



EDiMA Welcomes Commission Decision on CISAC case

The European Digital Media Association (EDiMA) welcomes the European Commission's decision in the CISAC case (COMP/C2/38698), as an important step toward ensuring a pro-growth and competitive environment in Europe for all players in the online music value chain from artists to consumers.

“Reform of European licensing is critical to the development of the online music sector, to promoting European culture and to ensuring that consumers have access to a wide variety of content through legitimate services” said Andrew Cecil, President of EDiMA. “We welcome the Commission's decision in this regard and look forward to working with the collecting societies and publishers to promote a vibrant online music environment in Europe”

EDiMA has consistently advocated that elements of the CISAC reciprocal agreements are anticompetitive and that resolution of the case was vital in order to improve licensing of online music and hence the development of a vibrant online music market in Europe.

The European Commission's decision that the so-called “customer allocation clause” in the CISAC reciprocal agreements represents a breach of EU competition law opens the door towards creating a genuine pan-European approach towards music licensing. Notwithstanding our support for the decision, we also urge all stakeholders, including the Commission, to carry out the decision so that it does not break down the reciprocal licensing arrangements.

This should result in more flexible and efficient licensing for online music providers offering services across Europe, whilst ensuring creators are properly and fairly remunerated and users have access to a wide range of content from legitimate services.

EDITORS NOTES:

The European Digital Media Association (EDiMA) is an alliance of new media companies whose members include Amazon, AOL, eBay, Google, Microsoft, Music Choice Europe plc, Nokia, RealNetworks, Tiscali, Yahoo! Europe, France Telecom/Orange, and many others. EDiMA's members provide new media platforms offering users a wide range of online services, including the provision of audiovisual content, media, E-commerce, communications and information/search services.

The CISAC agreements are the basis for the model licensing contract for public performance rights between the collecting society members of CISAC. These model licences include customer allocation clauses which EDiMA considers to be in breach of EC competition law.

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