Meetings Berlin 2016

High Income, important decisions and an appeal to the politicians

Munich, 6 June. The governing bodies of VG WORT met in Berlin on 3 and 4 June 2016. The most important decisions and information from the meeting of the Council of Administration, the Members’ Meeting and the Represented Rightholders’ Meeting are summarized below.

Business Report 2015

In 2015 the income from the administration of copyrights amounted to the highly satisfactory total of Eur 305.32 million. This was more than double the good result of the previous year (Eur 144.18 million). It is the second best result in the history of VG WORT. Administrative costs amounted to a very modest 2.4% of the domestic income.

A particularly important source of income for VG WORT is the levy on devices for the legally permitted copying of text works ("static text"). Here the amount collected in 2015 was Eur 74.82 million. In the audio-visual works sector the total remuneration for private copying was Eur 16.73 million.

The settlement agreement with the Federal Association for Information Technology, Telecommunications and New Media e.v. (Bitkom) for printer remuneration for the period 2001 to 2007, under the old law, which happily was signed in mid-2015, resulted in an income in 2015 of Eur 155.50 million. The income for PCs for the period 2001 to 2007, under the old law, under the settlement agreement concluded in early 2016, remains open. It will be paid during 2016. This agreement successfully concluded the long-running legal disputes with the device manufacturers.

During 2015, in conjunction with the Central Office for Private Copying (ZPÜ), general agreements were concluded for the first time with Bitkom which provided for the payment of remuneration for tablets and mobile phones until 2018. The amount of the remuneration is not yet known. Currently the remuneration is collected by the ZPÜ.

Participation of publishers in the 2016 Distributions

Participation of publishers was the central and intensively discussed subject of all three VG WORT internal meetings. The Board expressly answered a large number of questions from members and represented rightholders about the court decisions and future procedures.

In concrete terms the Board and Council of Administration reached the following conclusions about the outstanding distributions and further consequences of the judgement of the BGH in the case of Vogel v VG WORT (Az. 1 ZR 198/13). They did so on the basis of legal assessment as well as a careful weighing of the interests of authors and publishers.
Distribution to authors

The distributions of VG WORT to authors in 2016 will be paid out in stages in accordance with the rules of the previous VG WORT Distribution Plan as payments on account. This also applies to the distribution of the extraordinary income from the device levy for printers for the period 2001 to 2007. The assessment of the amount of the distributions is provisional. VG WORT will decide on possible further distributions when the existing Distribution Plan has been adjusted according to the legal position arising from the BGH decision. All those receiving distributions will be informed accordingly.

Otherwise than under the previous Distribution Plan, authors represented by theatrical publishers will receive a distribution by way of an interim payment direct, provided the theatrical publisher has informed VG WORT what division of remuneration for the relevant works is provided for in the publisher contracts and has given the necessary information for a direct payment to be made.

Distribution to publishers

Until further notice there will be no distributions to publishers. VG WORT will decide separately on a possible resumption of distributions to publishers when the existing Distribution Plan has been revised in the light of the legal position arising from the BGH decision.

Associations of Press Publishers

Until further notice there will be no distribution to associations of press publishers. VG WORT will decide separately concerning a possible resumption of distributions to associations and the criteria therefor when the existing Distribution Plan has been revised in the light of the legal position arising from the BGH decision.

Authors’ Organisations

A distribution to authors’ organisations is permissible under certain conditions under the judgement of the BGH of 21 April 2016. A pre-condition for this is the verification of the transfer of already existing claims by the authors represented by the organization. The distribution to the German Physical Society, which meets this condition, can accordingly proceed in summer 2016.

Foreign sister societies

Until further notice there will be no distributions to foreign sister societies. VG WORT will decide on the 2016 distribution at a later date.

Science Promotion Fund

The distribution to the Science Promotion Fund of VG WORT will proceed. The relevant amount will continue to be used as before to support science and research.
Further action

The BGH decision necessitates that VG WORT brings in particular its statutes and Distribution Plan into line with the legal position as determined. For this, extraordinary internal meetings have been set for 9/10 September and 25/26 November 2016, both in Munich. For the September meeting, The Board will prepare proposals to correct the distribution in the past and concerning claims to repayment from recipients of distributions.

Proposals for amendments to the Statutes, Contract of Representation, Collection Authority for Abroad and the Distribution Plan in the future will be produced in time for the 25/26 November 2016 meetings.

Call to the politicians ---for a joint rights administration by authors and publishers

At the end of their meeting on 4 June 2016 the members of VG WORT passed the following appeal to politicians by a large majority:

“The Members’ Meeting of VG WORT of 4 June 2016 calls on those politically responsible to ensure, quickly and effectively, that the previous structure of VG WORT, involving joint administration of rights, continues to be possible.

Both sides, authors and publishers, are determined to meet present and future challenges, for example digital transformation, together. An undivided collecting society is the best way of doing this. “

Verwertungsgesellschaft WORT administers exploitation rights and claims to remuneration for over 400,000 authors and 10,000 publishers in Germany on a fiduciary basis.

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