

International
Federation of
Reproduction
Rights
Organisations

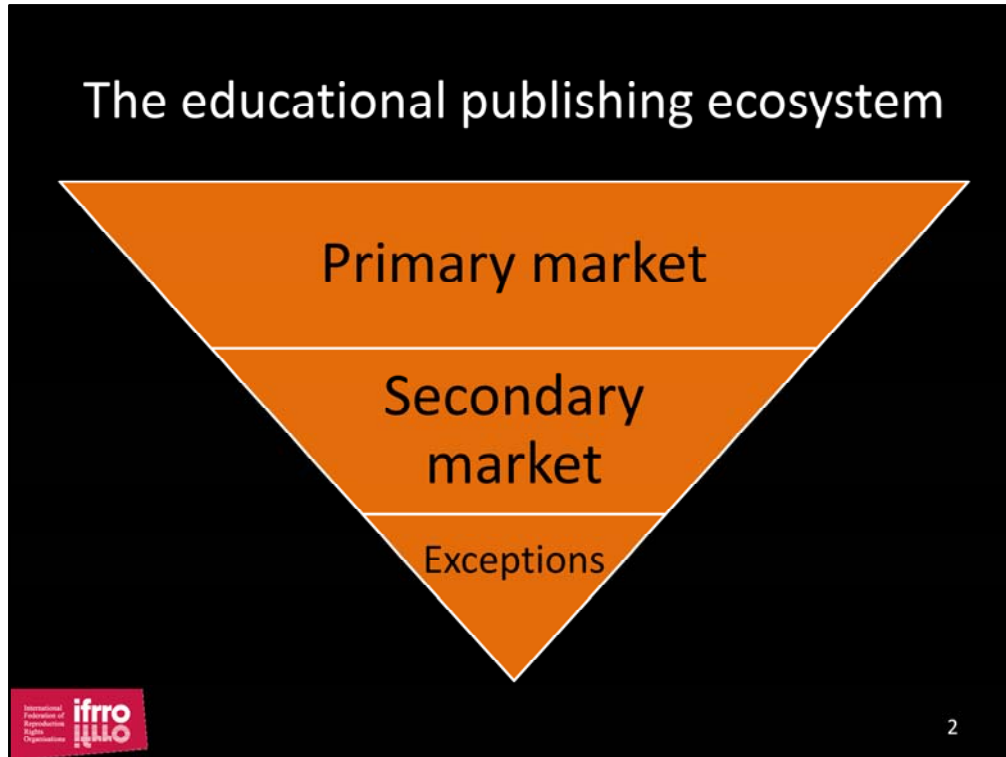
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Access for education

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Textbooks and other learning materials are developed within an educational publishing ecosystem. This ecosystem has three main components: Primary markets, secondary markets and copyright exceptions.

Each of these components is important – but they are not equally important.

The **primary market** contributes most to the educational publishing ecosystem.

The primary market consists of authors and their publishers operating in a competitive, commercial environment.

Their business model produces educational materials which are **responsive to user needs** (for both teachers and students), is **self-sustaining** and **needs little, if any, government intervention**.

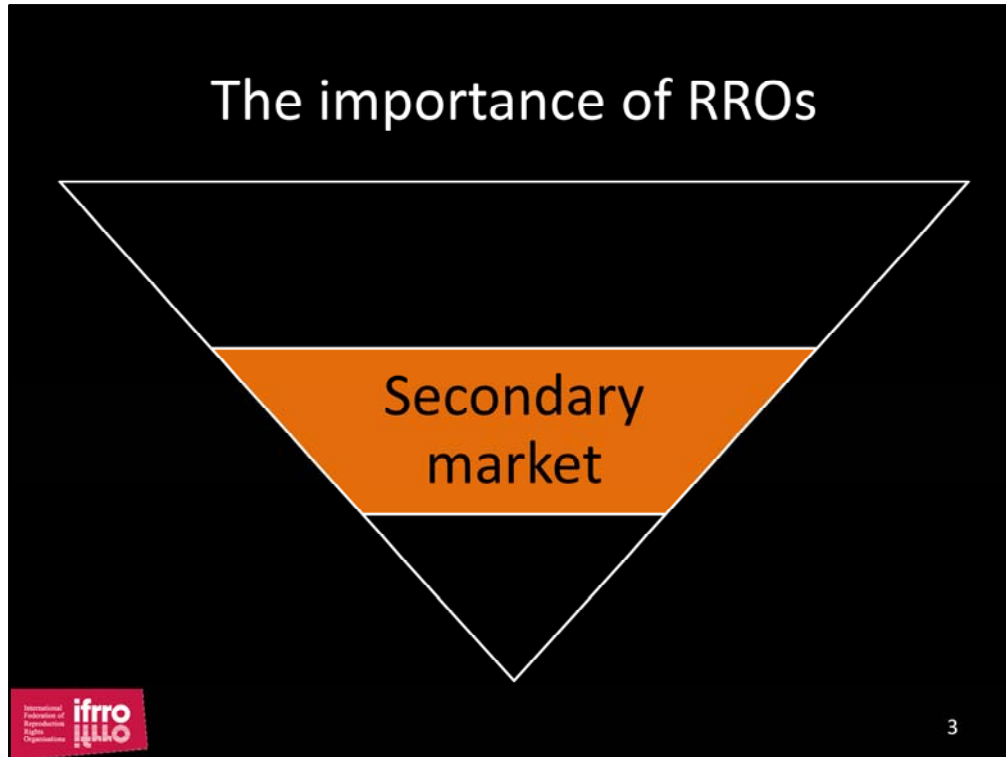
The **secondary market** is what my colleagues from IFRRO and I do.

The secondary market is best able **to respond to local conditions** – user needs, copying practices, **domestic laws** - as well as deal with **technological changes** (opportunities as well as threats) - while at the same time delivering benefits to all stakeholders in the education value chain. The **secondary market complements the primary market**, but it is never meant to supplant it.

The final tier of the ecosystem is **exceptions**.

Sometimes there is a crossover between exceptions and the secondary market, especially in cases where the **exceptions are remunerated**.

We all agree **exceptions are important**, but **unremunerated** exceptions should be limited to the instances where primary and secondary markets **cannot fulfil a market need efficiently and effectively**.



This presentation will focus on the **secondary market**, and more precisely, on the important role of **Reproduction Rights Organisations** – or RROs.

RROs provide **easy access to educational content** in the ways that teachers want.

Secondary copying markets are **large** reflecting the importance for teachers of access to the supplementary content they want to supplement textbook material. RROs provide the mechanism for this flexibility in a way that is **sustainable** and **complements** the efficient operation of **primary markets**.

RROs **enhance** the primary market – through the development of new business models and monetisation structures.

RROs are able to **operate in almost any territory** and have the ability to **adapt to local conditions**, education systems, economic circumstances and cultures.

RROs **increase** the opportunities for local authors to create good works and for **local publishers to invest** in.

RROs enable a nation to **educate its population** in a sustainable way – and in a way that is **founded in local culture and traditions** as well as providing access to the world's newest and best material.

The ability to copy gives teachers the **flexibility** they want to **customise material** for the different needs of the students they teach and in their own ways, integrating material from textbooks, newspapers, journals and magazines together with their own material or that of their colleagues. RROs help this happen seamlessly for teachers.

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RROs operate throughout the world and are connected via IFRRO - the International Federation of Reproduction Rights Organisations.

RROs **represent the creators and publishers** who own copyright works. Our services – to education, business, government and the general community have **four important features**:

1) Simplicity - RROs give **easy access to copyright material**. Users are able to obtain copyright permissions **from one source**, the RRO, for copying and digital use.

2) Flexibility - RROs provide users the means to go beyond exceptions

3) Equity - RROs **secure a healthy publishing market**. The creative industries are supported by encouraging and protecting the creation of new works through **fair payment** for authors and incentives for publishers to invest in **new products** and services.

4) Sustainability - Intellectual property rights help a country sustain and protect its national traditions and broader culture, as well as its scientific knowledge. It is usually the **local** market that provides the **opportunity for creators and publishers to earn a living**. Securing a healthy market is a prerequisite for a **sustainable and diverse national culture**.

[Note: Slide takes 50 seconds to build. To avoid overcrowding, we have only put one pin for each country – even where they have multiple IFRRO members]



Wide scale photocopying **disrupted the educational publishing market** in the 1970s, and in response, RROs evolved.

RROs are **uniquely placed to manage rights collectively** in cases where it would be impractical, or inefficient to do so individually.

They derive their **authority from mandates granted by creators and publishers** (and from **national legislation**), in order to license copying and so give access to the world's scientific and cultural works.

This copying is almost always within certain limits and based on certain conditions, with **fair remuneration** being fundamental.

The collective management system that RROs offer provides advantages to **users**. When many sources are to be copied (as is often the case in education), it would be impractical to ask for permission directly from all the rightsholders concerned.

A professor has better things to do than chase copyright clearances when wanting to compile a course pack. Similarly, the efficiencies that collective management bring frees up the time of rightsholders, and allows them to concentrate on their core educational, creative and commercial activities.



With the transition to digital publishing and digital copying, RROs have adapted.

In many markets, RROs now license a broad range of digital and analogue uses. Copying done under licence usually comprises portions of works - chapters or articles and increasingly, as more and more copying is digital, with portions of works being stored on internal networks or virtual learning environments. RROs are also licensing material downloaded from the Internet.

RROs perform many functions on behalf of their members. This includes negotiating and granting licences, then distributing remuneration to the creators and publishers they represent.

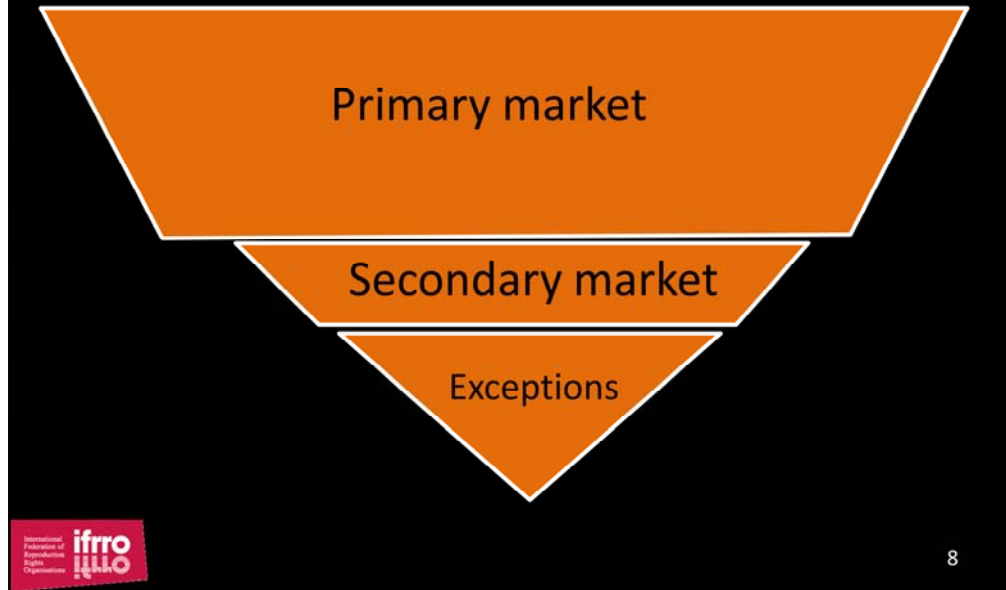


I can speak confidently on the benefits of RROs, because in my time, I have seen dramatic changes in the Australian educational publishing landscape as a student, a teacher and as an academic lecturing in education. There are many reasons for these changes, but key amongst them is the evolution of collective licensing. In 2012 Australia now has a vibrant and vital **local** educational publishing scene, but this was not always the case.

When I went to school, the market consisted almost solely of **foreign textbooks**. I was being taught a curriculum designed for British students, not Australian.

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Imbalanced systems



The system was not in balance and was not delivering to the needs of teachers and students – it was on the verge of collapse.



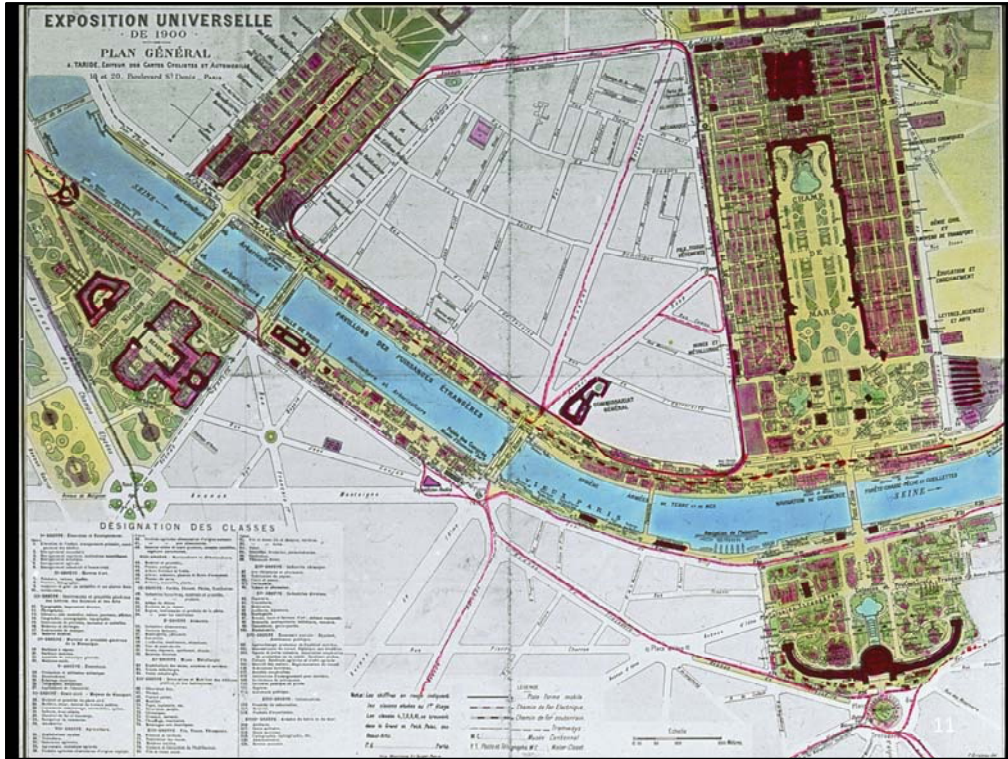
History was about British Monarchs ...

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... with little about the early settlers of Australia. I learnt nothing of our indigenous people and their history. There were few schoolbooks on the subject

#CC image



I was more likely to learn about the Seine than the great rivers of Australia or

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... the parched Australian outback.

File #: 1405167



I could find pictures of a hedgehog wandering through the green English countryside...

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...but none of our local echidna, one of the only two egg laying mammals in the world – the other being the equally invisible Australian platypus.

File #: 14648045, File #: 6158403



...and in my first year studying philosophy I found it hard to believe the example of a *universal generalisation* that “*all swans are white*”, because in Australia, that’s simply not the case.

File #: 13104730



But in 2012 Australia has a thriving **Australian** educational publishing industry, responsive to local curriculum requirements and changing needs that's expert, driven by competition both locally and internationally.

We have a significant export market for Australian books - somewhat paradoxically with key success in the production of textbooks for teaching English as a second language.

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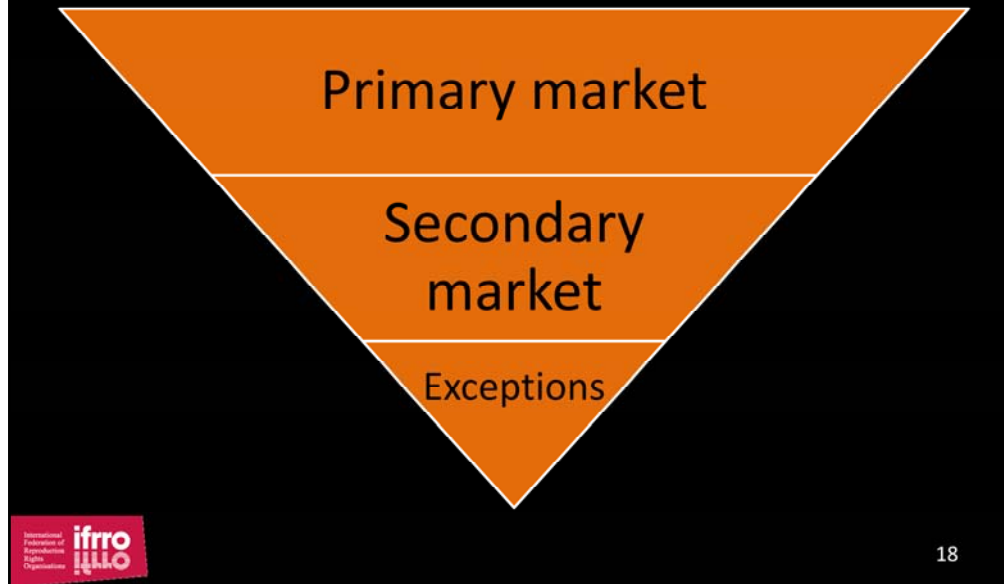


In Australia, payments for the use of content in educational institutions is generated from licences managed by the Copyright Agency. These payments are critical to local educational publishers and authors – encouraging them to reinvest in the development of new and innovative works.

Whilst we may argue over what constitutes ‘fair payment’– this system has been operating efficiently and effectively for more than 25 years.

Today in Australia, for around a quarter of the price of one basic textbook a year, teachers can copy, scan or download whatever content they need– whether it be print or digital - without any hassle or administrative burden. They use a blend of local and international content, tailored to the needs of their students, as and when they want it.

The educational publishing ecosystem



And this seems to be not only working well for teachers but for also for students as measured by comparative assessment scores.

The PISA 2009 assessment of student digital reading literacy, for example, rated Australian students ahead of all 19 countries, except for Korea.

Twice as many Australian students were rated **highly skilled digital readers** compared with the OECD average.

The real economy?




Not only does the system in Australia lead to better learning outcomes, but it also leads to a better economy.

In recent times the Australian economy has come to be known for its strong mining sector, but you may be surprised to learn that the copyright industries hold their own in economic terms.

File #: 15908336

	Copyright Industries	Mining
GDP contribution	7.0%	7.0%
Employment	906,000	320,000




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In Australia, the copyright industries and mining industries both contribute around 7% of total GDP.

However, the copyright industries employ far more people – just over 900,000 – compared with 320,000 employed in mining.

Country	GDP Contribution
Australia	6.6%
Canada	5.4%
China	6.4%
Finland	4.8%
Hungary	7.4%
Korea	8.7%
Malaysia	5.7%
Mexico	4.8%
Netherlands	5.9%
Russia	6.1%
Singapore	6.2%
South Africa	4.1%
USA	11.1%



The copyright industries play a similarly vital role in the economies of many countries. Using the WIPO developed methodology, we can see here the contribution that the copyright industries make to various nations – some of them you might find surprising.

Argentina Australia Austria Barbados Belgium
Belize Brazil Burkina Faso Cameroon Canada
Chile China Colombia Croatia Czech Republic
Denmark Faroe Islands Finland France
Germany Ghana Greece Hong Kong Hungary
Iceland India Indonesia Ireland Italy Jamaica
Japan Kazakhstan Kenya Korea, South Lithuania
Luxembourg Malawi Mauritius Mexico
Netherlands New Zealand Nigeria Norway
Philippines Poland Portugal Romania Russia
Saint Lucia Singapore Slovakia Slovenia South
Africa Spain Sweden Switzerland Taiwan
Tanzania Trinidad and Tobago Turkey United
Kingdom Uruguay USA Vietnam Zambia
Zimbabwe

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There are more than 80 RROs like Copyright Agency (operating in almost as many countries), all around the world. They are working in both developed and developing countries, under a variety of models, each responding to local conditions.

IFRRO, through its members, supports creators and publishers alike and provides internationally a common platform for them to foster the establishment of appropriate legal frameworks for the protection and use of their works.

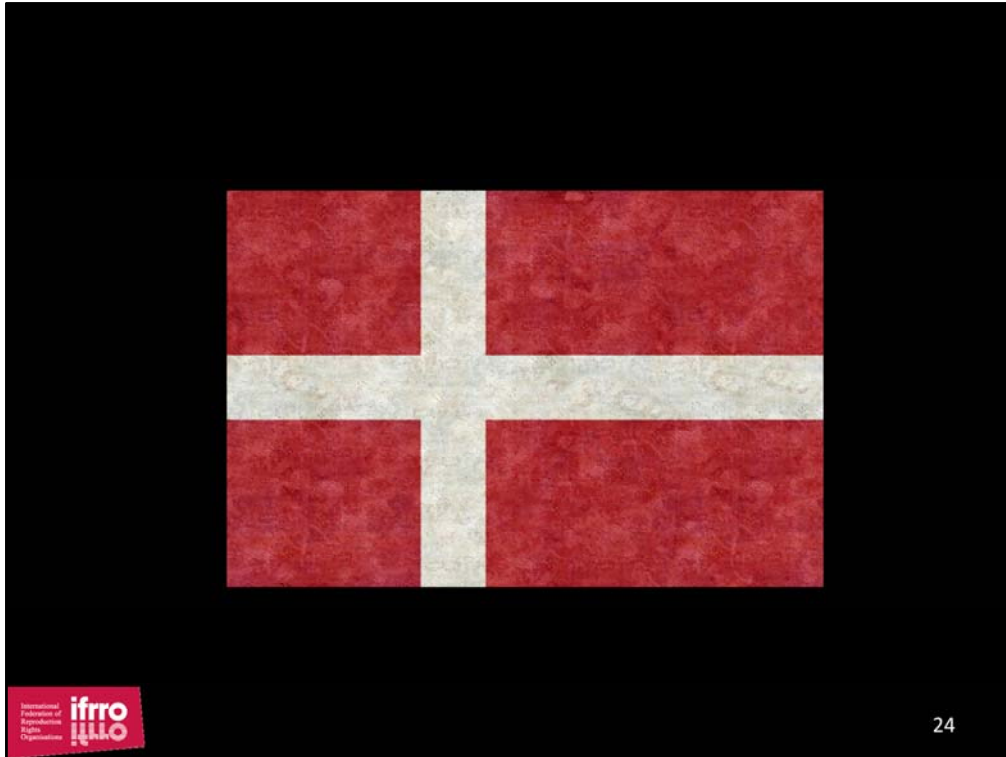


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Let me give you some examples. In the United Kingdom their RRO, CLA, provides annual blanket licences for state and privately funded Schools, Further Education Colleges and (Higher Education) Universities - across England, Scotland, Wales and Northern Ireland.

A recent PWC report into the economic impact of CLA payments found that authors and publishers rely heavily on income from secondary licensing, and removing this income would disincentivise the continued commissioning and creation of works for this market. The income from secondary licensing for publishers is approximately equivalent to their budget for investment in new works. Loss of that income would have a direct impact on investment, especially in digital developments.

File #: 18832925



In Denmark, their RRO, “Copydan Writing”, was created in 1980 and started licensing the use of copyrighted material for educational activities in schools. Since then, Copydan Writing has entered into framework agreements with all sectors of the Danish educational system. Agreement tariffs are based on surveys of consumption and reproduction of copyright material in the sector in question.

Copydan Writing covers 100 % of Danish public educational institutions and has signed licenses with approximately 3,500. The Danish experience is that educational institutions are highly appreciative of the legal certainty that comes with signing an agreement with Copydan Writing, thus allowing them easy use of a worldwide repertoire within the limits of the license agreement.

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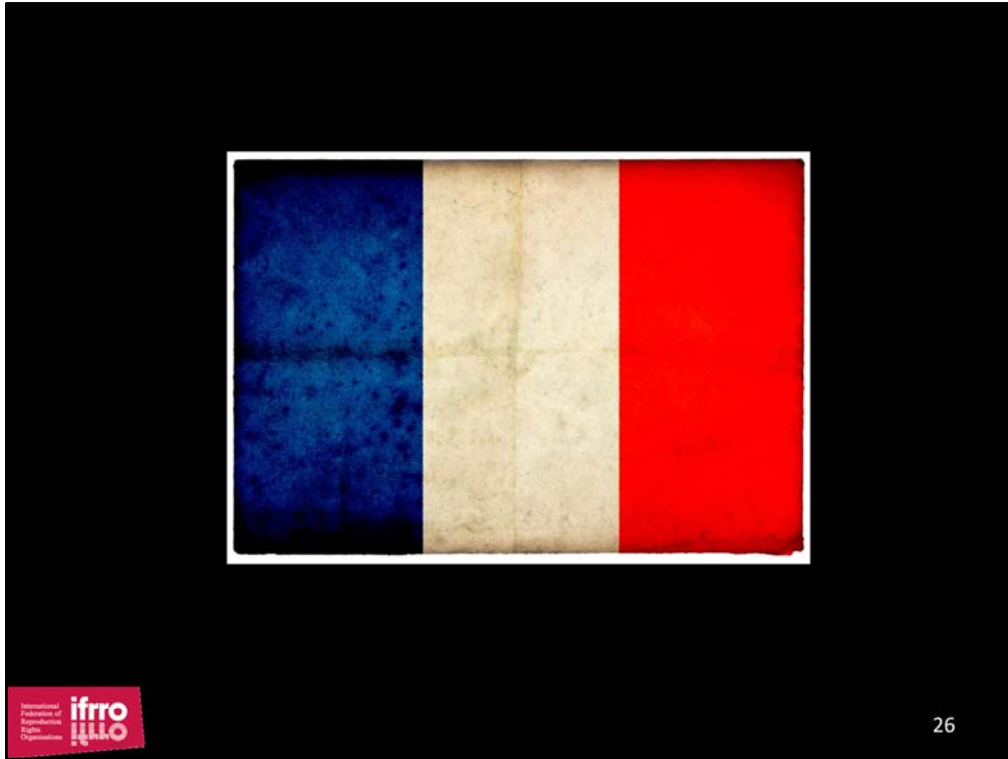


ICLA, the RRO in the Republic of Ireland, provides annual and multi-annual blanket licences for state and private educational institutions (ie, schools, colleges and universities).

The Irish educational publishing sector is currently worth about €60m, or 75% of the indigenous publishing sector. The educational publishing sector is the driving force of any local publishing market and is particularly important in countries bordered by a large trading partner with the same language.

ICLA returns a further €1m to that sector which underpins the potential for investment in new work and would have a direct impact on investing in new digital products. Broad copyright exceptions for education would undermine the indigenous publishing industry which would further have a direct impact on the quality of educational output, and in turn, national economic development.

File #: 18915749



The French RRO, CFC, grants licences to all levels of education, public and private, enabling more than 14 million pupils and students to access protected works.

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Collective management is not just a concept appropriate for European nations with developed economies. COSOMA, the RRO of Malawi, prove that even a small developing African nation can make strides in establishing a strong secondary market.

COSOMA has signed agreements with the countries' two main public Universities, along with two private universities and two public colleges. They also license over 50 copy shops. They are currently in discussions with the Ministry of Education for a broader licence with schools. These discussions are at an advanced stage, though not yet concluded.

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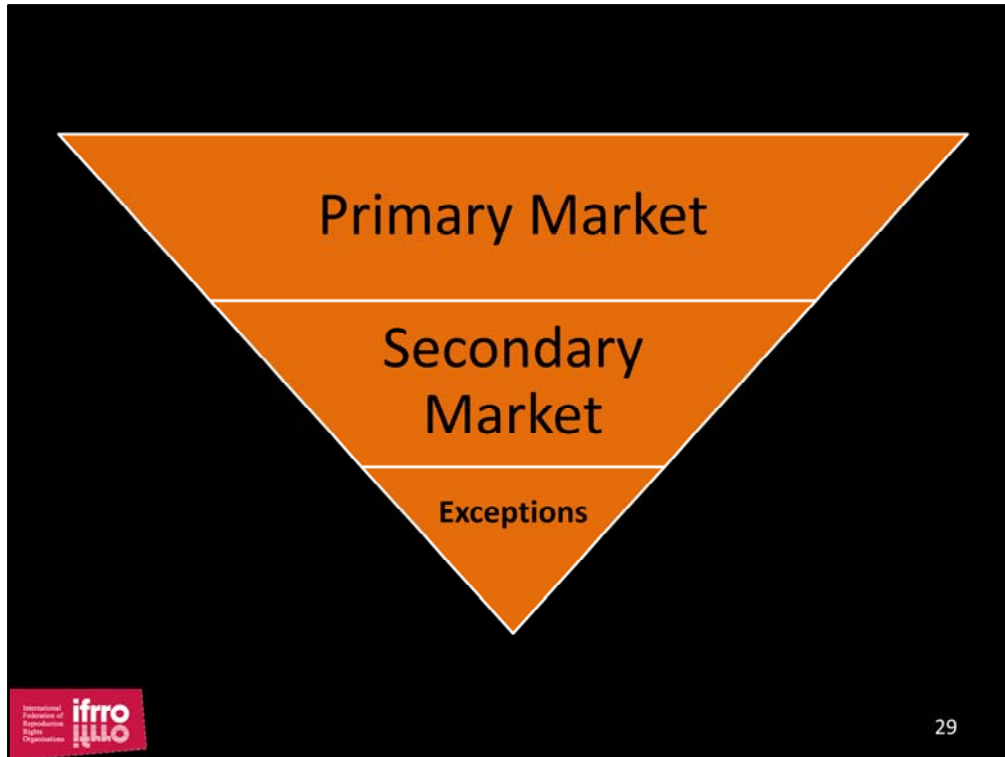
Jamaica is an example of the complex interplay that can exist within the markets comprising the educational publishing ecosystem.

Rather than implement broad educational exceptions, Jamaica has opted for a licensing system where the tariff is currently set at zero. As they are elsewhere and usually for Visually Impaired People.

This can be seen as an intermediate step – one from which a commercial secondary market can eventually grow, if the conditions are right.

Surely this is a more flexible, sensitive approach than mandated exceptions, which don't encourage local creators and the development of local content. It is an example which we would encourage the WIPO community to look at as a serious alternative to **unremunerated exceptions.**

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Those are just a few examples where RROs have built sustainable secondary markets, and are making a valuable contribution to the educational publishing ecosystems of their respective nations. Representatives from the Mexican and South African RROs, CeMPro and DALRO, are also present here on the panel and ready to answer any question that you may have on the licensing of education in their countries.

Remuneration for copying from RROs can provide a sustainable business model – not just subsidisation. Exceptions have a place, but overuse is short term thinking – leading to a cycle of dependence.

We should always rely on primary and secondary markets to form the basis of creating a nation's educational materials. **Only** these markets can build competencies, develop local skills, and give a voice to local cultural expression. Let's keep the balance right.