

<u>BVMI Board Strongly Criticises Ministry of Justice Draft Bill:</u> Music Industry Demands Ministry of Justice to Leave German "Sonderweg"

Berlin, November 17, 2020 – With reference to the statement issued by the German Music Industry Association (BVMI) on the draft bill of the Federal Ministry of Justice (BMJV), the BVMI Board members once again urge the ministry to leave the German special way when implementing the copyright directive. The draft contradicts the idea of European harmonization and weakens Germany as a location for the cultural and creative industries. The <u>complete statement of the BVMI is published</u> on the website of the BMJV, together with all other statements.

Frank Briegmann (CEO & President Central Europe Universal Music and Deutsche Grammophon): "Reading the current draft bill, one might think that the years of discussions about a contemporary copyright law in the sense of European artists and creative people had not taken place. Neither had the Copyright Directive passed by the EU Parliament; because the German draft essentially contradicts the hard-won compromise and the spirit of the EU directive. Thus, progress is turned into the opposite by a national solo effort. If the draft is implemented in this form, the future will be cemented for years at the expense of the creative people."

Bernd Dopp (Chairman & CEO Warner Music Central Europe): "Music is available on all usergenerated content platforms and shall remain so! It's not about blocking, but about monetizing content: If someone wants to use someone else's music, he or she has to share in the revenues. The proposed regulations would mean that platforms would work without individual licenses and artists and their partners would no longer be able to defend themselves against unauthorized uploads".

Patrick Mushatsi-Kareba (CEO Sony Music GSA): "A platform such as TikTok currently has more than 100 million users per month in the EU as well as in the US and is based on partly 7 seconds of music excerpts. The economic potential excerpts offer for artists and companies is therefore considerable. The approach of the Ministry of Justice torpedoes this market. The potential revenue from user-generated content through music amounts to about 4 billion dollars in 2020 alone."

Konrad von Löhneysen (CEO Embassy of Music) as spokesman for the extraordinary members of the board: "Fingerprinting has long been common practice, it ensures that I, as the rights holder, am notified if a third party - i.e. a user - tries to upload copyrighted protected content from us to a platform such as YouTube. Then I can decide how to deal with it. The lawmakers should not determine the permissible length of excerpts, but rather ensure that creative content is licensed in its entirety instead of softening the EU directive.

Dr. **Florian Drücke** (Chairman & CEO BVMI): "We have to speak plain language on the subject of socially intended responsibility of platforms. Freedom of expression is an essential basic right, as is artistic freedom. When exercising these rights, however, the rights of others must not be curtailed as profoundly as the current draft does. The impending regulatory nirvana will also have a negative economic impact on our members' digital offer, which are rapidly becoming more and more differentiated"

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