







## SENT TO ALL DACS, AOI, AOP, EPUK and NUJ MEMBERS

November 2014

Dear AOP member

Every year, thousands of photographers, fine artists, illustrators, sculptors and cartoonists benefit from Payback Royalties distributed by DACS. These are paid in addition to other copyright royalties you may receive and cover secondary uses of your images, such as photocopying.

These royalties derive from licences that are negotiated by the Copyright Licensing Agency (CLA) (and others, although the CLA represents the largest proportion) and DACS shares these royalties with other parties such as publishers - which amount to over £4 million per year for our members. Payments are made as part of a long-standing agreement between DACS and the CLA, which has operated successfully for more than 16 years. Through this agreement, DACS has been in a position to provide maximum benefit for our members from the proportion of licence revenues collected by the CLA.

In May this year, the CLA told DACS that they believe that they are no longer bound by this agreement, claiming that new legal and regulatory changes required it to bring the arrangement to an end. DACS has taken legal advice on this point and the opinion of DACS' legal advisors is that such a claim is without merit.

In DACS' view, the CLA (and we believe primarily the publishers) is trying to use its market power effectively to pressure DACS into accepting new terms. DACS has agreed to take part in a new valuation process to determine the appropriate shares of secondary rights royalties for all collecting societies, but this will take many months to complete. DACS has insisted that the existing agreement must continue until its scheduled end date of September2017. This will help manage the transition to any new arrangements and protect our members' incomes in the interim. To date the CLA has not accepted this. This dispute will not impact on the payment of 2014 Payback royalties. However it has the potential to affect Payback in 2015 and beyond.











DACS has written to the Government's Intellectual Property Minister, Baroness Neville Rolfe and has taken the issue up with the Prime Minister's IP adviser, Mike Weatherley MP, and other Parliamentarians.

But we also need your help to enable us to continue to support you in your work. There are two immediate things we would like you to do:

- 1. Agree to be part of the sample group for us to collect all the data necessary to assert the rights of visual artists in a valuation exercise currently being carried out by the CLA.
- 2. Send us any examples of where you believe you have been treated poorly or unscrupulously. We are also looking for any examples of where publishers are pressing contributors to waive or sign away their secondary rights. These rights include reproduction by photocopying or scanning. Has that happened to you?

Together AOI, AOP, EPUK, NUJ and DACS are fighting to protect your rights and the additional income Payback generates for you. We know how important this is for you; please help us.

Contract samples, and/or agreement to be part of a sample group should be emailed to gwen@aophoto.co.uk

Regards

**Gwen Thomas** 

Director of Business and Legal Services