broadcasting and retransmission together constitute 37% of authors' total revenues and are essential sources of revenue for creators.

Broadcasters generate revenues based on advertising, as well as being paid by distributors for the right to use their signals, and distributors are paid by their subscribers for the TV packages they offer. However, both broadcasters and/or distributors are increasingly refusing to pay creators because of the Direct Injection loophole. This cannot continue.

The recent analysis of the European Parliament Research Service indicates the need for legislation due to contradictory Court rulings and refers to academia noting the uncertainty as to what rules apply to broadcasters, operators and CMOs in the case of direct injection. Moreover, a recent market study from Ampere Analysis (please see attached) reflects the strong cross-border impact of the direct injection in European TV market. This is an urgent issue for Europe's creators and has to be fixed now or the output of quality European content is going to be seriously jeopardised.

The new **Broadcasting Regulation** is the perfect opportunity to remedy the current unfair system. In view of your considerations regarding this issue ahead of the voting in JURI, we urge you to **find a comprehensive solution to this issue in the current Broadcasting Regulation that would address both broadcasters and operators in direct injection cases and strongly reject AM 180 that suggests putting this issue in the review clause of the Regulation, as this would leave creators and producers with no solution on this present and ongoing problem.**

Yours sincerely,

AGICOA – Association of Audiovisual Producers and Producer Rights Management Organisations

ECSA – European Composers and Songwriters Alliance

Eurocinema - Association de Producteurs de Cinéma et de Télévision

FERA – Federation of European Film Directors

FSE – Federation of Screenwriters in Europe

GESAC – European Grouping of Societies of Authors and Composers

SAA – Society of Audiovisual Authors