

HOTREC submission
to the European Parliament and the European Commission

Dublin, 31 October 2003

Hotels, Restaurants, Discotheques, Cafés and Similar - which HOTREC¹ represents vis-à-vis the European Union Institutions - pay fees for copyright and neighbouring rights in relation to public performances in their establishments.

The sector fully acknowledges that authors and performers are entitled to a fair compensation and fully agrees to pay for the copyright and neighbouring rights services, which it receives.

However, HOTREC member associations have problems with the collectors of the money due to the authors and performers. The authors and performers deserve remuneration but the system of collecting bodies, which was set up a century ago, needs to be revisited.

HOTREC takes note of:

- the Parliament's own initiative report drafted by Mrs. Raina Mercedes Echerer on the issue of the management of collecting bodies;
- the announcement by the European Commission of a Communication to be issued soon on the same topic.

HOTREC welcomes the initiatives of the European Parliament and the Commission.

¹ HOTREC is a spokesperson of hotels, restaurants and cafés sector at European Institutional level in all matters affecting the sector. HOTREC projects the voice of hotels, restaurants and cafés in the European Union, an industry that boasts 1,5 million businesses and provides 6 million jobs in the EU alone, of which over 4 million in the restaurant sector. HOTREC brings together 34 National Trade and Employer Associations representing the interest of the sector in 20 different European countries.

HOTREC, however, insists that both the European Parliament and the European Commission pay more attention to the users of works protected by copyright and neighbouring rights, because after all, they are the ones who pay the fees!

According to the EU Institutions, the protection of copyright and neighbouring rights at EU level needs to be based on three pillars:

- approximation of the national legislations;
- proper enforcement of the rules;
- and efficient management of the rights by the collecting bodies.

However, to be stable, each of these 3 pillars needs to have a tripodal basis:

- the protection and remuneration of the owners of the rights;
- an effective management of the rights by the collecting bodies;
- and, last but not least, a fair treatment of the users.

Our sector pays half a billion Euros per year for copyright and neighbouring rights. It, therefore, feels entitled to call for transparency and fairness in the management of copyright and neighbouring rights by the collecting bodies.

HOTREC calls for:

- the freedom to buy the use of works protected by copyright and similar rights across the borders;
- the strict application of EU and national competition rules to the collecting bodies;
- transparency on the part of the collecting bodies;
- simplified procedures and recourse to new technology minimising the administrative burdens imposed on small enterprises;
- a regrouping in “one-stop-shops” of the procedures relating to the collection of fees for various rights;
- for dispute settlement systems, which are easy, speedy and affordable by small enterprises or associations.

A true internal market with 25 countries and 470 million people calls for a thorough review of the present structure and functioning of the collecting bodies.

- **Transparency;**
- **competition;**
- **and more efficiency**

should be sought.
