



**FEDERATION  
OF  
EUROPEAN  
PUBLISHERS**

**REPORT  
OF  
ACTIVITIES**

**MAY 2014  
-  
MAY 2015**



# TABLE OF CONTENTS

2 3	14 19	31 33
<b>FOREWORD BY</b> PIERRE DUTILLEUL, FEP PRESIDENT	<b>DG GROWTH (INTERNAL MARKET, INDUSTRY, ENTREPRENEURSHIP AND SMES)</b>	<b>DG JUSTICE AND CONSUMERS</b>
		REVIEW OF THE CONSUMER ACQUIS
		DATA PROTECTION
4 6	EFFECTIVE ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS	34 35
<b>FEP</b>	EUROPEAN OBSERVATORY ON INFRINGEMENTS OF INTELLECTUAL PROPERTY RIGHTS	<b>DG RESEARCH AND INNOVATION</b>
FEP MEETS	TOY SAFETY	
FEP IN BRUSSELS AND IN EUROPE	INTEROPERABILITY	
FEP ADVOCACY		36 39
FEP NETWORKS		<b>DG TAXATION AND CUSTOMS UNION</b>
FEP STATISTICS		REDUCED RATES OF VAT
		NEW RULES ON THE PLACE OF SUPPLY FOR ELECTRONIC SERVICES FOR VAT PURPOSES
7 13	20 22	
<b>DG EDUCATION AND CULTURE</b>	<b>DG ENVIRONMENT</b>	
EUROPEAN UNION PRIZE FOR LITERATURE	ECO-LABEL	
EUROPEAN CULTURAL PLATFORMS / CREATIVE EUROPE PROGRAMME	OBLIGATIONS OF OPERATORS WHO PLACE TIMBER AND TIMBER PRODUCTS ON THE MARKET/ILLEGAL LOGGING	40 43
MULTILINGUALISM		<b>DG TRADE</b>
INITIATIVES IN THE FIELD OF EDUCATION		TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP (TTIP)
	23 30	OTHER FREE TRADE AGREEMENTS AND TRADE IPR DIALOGUES
	<b>DG COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY</b>	
	REVIEW OF COPYRIGHT RULES	
	EUROPEAN DIGITAL LIBRARY - EUROPEANA	44 49
	ARROW - ARROW +	<b>BOOK'S FACES</b>
	TISP (TECHNOLOGY AND INNOVATION FOR SMART PUBLISHING)	50 54
	NEM (NEW EUROPEAN MEDIA)	<b>FACTS AND FIGURES</b>
	EUROPEANA FOOD & DRINK	55
	NET NEUTRALITY	<b>ACRONYMS</b>

**“The entire book chain must work together to defend its values: values of freedom of expression, of independence, of choice.”**

# FOREWORD BY PIERRE DUTILLEUL, FEP PRESIDENT



## DEAR FRIENDS, DEAR COLLEAGUES, DEAR ALL,

Since my election in Vilnius, FEP has been more active than ever.

In May, a new Parliament was elected with many newcomers whom we needed to meet and acquaint with the issues relevant to the publishing sector. And then, only a few months later, a new Commission was appointed.

A review of the copyright framework was brought forward as a priority for both institutions; in the words of Commission President Jean-Claude Juncker *"My first priority will be to put policies that create growth and jobs at the centre of the policy agenda of the next Commission. As a key ingredient for this, we must create a digital single market for consumers and businesses - making use of the great opportunities of digital technologies which know no borders. To do so, we will need to have the courage to break down national silos in copyright"*.

The challenge for FEP, its member associations, and clearly for publishers across Europe, is that whatever is proposed by the Commission must address the challenges of the transition to digital publishing. If the European Union wants to continue to boast seven of the ten largest publishers in the world, it is crucial that its lawmakers provide us with a realistic and sustainable environment.

Some think that fixing copyright will create jobs and growth in Europe. However, this entirely depends on how the fixing is carried out. If exceptions to a work's rights are enabled, watering down the protection for accessing publications in which our authors have invested their creativity, we can already inform those who might be seduced by such a reform that this will endanger the entire book ecosystem: from the authors to the readers. And who would this profit? Not the readers if authors can no longer hope to make a living out of their works, or if booksellers are competing against free access.

Weakening copyright would not benefit society, unlike what many of the proponents of such a change would argue. How could society benefit from preventing creators and those who invest in their creation directly, the publishers, and, indirectly, the booksellers, to make a proper living out of their works?

The entire book chain must work together to defend its values: values of freedom of expression, of independence, of choice.

Today, more easily than ever before, an author has the choice to decide with whom and how to publish their work. When they decide to collaborate with a publisher, this choice must be respected.

FEP and our colleagues' organisations must continue working to explain the essential role copyright plays in the creative chain and how it guarantees freedom of expression.

We cannot afford to give up this fight.

Today the European Union could be working on a number of issues which affect our sector.

We would love to see the Commission working on taxation and reversing the decision of the European Court of Justice on e-books and VAT. We heard Commissioner Pierre Moscovici at the recent Paris Book Fair announcing such a reform in the years to come. But can we wait a few years? I personally hope that we can still convince the Commission that, despite being classified as a service, such as broadcasting, an e-book must benefit from reduced rates of VAT.

I could further speak of interoperability, where we are still waiting for the institutions to initiate a discussion which could lead to legislation, enabling readers to buy their content anywhere, anytime, including at independent booksellers.

Increasingly, it is essential that FEP and publishers are present and participating in the Brussels' debate. At the same time, it is important that we shake the image which some still hold of our sector and show how innovative we are. It is crucial that it is realised that for Europe to remain a continent that counts, a strong cultural sector is at the core - and that definitely includes books.

I conclude with the hope that we will meet and discuss these topics and how books, whether printed or digital, will continue to play an active role in our democratic societies.

*Pierre Dutilleul*

# F E P

## F E P M E E T S

Between June 2014 and April 2015, we held four meetings with FEP members. We had the June General Assembly in Vilnius, Lithuania, at the invitation of the Lithuanian Publishers Association.

Our September meeting took place in Cracow, Poland, following the invitation of the Polish Publishers Association. Our November meeting was held in Strasbourg, the day after the dialogues' dinner, and our Winter Meeting in Brussels, Belgium, in February 2015.

Our Frankfurt Book Fair Rendez-Vous was a great success as always, this year with speaker Jens Nymand-Christensen, Deputy Director General in DG Culture and Education.



## F E P I N B R U S S E L S A N D I N E U R O P E

Making sure publishers have the opportunity to meet politicians and officials is a prerequisite for better explaining the importance of their role. Regular meetings are organised with Members of the European Parliament, and of course their assistants, who follow our topics, and with the Commission both at the level of services and cabinets. FEP also has meetings with national Permanent Representations based in Brussels, in particular during their six months holding the Presidency of the Council of the European Union.

With the new Commission presided by Jean-Claude Juncker, FEP has started to meet with Commissioners and their cabinets. In January 2015, a large delegation of publishers met with Commissioner Günther Oettinger, who, along with Vice President Andrus Ansip, is in charge of the digital single market. In November and April, publishers met with the Commissioner in charge of Culture, Tibor Navracscics. More meetings such as this are to come later this year.

In the Parliament, we regularly meet MEPs and their assistants, providing them with information about developments in our sector. Additionally, we organised the fourth author-publisher dialogues in Strasbourg. This was an excellent opportunity for the national publishers' associations to meet with their MEPs.

Importantly, we met with the Permanent Representation of the Member States holding the Presidencies of the Council of the EU, which were Greece, Italy, and Latvia for the respective period, and with many of the others to brief them on our priorities.

FEP cannot do this alone; it needs publishers and our colleagues from the national publishers' associations. We are very grateful to those who are visiting MEPs and officials in the institutions and presenting the challenges and opportunities of our sector.

## F E P A D V O C A C Y



### FOURTH AUTHOR-PUBLISHER'S DIALOGUES

Beginning in 2011, this year saw the fourth edition of this unique event. An author and his publisher share with the audience stories about their collaboration, how they work

# FEP

together, what they bring to each other, and why they care so much about this partnership.

Today, we hear too often that authors can free themselves from their publishers. Some might but others prefer to continue this exchange and this has to be respected.

The fourth edition took place on 26th November 2014 and featured Jérôme Ferrari and his publisher from Actes Sud (France), Marie- Catherine Vacher, Durs Grünbein and his publisher from Surhkamp (Germany), Thomas Sparr and Jonathan Coe and his publisher from Random House (United Kingdom), Joanna Prior, at the European Parliament in Strasbourg. The event, hosted by Mary Honeyball MEP, Sabine Verheyen MEP and Jean-Marie Cavada MEP, was very well attended.

The fifth edition will take place in Strasbourg on 25th November 2015.

## FEP BOOK'S FACE

Publishing is diverse. It requires many talents. It innovates. It has many faces. FEP has been striving to make these roles better known to our contacts in Europe through periodically publishing portraits of some of the many talents working in our sector.

## FEP TWEETS

FEP is now tweeting @FedEuPublishers, follow us to keep up to date with EU relevant information and the book sector developments we share.

## GET CAUGHT READING

The 2013 edition of the "Get Caught Reading" campaign, aimed to promote books and reading, was a great success after running an equally successful edition in 2005.

The campaign has two main purposes: to promote and celebrate reading by European citizens, and to increase the importance of books and reading on the political agenda. Through this campaign, we want to remind people that reading is both a real joy and a gateway to a world of opportunities.

The campaign features black and white photographs of European personalities reading their favourite book, who were invited to send a picture of themselves, along with a short text, explaining why they had chosen their book and/or why reading was so important to them.

FEP will have a new edition in 2015/2016, inviting new Members of the European Parliament, the European Commission, Ministers and citizens to share their joy of reading with us.

The website for the campaign is: [www.getcaughtreading.eu](http://www.getcaughtreading.eu). You can also follow the campaign on Facebook and on Twitter (@GetCaughtEU). And more than anything, you can send us your picture and your text so that we can celebrate our common love for books and reading.

## FEP NETWORKS

With the book ecosystem, our allies the authors and the booksellers, we can demonstrate how our sector is innovating and proposing quality publications to readers all over Europe. FEP is in close contacts with the European and International Booksellers Federation (EIBF) and the European Writers Council (EWC) so that we can issue joint positions on the many topics we have common interests with.

With the other publishers' associations based in Brussels, our colleagues from the International Association of Scientific, Technical and Medical Publishers (STM), the European Magazines Media Association (EMMA), the European Newspapers Publishers Association (ENPA) and the European Publishers Council (EPC), it is crucial that we coordinate our work and advocate together on a vast range of subjects ranging from copyright to VAT.

It is similarly important to work with networks sharing the same objectives: the Creative and Media Business Alliance (CMBA) and Creativity Works!, but also other organisations and companies representing creators and rights holders.

With the International Federation of Reproduction Rights Organisation (IFRRO), of which FEP is a member, together, we can demonstrate that practical (contractual) solutions have been developed to provide seamless access for our users.

FEP sits on the board of the Cultural and Creative Industries Platform, being active alongside a whole spectrum of cultural actors.

FEP STATISTICS

**FEP continued its regular collection of data on the book sector in Europe, through a reviewed and improved version of its questionnaire.**

**FEP continued its effort of revision, integration and harmonisation of statistics on the book sector.**

**FEP produced a new yearly set of figures on book publishing.**

**FEP prepared regular reports on the results of its surveys in the field of statistics.**

**FEP cooperated with IPA by providing data and advice for their Global Publishing Statistics publication.**

**FEP provided figures about the book market upon request to the European Institutions, researchers, and other interested parties.**

**FEP contributed to a study by Ernst & Young on the value of cultural and creative industries in Europe and participated in its launch events on 2<sup>nd</sup> December 2014.**

BACKGROUND

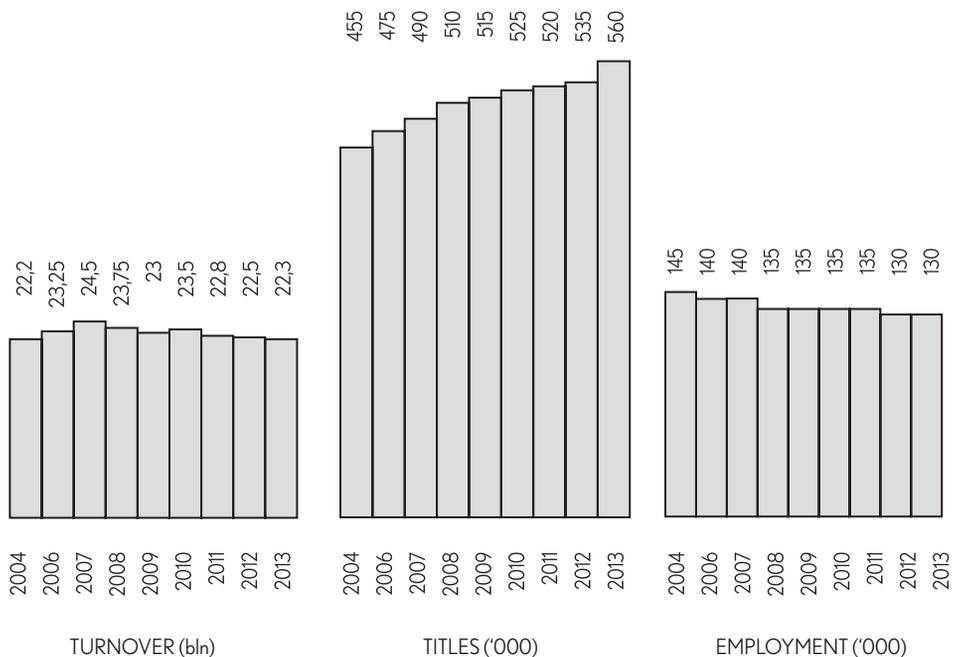
The FEP has been gathering the best available information for a number of identified core data in order to produce a series of tables for the period 2004-2013. Through processes of correction and integration, our FEP statistics, although some difficulties remain, are now quite complete, clear, accurate, and reflect our needs well.

There is agreement on the need to continue improving the collection of statistics on the book industry in order to support publishers' lobbying activities in Brussels. Such a need is based on the importance of providing FEP's counterparts in the European Institutions with a reliable picture of the value of the book publishing industry, such as in terms of income generation, employment, and the contribution to cultural diversity. It is also important for us to be able to build a series of fairly consistent data over a given period that allows us to assess, at least broadly, the impact of different variables (policy, economic conditions, etc.). The digital migration has further highlighted the

importance of reliable figures to allow us to understand how several factors impact on market dynamics.

According to the latest information collected, in 2013 European publishers (EU Member States plus Norway, Iceland and Serbia) generated a turnover of some €22.3 billion (down from €22.5 in 2012), thus continuing a decreasing trend after the mild recovery of 2010. They published some 560,000 new titles (up from 535,000) and directly employed around 130,000 people full time (more or less like the year before - this is however an area where it is difficult to gather reliable data. It is worth mentioning that EUROSTAT estimates the amount of people employed in book and journal publishing at around 300,000, and a study by EY published in December 2014 estimated that the book value chain employed some 650,000 people directly). Around 14.5 million titles were commercially available, the large increase in recent years being explained mainly by the fast growth of digital catalogues. The digital share of sales was estimated at some 4-5% of the total.

EUROPEAN BOOK PUBLISHING STATISTICS, CORE DATA 2004-2013





# DG EDUCATION CULTURE

The Directorate General for Education and Culture (DG EAC) is the executive branch of the European Union responsible for policy on education, culture, youth, languages, and sport. DG EAC also supports these issues through a variety of projects and programmes.

The cultural and creative industries play an essential role in Europe's competitiveness, as shown by the European Commission commissioned study on the economy of culture. Even if culture is a subsidiary competence of the European Union, its regulatory environment is set in Brussels in relation to copyright, competition, the single market and VAT.

It is led by Commissioner Tibor Navracsics, who was appointed in November 2014. His predecessor was Androulla Vassiliou.

The Director General is Xavier Prats Monné, who was appointed in July 2014.

FEP has met with the Commissioner in the framework of the European Union Prize for Literature (EUPL). FEP also met with Director General Prats Monné in January 2015.

## EUROPEAN UNION PRIZE FOR LITERATURE

### FEP'S INTERVENTIONS

In 2014, the Consortium bid for the call for proposals to organise the EUPL 2014-2018. In July 2014, the Consortium was selected: the European and International Booksellers Federation (EIBF), the European Writers' Council (EWC) and the Federation of European Publishers (FEP). The three associations are jointly responsible for the setting up of the national juries and the practical organisation of the awards ceremony. FEP is the project leader.

The selected countries for 2014 were Albania, Bulgaria, the Czech Republic, Greece, Iceland, Latvia, Liechtenstein, Malta, Montenegro, Serbia, the Netherlands, Turkey and the United Kingdom.

The winning authors were announced in October 2014 by Michel Magnier, Director of Culture and Creativity at the Directorate-General for Education and Culture during a press conference at the Frankfurt Book Fair. FEP and the rest of the Consortium cooperated to organise other promotional events for the Prize at the Frankfurt Book Fair.

During a high-profile ceremony on 18<sup>th</sup> November 2014, in the presence of public figures from the field of culture, literature and politics as well as a broad European audience. Commissioner Tibor Navracsics, Silvia Costa MEP (S&D, Italy), Chairwoman of the European Parliament Culture and Education Committee, and Undersecretary of State for European Affairs Sandro Gozi for the Italian Presidency of the European Union, handed out an award to each of the emerging talents.

Additionally, national events were organised in bookshops in each participating countries.

The selected countries for 2015 are Austria, Croatia, France, Hungary, Ireland, Italy, Lithuania, Norway, Poland, Portugal, Slovakia and Sweden.

The 2015 winners were announced at the London Book Fair on 14<sup>th</sup> April 2015.

The 12 authors selected for 2015 will receive their award on 23<sup>rd</sup> June 2015.

### BACKGROUND

The aim of the award is to put the spotlight on the diverse creative wealth of Europe's contemporary literature, promote the circulation of literature within Europe, and foster a greater interest in foreign literary works. Each year, in a three-year cycle, the juries representing a selection of the 37 countries participating in the EU Creative Europe Programme select one emerging fiction writer from their own country. The first edition of the Prize was awarded on 28<sup>th</sup> September 2009; the second edition of the ceremony took place on 18<sup>th</sup> November 2010, and the third on 28<sup>th</sup> November 2011. The new three year cycles started in 2012 and the ceremony was held on 22<sup>nd</sup> November 2012. In 2013, winners were awarded on 26<sup>th</sup> November and in 2014, on 18<sup>th</sup> November.

[www.euprizeliterature.eu](http://www.euprizeliterature.eu)

### EUROPEAN CULTURAL PLATFORMS/CREATIVE EUROPE PROGRAMME

#### FEP'S INTERVENTIONS

**FEP communicated the importance of encouraging the creation of innovative content and respecting intellectual property rights. We advocated for platforms to adequately voice the concerns of cultural industries, both concerning regulatory measures taken at European and national levels and for developing structural policies to support cultural industries.**

**Within the framework of the platform on Creative and Cultural Industries and in its position as board member, FEP met on regular occasions in 2014 and 2015 with DG Education and Culture, and most particularly with the Unit Cultural Policy and Intercultural Dialogue. During these meetings, the work programme of the DG was discussed as well as the new priorities.**

**FEP also takes part in the Access to Culture Platform, which was re-launched as the Arts, Rights and Justice Platform at the end of 2014. A meeting took place in January 2015 where the new objectives and action plan of the Platform were discussed.**

#### BACKGROUND

FEP has been taking part in the two cultural platforms and actively contributed to the Working Group on artists' rights within the Access to Culture Platform. The FEP is also a member of the board of the Cultural and Creative Industries Platform. The exercise allows us to coordinate with other cultural organisations.

Though these platforms are not operating anymore under the European Agenda for Culture, they both continue their work and meet and talk on a regular basis.

FEP worked with the platform on Cultural and Creative Industries in order to issue a common position on the "Creative Europe" funding programme for culture.

The total budget of €1.46 billion, on which the Member States and the European Parliament finally agreed upon at the end of 2013, represents a 9% increase compared to the previous programme. The budget is divided as follows: 30% for culture, 55% for media, and 15% for trans-sectoral activities, including the new financial guarantee facility (€121 million) which will be implemented from 2016 onwards.

The final regulation was adopted by the Parliament in Plenary on 19<sup>th</sup> November 2013, by 650 votes to 32 with 10 abstentions.

Projects and activities that may be supported under the Creative Europe Programme:

- Cross border cooperation projects between cultural and creative organisations within the EU and beyond.
- Networks helping the cultural and creative sectors to operate trans-nationally and to strengthen their competitiveness and build their competence and capacity.
- Literary translation and promotion of translated books across EU markets.
- Platforms of cultural operators promoting emerging artists and stimulating European programming of cultural and artistic works.

The programme started on 1<sup>st</sup> January 2014.

## MULTILINGUALISM

### FEP'S INTERVENTIONS

**FEP upheld the message that books are the fundamental vehicle of European culture, knowledge and languages.**

**FEP highlighted regularly (including at public hearings and Commission meetings) the importance of translations for the circulation of books at the intra-community and international levels, in particular those from small linguistic areas, as well as the promotion of books abroad and of the linguistic training for book professionals.**

**The Multilingualism Platform was re-launched in June 2012 and continues to promote multilingualism and policy developments that align with the new challenges and priorities that the European Commission has outlined for the coming years. The FEP participated in all meetings since the re-launch, in 2012, 2013 and 2014.**

**In a statement sent by the Platform to the Commission in reaction to the communication 'Rethinking Education', the FEP insisted on the importance of the translation and circulation of cultural works between different linguistic areas for enhancing cultural diversity and added that these issues must remain at the top of the multilingualism agenda even in times of economic crisis.**

**The new European Commission's programme for Culture, Creative Europe, includes a strand dedicated to grants for translation. In 2013 and in 2014, FEP met with representatives of the DG and of the Executive Agency on various occasions to discuss the guidelines for the grants and promoted them through various channels. FEP also took part in various workshops to better understand the application process.**

**FEP is providing its advice to members and publishers who have questions on the application process.**

### BACKGROUND

Languages are one of the key features of cultural identity. The European Union's motto "Unity in Diversity" is a reflection of the multilingualism which lies at the heart of the EU. The EU has always considered its many languages as an asset, rather than as a burden. While committed to political and economic integration among its Member States, the EU actively promotes the freedom of its citizens to speak and write in their own language. The three strands of the EU's multilingualism policy are: encouraging language learning and promoting linguistic diversity in society; promoting a healthy multilingual economy; and promoting social integration through improved knowledge and acceptance of languages.

The Commission launched a Platform on Multilingualism in order to create a forum for exchange of best practices for civil society stakeholders and to make recommendations on multilingualism. The Platform presented to the European Commission its recommendations on translation and terminology in June 2011. The Platform was relaunched in 2012.

Creative Europe supports initiatives for the translation and promotion of literary works across EU markets, with the aim of increasing access to and readership of high quality European literature. Two calls for proposals were published in 2014. Overall, the initiative should allow the translation of 4,500 books over 2014-2020.

### INITIATIVES IN THE FIELD OF EDUCATION

#### FEP'S INTERVENTIONS

**FEP met several times with officials of DG EAC, DG MARKT and DG CONNECT in order to discuss the Commission's initiatives in the field of education.**

**FEP met with several MEPs and their assistants to address the issue of open educational resources (OER).**

**FEP met and spoke several times with European Schoolnet (EUN), a network of 30 European Ministries of Education set up to share best practices on ICT in schools, including research on ICT in education, in order to discuss possible areas for cooperation.**

**FEP participated in the meetings of the IPA Educational Publishers Forum in Ljubljana (September 2014) and London (January and April 2015) and in its Open Meeting at the Frankfurt Book Fair (October 2014).**

**On 27<sup>th</sup> May 2014, FEP participated in the final conference of iTEC (Innovative Technologies for Engaging Classrooms): a four-year project in which European Schoolnet (EUN) worked with Education Ministries, technology providers and research organisations to transform the way that technology is used in teaching and learning.**

**On 2<sup>nd</sup> and 3<sup>rd</sup> June 2014, FEP participated in the annual Future Classroom Lab partner meeting, organised by European Schoolnet.**

**On 4<sup>th</sup> June 2014, FEP met with the Cabinet of Commissioner Vassiliou to discuss issues affecting educational publishers.**

**On 22<sup>nd</sup> September 2014, FEP attended a public hearing on the future of quality education, organised by ETUCE, the European federation of teachers' trade unions.**

#### BACKGROUND

There have been several cases of governmental interference in the educational publishing market, in particular involving support for Open Educational Resources (OER), often linked to digitisation projects in schools, which concern publishers insofar as they envisage the substitution of good quality, professionally published educational resources.

The European Commission (DG EAC) also became involved in the issue. It first issued a Consultation on 'Opening up Education' in August 2012, focused on stimulating the use of ICT and OER in schools, which raised several areas of potential concern for publishers. Amongst others, these included: requiring Open Access for publically funded educational resources, and making school books available for free in digital at a specified point in time after publication.

In November 2012 the Commission issued a Communication on 'Rethinking Education: investing in skills for better socio-economic outcomes', which illustrated the new strategy. It focussed on "bringing the learning experience closer to the reality of the working environment", with a view in particular to combating youth unemployment by delivering the right skills for employment and increasing the efficiency and inclusiveness of education. One of its stated aims was to scale up the use of ICT and OER in education.

Following analysis of the consultation replies, the Commission issued in April 2012 a roadmap. This placed great emphasis on improving the quality of and access to education by exploiting the potential of digital technologies and content, including OER. However, it said explicitly that IPR issues were outside of the scope of the initiative. The Commission prepared an Impact Assessment for this initiative, which was used as a basis for a Staff Working Document and a Communication on Opening up Education, issued on 25 September 2013. The Communication did not propose any changes in copyright or any direct interference with copyrighted material produced by publishers. The Commission nonetheless found that the rights and obligations of users of educational materials under copyright should be more transparent across borders and it will try to develop technical solutions which provide transparent information on copyright and open licences to users of digital educational resources.

## DG EDUCATION AND CULTURE

**On 9<sup>th</sup> October 2014, FEP attended some sessions of a day-long seminar dedicated to the educational sector in Finland, "Learning comes from Finland", at the Frankfurt Book Fair. It was also an occasion for FEP to meet with several educational publishers and discuss strategies to tackle issues of relevance for the sector.**

**On 16<sup>th</sup> October 2014, FEP co-organised, with IFRRO and STM, a meeting with the Copyright Unit of the Commission to illustrate how the educational publishers market and related licensing systems work.**

**On 10<sup>th</sup> November 2014, FEP met with a group of European educational publishers interested in cooperating to enhance their involvement in Brussels affairs.**

**On 9<sup>th</sup> December 2014, FEP led a delegation of educational publishers for a meeting with the Copyright Unit of the European Commission.**

**On 11<sup>th</sup> December 2014, FEP attended a conference on "Education in the digital age", organised by the Italian Presidency of the EU.**

**On 16<sup>th</sup> December 2014, FEP participated in a Digital Learning Roundtable organised by the European Commission.**

**On 17<sup>th</sup> and 18<sup>th</sup> December 2014, FEP participated in the Incheon International Children's Education Forum and gave a presentation on digitisation in publishing with a focus on the educational sector.**

**On 12<sup>th</sup> January 2015, FEP led a delegation of publishers for a meeting with Xavier Prats Monné, Director-General of DG EAC.**

**On 10<sup>th</sup> March 2015, FEP attended a workshop of the Cloud in Practice Programme series on "Cloud, Big Data and Education: unleashing the potential of ICT-enhanced learning", organised by Digital Europe.**

The document above all emphasised the potential of ICT and OER to improve education. In this framework, the Commission launched a portal linking to OER repositories, to improve the attractiveness and visibility of quality OERs produced in the EU. In addition, they invited Member States to stimulate open access to educational materials produced with public funds. Of most concern to European Publishers is that the Commission encourages the use of OERs by schools and the production, including through public procurement, of high-quality educational materials whose copyrights would belong to public authorities. The Commission also intends to promote standards for interoperability and portability of digital educational content, applications and services. The document highlighted that the complementarities of traditionally published resources and OERs, as well as freedom of choice for teachers and educators, should remain key guiding principles.

The European Parliament drafted an own initiative report on the strategy. FEP participated in a stakeholder hearing with the rapporteur Katarína Neved'álová MEP (S&D, Slovakia) and met her individually. The first draft of the report only mentioned OER in passing, as a tool to increase access opportunities to education and training in reference to low-skilled adults and for intergenerational learning. However, some amendments, which strongly pushed the notion of open resources, were introduced and the report was adopted with these amendments in October 2013. Another own initiative report was adopted in March 2014, on New technologies and OER, by Cătălin Sorin Ivan MEP (S&D, Romania). FEP submitted the publishers' position to several MEPs and together with EPC proposed some amendments. Some of these were adopted in addition to some negative points calling for harmonisation of exceptions and limitations.

The Council of the EU adopted in February 2013 a set of Conclusions on investing in education and training in response to Rethinking Education. The Member States generally welcomed the Commission's initiative, and in particular the role assigned to education as a driver for growth and competitiveness. The Council invited Member States, amongst other actors, to optimise ICT-supported learning and access to high quality OER. A debate was held at the Education and Culture Council of November 2013 on OER and digital learning, where ministers acknowledged that digital distance learning tools offer considerable opportunities (broadening access to education for isolated communities and less favoured students, increasing cost-efficiency and fostering

## DG EDUCATION AND CULTURE

**On 12<sup>th</sup> March 2015, FEP gave an interview to consultants carrying out research on the educational sector on behalf of the European Commission.**

**On 27<sup>th</sup> March and 20<sup>th</sup> March 2015, FEP met with officials from the new unit on DG EAC in charge of innovation in education.**

**On 1<sup>st</sup> April, FEP led a delegation to meet Commissioner Tibor Navracsics.**

innovation in education), but also raise important issues (lack of infrastructure, access to open resources not always free, quality of materials, recognition of competences, implications for teacher education, legal issues concerning copyright). Ministers also stressed that digital learning should not be the only approach to education and considered that due to lack of data on the impact of MOOCs it was still too premature to begin discussing a possible European strategy in this field.

The Council adopted a further set of Conclusions in February 2014; while agreeing on the importance of exploring new forms of digital learning, modernising education and enhancing digital skills, Member States stressed the importance of cooperating with relevant stakeholders and vowed to support education and training institutions in exploiting the potential of new technologies and digital content as a complement to traditional educational approaches. They encouraged partnerships at national and European level between creators of educational content with a view to increasing the supply of quality OER and other digital educational materials in different languages, whilst paying due regard to copyright and licensing issues, stressing the importance of teacher training, and recalling that digital tools are a means and not an end. The Education and Culture Council of May 2014 adopted several Conclusions on education-related topics (teacher training, multilingualism, quality assurance); OER was mentioned in all of them but there was no particular emphasis.

DG EAC has also tasked the Joint Research Centre (JRC, the Commission's in-house research arm) to carry out studies on OER in Europe (the OEREU project). Meanwhile, the European Standardisation Committee (CEN) worked on the eTernity initiative (European Textbooks Reusability Networking and Interoperability), which intended to bring European stakeholders together to develop "a common vision, frameworks and specifications for e-textbooks for educational purposes". FEP participated in the launch of the project and ensured the involvement of several educational publishers in the collection of requisites. The project ended in January 2014 with few visible results.

# DG GROWTH



... della Chiesa di San Francesco, Arezzo; l'opera completa fu dipinta tra il 1452 e il 1466 ed è considerato da molti storici dell'arte come il massimo capolavoro di tutto il Rinascimento.

Tra le opere matematiche di Piero della Francesca, come ho detto, eccelle senza alcun dubbio il più volte citato *De prospectiva pingendi*; la trattazione della prospettiva che ivi si incontra coincide con le regole quali, anche al giorno d'oggi, si vedrebbero nei corsi universitari.

Piero della Francesca, *De prospectiva pingendi*, sul volto e sul cranio umano.

DG GROWTH was created from the merger of the previous DG Internal Market and Financial Services and DG Enterprise and Industry. It is responsible for the Single Market for goods and services, standards, public procurement including e-commerce, postal services, regulated professions, company and corporate governance and industrial policies. It ensures that EU policies in general contribute to improving the competitiveness of businesses in the EU. It promotes entrepreneurship and innovation and supports the European growth and jobs strategy, focusing especially on the needs of small and medium-sized enterprises.

In the context of the shifts within the new Commission, DG GROWTH holds the competency of the enforcement of IPR, including copyright. It is dedicated to the fight against counterfeiting and piracy, charged

with looking at the correct implementation of the Enforcement Directive and its review as well as other broader aspects concerning the fight against counterfeiting and piracy. FEP maintains regular contacts with this Unit. The Enforcement Unit was also initially in charge of the European Observatory on Infringements of IPR, now under the responsibility of the OHIM (Office for the Harmonisation of the Internal Market).

The Commissioner is Elżbieta Bieńkowska, appointed in 2014.

The Director General is Daniel Calleja Crespo, appointed in 2012.

## EFFECTIVE ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS

### FEP'S INTERVENTIONS

**FEP followed up with the enforcement Unit in May 2014 to gain an understanding of their Action Plan and to update them on new forms of infringement (eBay, Instagram, Facebook, etc) and whether the enforcement issue will be part of the Copyright review (there were some questions in the public consultation on Copyright rules where FEP restated its position).**

**FEP continued to monitor the correct implementation in all EU countries in order to provide publishers with the necessary instruments to enforce their legitimate rights. FEP continues its informal Anti-piracy Working Group amongst its members to enhance information exchange on piracy.**

**Whenever FEP took part in a conference or roundtable on enforcement issues organised by the institutions, it explained the European publishers' position, upholding the principle that copyright must be respected and protected in the digital environment as well.**

**FEP took part to the stakeholder dialogue on online advertising and IPR infringements that took place on 26<sup>th</sup> September 2014.**

**FEP has been active at the European Parliament in debates around the own-initiative report of JURI chair Svoboda MEP (EPP, CZ) on the enforcement of IPR Action Plan, contacting MEPs and explaining our position.**

### BACKGROUND

The Directive on the enforcement of intellectual property rights (IPRED) requires all Member States to apply effective, dissuasive and proportionate remedies and penalties against those engaged in counterfeiting and piracy and to create a level playing field for rightholders in the EU. Implementation was due in all Member States by 29<sup>th</sup> April 2006 and, even though the Directive did not entail major changes to national legislation, the implementation process took a long time.

Still, some difficulties in the implementation remain in some Member States, in particular as some provisions are seen as conflicting with data protection laws, and additionally due to diverging interpretations. For this reason, the Commission in April 2010 announced it would issue an implementation report on the Enforcement Directive, to assess its transposition in Member States and to analyse potential problems. The report was published in December 2010. The analysis showed that certain provisions of the Directive, including the relationship with other Directives, were understood in different ways in the different Member States and had given rise to different interpretations and applications in practice. It also addressed the extra, challenging dimension of enforcing intellectual property rights that the Internet and digital technologies present. These provisions could warrant further clarifications to make the Directive fully effective. The Commission therefore started a process which could set out possible legislative amendments to the IPRED, starting with the launch of a public consultation, in January 2011, to feed into the Commission's evaluation on whether a review of the IPRED is needed.

In April 2012, the Commission issued a Communication on the Single Market Act, a list of proposed measures to boost growth and strengthen confidence, which included effective enforcement of IPR as one of the recommended actions.

The Commission has started to review the IPRED. An extensive consultation was carried out on the application of the IPRED, culminating with a conference/hearing entitled 'Enforcement of IPR: the review of Directive 2004/48/EC' organised with stakeholders in April 2012, followed by a report. The Commission continued its review and issued a targeted survey on "civil enforcement of IPR", which closed in March 2013. The aim was to gather a detailed and

## DG GROWTH

holistic evaluation of the efficiency of national IP civil enforcement systems, including those implementing IPRED. The result of the survey was made public in 2<sup>nd</sup> August 2013. The consultation gathered the views of 282 respondents, including companies, citizens, and professionals business organisations.

The long expected IP enforcement action plan was released on 1st July 2014. It comprises amongst others the awaited Stakeholder dialogue with payment services and advertisers ("follow the money" approach), data collection, promotion of the due-diligence among all actors of the production goods, helping SMEs to enforce their IPR more effectively by improving court procedures (there will be a green paper), improving cooperation between Member States to facilitate exchanges of best practices, providing a comprehensive training programme for Member States authorities with a view to achieve faster preventive actions against commercial scale IP-infringing activities across the EU and identification of barriers to cross-border cooperation, and providing a series of actions to improve the international protection of IPR (ensuring IPR chapter in bilateral trade agreements, continuing IP dialogues and IP working groups, surveying, assisting SMEs on the ground with IPR helpdesks, and promoting awareness programmes in third countries).

The "follow the money" approach of the IPR action plan was concretised in a first meeting that took place on 26<sup>th</sup> September, in which FEP took part alongside press publishers, broadcasters, advertisement agencies. Following on, there was a second meeting with other stakeholders. More meetings should have followed with a plenary around the end of 2014; however, this did not take place due to the changes in the Commission. The outcome is not clear as it was originally intended to become a MOU, then a Green Paper. In March 2015, following the orientation debate of the College of Commissioners, the Commission mentioned better enforcement of creators rights. There was supposed to be a fourth Oettinger roundtable on enforcement but so far it has not happen.

The Commission is also holding workshops on key economic issues regarding the enforcement of IPR in the EU with the participation of economists, researchers and experts specialised in the economics of IP. On 19<sup>th</sup> September, a first workshop was held on 'the economic rationale of referring to commercial scale or commercial purpose when referring to IP infringements'. Enrico Turrin has been invited to take part as an expert.

The Commission also published a decision on 16<sup>th</sup> September on 'setting up a group of experts on the enforcement of IPR'. The group is supposed to draw on the output of the observatory.

Under the Italian Presidency, active the second half of 2014, the Council working party is having regular meetings to discuss IPR enforcement. Italy really wants to reach conclusions on this. Draft conclusions are to be discussed at the next working party on 31<sup>st</sup> October are circulating.

The most recent legal affairs committee of the European Parliament agreed to look into an own-initiative report on the communication "A renewed consensus on exercising IPR: An EU Action Plan". The coordinators agreed that working groups would be set up under rapporteurs to explore the following areas: IPR, especially copyright reform, private international law, company law, TTIP, and regulatory issues. Pavel Svoboda MEP (EPP, Czech Republic) has been nominated as rapporteur on this report.

### EUROPEAN OBSERVATORY ON INFRINGEMENTS OF INTELLECTUAL PROPERTY RIGHTS

#### FEP'S INTERVENTIONS

**FEP has been constantly involved in the Observatory's activities since its inception.**

**In September 2014, FEP joined the Observatory's Working Group on Public Awareness.**

**FEP actively participated in meetings of the Working Group Statistics and Economics, the Working Group IP in the Digital World and the Working Group on Public Awareness in September 2014.**

**FEP actively participated in the Observatory Plenary Meeting on 28<sup>th</sup>-29<sup>th</sup> October 2014.**

**On 29<sup>th</sup> April 2015, FEP actively participated in the Observatory Private Representatives meeting.**

**FEP provided information to the Observatory and contributed to several of its reports and initiatives.**

**FEP participated in several coordination meetings with other stakeholders of the Observatory.**

#### BACKGROUND

In July 2008, the Commission adopted a Communication on new industrial property rights strategy for Europe. The Communication outlined a number of actions to maintain a high quality industrial property rights system for the EU in the 21st century, calling for robust enforcement against counterfeiting and piracy. The Communication included copyright in order to present a coherent picture on the fight against piracy.

In September 2008, the Competitiveness Council adopted a Resolution on a comprehensive EU anti-counterfeiting and anti-piracy plan. This Resolution endorsed the need to step up the fight against counterfeiting and piracy and called for the creation of a European Counterfeiting and Piracy

Observatory (EOCP). The Observatory, whose overall goal was to produce continuous, objective assessments and up-to-date research that led to an exchange best practices and knowledge among policymakers, industry experts and enforcement bodies, was launched in April 2009. It was initially managed by the Enforcement Unit of DG MARKT, but in 2011 the Commission decided to place it under the responsibility of the OHIM (Office for the Harmonisation of the Internal Market), due to its expertise and availability of resources.

The regulation was adopted by the European Parliament and the Council in February and March 2012, respectively, and entered into force in June 2012. The Observatory, was renamed the Observatory on Infringements of IPR and will, amongst others, enhance understanding of the value of intellectual property, improve understanding on the impact of infringements of IPR, assist in raising citizens' awareness of the impact of IPR infringements and develop training programmes for people involved in the enforcement of IPR, including in non EU countries.

During 2013, the first full year of operation of the Observatory within OHIM, a number of activities were carried out. For example, two major studies were published, the IP Contribution Study (quantifying the contribution of IPR-intensive industries to the EU economy) and the IP Perception Study (providing a qualitative and quantitative analysis of the perception of IP by citizens of all 28 EU Member States. Five working groups - Legal, Enforcement, Public Awareness, Statistics and Economics - held several meetings and continued their work. A number of new projects also entered into operation.

Under the Work Programme 2014, projects carried out and ongoing included: a study on the state of IP education in the EU (preliminary results issued); making OHIM's case-law databases available and searchable; preparation for pan-EU IP awareness campaigns (in particular the Observatory drafted a public awareness strategy focused on youngsters); monitoring the development of online legal offers; launch of the EU central database of orphan works; studies on the size and impact of counterfeiting and piracy; the firm-level analysis of the IP Contribution study. The Observatory also launched a newsletter.

The Work Programme 2015 was published in December 2014. The coming months will see the publication of several studies, including one on voluntary cooperation practices in the field of fighting copyright infringements and one on the state of IP education in the EU, as well as the deployment of the awareness raising Action Plan for Youth (which will try to build a community as a basis for future campaigns targeting the youth and be complemented by an IP Youth Scoreboard report assessing youth's attitudes towards IP); the Observatory will support national awareness campaigns and will cooperate with other organisations to try and assess the size and impact of IPR infringements (including copyright online, in partnership with the JRC). The Observatory also plans to map the legal offers of digital content available in Europe and analyse techniques used in online copyright infringements.

## TOY SAFETY

### FEP'S INTERVENTIONS

**FEP continued collecting all available information on European legislation and standards, from the institutions and directly from the standard setting bodies.**

**FEP maintained contacts at CEN with the people responsible for the management of the Technical Committee in charge of the toy safety standards.**

**Thanks to the liaison status obtained with the CEN Technical Committee 52, in charge of toy safety issues, FEP appointed an observer to attend the discussions of the committee, and in particular of Task Group 4 'Toy Books'.**

**FEP provided information and advice to its members in order to reach out to the national standardisation bodies, which are the main decision-makers in the CEN Committees.**

**FEP attended the Expert Group meeting on Toy Safety organised by the European Commission in May 2014.**

**FEP maintained contacts with the Toy Safety Unit's staff to continue collaboration on the issue of children's books.**

**FEP maintained an open dialogue with regard to the guidance document on the interpretation of the Toy Safety Directive on toy books. In particular, FEP submitted further suggestions to amend the Commission's Guidance Document on the interpretation of the Toy Safety Directive with regard to children's books, for the national experts to discuss them; some of the suggestions were accepted.**

**On 25<sup>th</sup> June 2014, FEP led a delegation of children's book publishers to meet with the unit in charge of toy safety in the Commission, in order to discuss practical ways to reduce the burden for publishers.**

### BACKGROUND

When implementing the Directive 88/378/EEC on the safety of toys, some Member States considered children's books as toys. This led, in several cases, to considerable difficulties for the European children's book publishing industry, especially in complying with the extra requirements applied to paper and cardboard books.

In January 2008, the European Commission proposed a new Directive of the European Parliament and of the Council on the safety of toys, repealing the existing one. The revised Directive entered into force in July 2009 and aims to improve the quality of toy safety regulations and simplify legislation. The technical product specifications are left to the European standardisation bodies CEN and CENELEC to regulate. Among the main objectives of the updating process was the clarification of the scope and definitions of the Directive; neither the old nor the new Directive explicitly mention children's books, but toy books are covered. The application of the Directive to economic operators (such as publishers) was subject to a transitional period of 2 years, which expired in July 2011.

Upon adoption of the Directive, the Commission officially charged CEN with the task of revising the standards on toy safety. The mandate contained a specific reference to books, in particular those made of paper and cardboard, which prompted CEN to create a Task Group on toy books within its Technical Committee on Toy Safety. The Task Group proposed an amendment aimed at exempting all types of paper and cardboard from certain extra mechanical tests; the amendment was assessed by the CEN Technical Committee on Toy Safety, which agreed to put it to Formal Vote in September 2013. The vote closed positively in November 2013 and the amendment was published on 12 March 2014. The Task Group was disbanded in April 2014. CEN standards automatically became national standards; CEN members had until 30<sup>th</sup> June 2014 to announce the existence of the standard and until 30<sup>th</sup> September 2014 to implement it (by publication of an identical national standard or by endorsement) and to withdraw any national standards conflicting with it.

Independently from the process of the revision of the Directive, the Commission issued interpretative guidelines on the classification of books in the light of the Toy Safety Regulation, found unsatisfactory by publishers. The document, which evolves constantly, was reviewed by the national experts in October 2013 and some suggestions by publishers were taken on board.

## INTEROPERABILITY

**FEP joined forces with EIBF to campaign for interoperability in the e-book market, in order to prevent readers being locked in by providers.**

**FEP met several times with officials in DG Enterprise/DG Growth in order to explore ways by which to move forward with the issue of interoperability and presented the subject to officials in DG Connect and DG Education and Culture in order to gather support for a policy initiative, as well as to several MEPs.**

**On 7<sup>th</sup> July 2014, FEP attended a workshop on “Public Entities reducing lock-in: the way forward”, organised by the European Commission as part of a dissemination campaign linked to a project dedicated to “Best Practices for ICT procurement based on standards in order to promote efficiency and reduce lock-in”.**

**On 3<sup>rd</sup> December, FEP attended a workshop on “Open Standards for ICT Procurement: Sharing of best Practices”, part of a broader initiative by the European Commission to provide guidance on the link between ICT standardisation and public procurement.**

**On 22<sup>nd</sup> January, FEP attended a public hearing on “Interoperability solutions for European public administrations, businesses and citizens” organised by the Industry, Research and Energy Committee of the European Parliament.**

### BACKGROUND

The current e-book market ecosystem is characterised by a lack of interoperability – the possibility for readers to purchase and access e-books from different platforms and on different devices. This is a problem for consumers, who in addition are often not aware of certain impediments when they make their choices of suppliers of e-books. It is also a contradiction to EU policies as set out in the Digital Agenda for Europe. An ecosystem is closed if it forces customers to remain inside of it, by coupling devices and stores, adopting incompatible proprietary formats, making it difficult if not impossible to export e-books, and using proprietary DRM systems and/or imposing any sorts of legal restrictions. Some of the largest operators in the e-book market have implemented closed ecosystems for commercial reasons, a situation that independent booksellers and publishers in Europe would like to change.

Concerning e-book formats, ePub3 is an open standard and interoperable format developed by the International Digital Publishing Forum that also includes many accessibility features and is quickly becoming the format of choice of the majority of publishers. However, interoperable formats are a necessary but not a sufficient condition to allow readers to read anywhere, anytime and on any device. The European institutions have already taken action in a similar case when they brokered a MOU and then adopted a Directive on the interoperability of mobile phone chargers.

The European Commission considers the cross-border interoperability of online services and the digitisation of European public administrations to be important contributors to growth and increased efficiency. It has therefore put forward a proposal for a new EU programme on interoperability solutions for European public administrations, businesses and citizens (ISA2, to follow after ISA, closing on 31/12/2015). FEP is also addressing the issue from a public procurement point of view, especially in view of the digitisation of schools.

# DG ENVIRONMENT

The main role of this DG is to initiate and define new environmental legislation and to ensure that previously agreed measures are actually put into practice by the Member States.

The objective of the Directorate-General is to protect, preserve and improve the environment for present and future generations. To achieve this it proposes policies that ensure a high level of environmental protection in the European Union and that preserve the quality of life of EU citizens.

The DG makes sure that Member States correctly apply EU environmental law. In doing so it investigates complaints made by citizens and non-governmental organisations and can take legal action if it deems that EU law has been infringed. In certain cases DG Environment represents the European Union in environmental matters at international meetings such as the United Nations Convention on Biodiversity.

The Commissioner responsible is Karmena Vella, who was appointed in 2014.

The Director General is Karl Falkenberg.

### ECO-LABEL

#### FEP'S INTERVENTIONS

**Since 2003, FEP has been following the debate on the eco-label for printed paper products, initiated by the European Commission.**

**FEP is part of the Print Media Group, which represents the print media value chain, including paper manufacturing, converting, printing, publishing and direct marketing, to make sure that our views on environmental issues are properly represented. FEP regularly attends the PMG meetings. The Group produced a brochure on Print Media and their contribution to the strategy EU 2020. The Group also issued a letter to DG ENVI in 2014 related to their Generation Awake website to remind them that our industries pursue as part of our strive to improve sustainable production through the creation and implementation of eco-labels, improvement of paper recycling in terms of quantity and quality, innovation and the development of environmental footprint measurement schemes.**

**In 2015, the Print Media Group will closely follow the working programme of the new Commission.**

#### BACKGROUND

The aim in this area is to award a Community eco-label to products and services with reduced environmental impacts. The scheme is voluntary. Criteria are established for individual product groups, such as paper products, shoes, textiles, detergents, paints, and appliances such as refrigerators or dishwashers. The European eco-label is part of a broader strategy aimed at promoting sustainable consumption and production. Following the current discussion in the European Commission, the European Eco-label can also be adopted by book publishers. The Eco-label is part of a broader strategy aimed at promoting sustainable consumption and production.

In July 2008, the European Commission published a proposal for a regulation revising the European Eco-label scheme. The revised scheme reduces the administrative process for developing criteria, allowing the number of product groups covered by the label to grow considerably, and will speed up the procedure for applicants to begin using the label.

This legislative act provides the framework for the European Eco-label system, so there is no direct impact on the publishing sector.

Eco-labelling on printed paper products was restarted again at the end of 2009, when a new criteria proposal on printed paper products was introduced in the context of the EU Eco-label criteria revision for copying and graphic paper. However, based on the input from stakeholders, it was decided to exclude printed paper products as a product group from the scope and proceed to a vote only on the inclusion of copying and graphic paper. It was considered that the printed paper products product group still needed to be worked on. In this regard, in October 2010, the Commission began drafting new criteria for printed matter together with a new set of requirements for newsprint paper. In March 2012, the Commission confirmed its decision that because the chemicals used in printed paper products may hinder their recyclability, and may be hazardous for the environment and for human health, it is appropriate to establish EU Eco-label criteria for the product group 'printed paper'.

The Commission presented the 2011-2015 Work Plan to set a number of realistic and achievable objectives for the next five years. Following consultation with the European Union Ecolabelling Board (EUEB), the Commission, Member States, Competent Bodies and other stakeholders may initiate and lead the development or revision of EU Ecolabel criteria. The timeline has yet to be agreed upon.

### OBLIGATIONS OF OPERATORS THAT PLACE TIMBER AND TIMBER PRODUCTS ON THE MARKET/ILLEGAL LOGGING

#### FEP'S INTERVENTIONS

**FEP joined forces with the newspaper and magazine industry representatives to advocate for the exclusion of the publishing sector from the scope of the regulation.**

**FEP upheld the necessity of avoiding burdening publishers with a responsibility they are not in the capacity to sustain. This file is an excellent example of the importance of a trade organisation in raising awareness and mobilising support on behalf of its individual members.**

**FEP attended the meetings of the Advisory Committee on Forestry and Forest-based industries.**

**FEP met with representatives of the Commission to discuss the review of the regulation that should happen in 2015 and which might be followed by a revision. The Commission would like to include printed paper products in the scope of the regulation (which would also cover the publishing sector).**

**In February 2014, FEP was designated to represent the publishing sector in the EU Forest-based Industries Expert Group. The first meeting took place in November 2014, where the Working Plan for 2015 was introduced. The review of the regulation was confirmed. A consultation will be issued to stakeholders to gather their views and feedback.**

**On 2<sup>nd</sup> February 2015, FEP met with DG Growth to discuss the prospects of the EU Timber Regulation.**

**On 11<sup>th</sup> February 2015, FEP, together with representatives of magazine publishers, met with the representatives of the paper producers in Europe, in order to discuss the timber regulation and its possible implications.**

**FEP will monitor and take part in each step on the review. It will also, as much as possible, coordinate its actions with the newspaper and magazine industry representatives.**

#### BACKGROUND

In October 2008, the Commission proposed a regulation laying down the obligations of operators who place timber and timber products on the market with the aim to support the international fight against illegal logging and its related trade. The objective of this regulation is to minimise the risk of illegal timber being sold on the EU market. As a major consumer of timber and timber products, the EU has an obligation to take effective action against deforestation and illegal logging.

The regulation requests operators who place timber and timber products on the market for the first time to exercise full due diligence. This includes providing information, adhering to the principles of the chain of custody, to comply with risk assessment procedures, and to participate in risk migration procedures. Operators who put timber and timber products on the market are to exercise a due care system (basic information).

At the time, printed products (Chapter 49 of product classification) were excluded from the regulation (printed books, newspapers, pictures and other products of the printing industry, manuscripts, typescripts and plans), following the reaction of the representatives of print media publishers. In March 2013, the requirements of the EU Timber Regulation came into force.

The regulation is being reviewed in 2015 and the process will most likely be followed by a revision, which will once again look into the sectors covered by the regulation with a view to expand the list (and most likely include printed paper products).

European publishers have for many years been paying close attention to issues of sustainability and environmental responsibility, notably regarding the choice of paper that is used for the printing of their various publications. However, responsibility for due diligence along the value chain may prove too burdensome for some, as they are not directly involved in the sourcing process and therefore don't have direct access to the necessary information.

# DG COMMUNICATIONS NETWORKS, CONTENT AND TECHNOLOGY

The Communications Networks, Content and Technology (CNECT) Directorate-General (previously DG Information Society and Media) supports the development and use of Information and Communication Technologies (ICTs) for the benefit of all citizens. This includes fostering the growth of content industries drawing on Europe's cultural diversity.

With the reorganisation of the Commission 2014-2019, DG CNECT is now responsible for copyright and online services.

The Copyright Unit deals with the important task of enforcing the "acquis" on copyright and related rights, its further advancement, modernisation and adaptation to new developments in technology or the markets

concerned. It plays a particularly important role in the evolving market scenario and as such the FEP has regular meetings and contacts with the Unit.

The Commissioner responsible is Günther Oettinger (Commissioner for the Digital Economy and Society).

The Director General is Robert Madelin.

FEP met with Commissioner Oettinger in February 2015 and with Mr Madelin in January 2015.

# DG COMMUNICATIONS, NETWORKS, CONTENT AND TECHNOLOGY

## REVIEW OF COPYRIGHT RULES

### FEP'S INTERVENTIONS

**FEP has regular contacts with the Commission, at cabinet and service level. FEP regularly met Commissioner Barnier's cabinet in the run up of the announced White Paper that was meant to be published during the summer of 2014, and which ended up not being issued for agenda reasons. FEP regularly meets with the Copyright Unit on technical issues in order to give feedback on publisher's views on specific aspects of their business that copyright affects.**

**In the run up of the White Paper, FEP also met many Cabinets of Commissioners, Permanent Representations and other DGs involved (EAC, SANCO, CONNECT, RESEARCH, etc.) in the spring of 2014 to sensitise them on the questions of the modernisation of copyright and how changes might impact the publishing community.**

**FEP has met with Commissioner Oettinger, new commissioner in charge of copyright at the occasion of its Winter Meeting 2015 in Brussels. FEP had previously met with the head of cabinet Michael Hager and the person in charge of copyright Anna Herold at the beginning of January 2015. FEP has also met with Jurgen Gren, in charge of copyright at Vice-President Ansip cabinet in December 2014.**

### BACKGROUND

Following an orientation debate on the Modernisation of Copyright in the College of Commissioners on 5<sup>th</sup> December 2012, on 18<sup>th</sup> December the Commission issued a Communication on 'Content in the Digital Single Market', where it announced two parallel tracks of work.

The first was to state that the Commission will continue its review of the EU copyright framework, to be conducted by external experts. Several studies were ordered by the Copyright Unit. The most important one, conducted by the Dewolfe Cabinet, was released in December 2013 and is 600 pages long, covering a wide range of copyright related issues.

On 5<sup>th</sup> December, an equally broad consultation with 80 questions was launched by the Commission with an initial deadline for the 5<sup>th</sup> February, prolonged to 5<sup>th</sup> March. The Commission received more than 11,000 responses. FEP succeeded in mobilising a good number of large and small publishing houses to send responses to the consultation.

Nourished by the response of the consultation on Copyright Rules and on the result of the studies, an Impact Assessment was drafted in the winter of 2014 with a view to publishing it alongside a White Paper in June 2014. However, due to a struggle between DG Internal Market and DG Connect, Commissioner Barnier announced in September 2014 that the White Paper would no longer be released due to agenda reasons. The result of the consultation responses were published end of July. FEP produced a summary of the 100 pages. No surprises were found in the responses, with a general opposition between end users/consumers and institutional users on one side, and rights holders on the other side. The Member States that replied for the moment seem unwilling to change, and on some questions academics are rather cautious.

The new Commission took office on 1<sup>st</sup> November, however, earlier in the year, during the Commissioners' hearings and written in the mission letters to Commissioner Günther Oettinger and Vice-President Andrus Ansip, Commission President Jean-Claude Juncker already indicated that copyright reform would be one of the most important areas of his mandate. Günther Oettinger is the primary Commissioner in charge of copyright issues through his position as Commissioner for Digital Economy and Society (new DG CNECT). The creation of the new DG sees the Copyright Unit moving from DG Internal Market to DG CNECT. This is allegedly to mitigate inactions of the last legislature due to a political struggle between former Commissioners Michel Barnier and Neelie Kroes.

## DG COMMUNICATIONS, NETWORKS, CONTENT AND TECHNOLOGY

**FEP has taken part in all of Commissioner Oettinger high level round tables on copyright, with FEP President Pierre Dutilleul, Editis, taking part in the first one on territoriality, Franck Sambeth, CEO Random House Germany to the second on Text-and-Data-Mining and Jill Duffy, Pearson Education to the third on exceptions and limitations on libraries and education.**

**FEP took part in the #AskAnsiip and #AskOettinger twitter chats on the Digital Single Market and copyright.**

**FEP met, on the occasion of the debate on the European Parliament's own-initiative report on the implementation of the 2001 Information Society Directive, many MEPs interested by the file and their assistants. FEP has produced position papers, voting recommendations and infographics presenting its position.**

**FEP was invited to speak at the January Copyright working group chaired by Jean-Marie Cavada MEP (ALDE, FR) to present copyright priorities and positions of European publishers.**

**FEP has been invited to speak on 11<sup>th</sup> November at a European Parliament event organised by Pirate Party member Julia Reda MEP (Greens/EFA, Germany) on libraries.**

**FEP and EWC organised the third meeting on 16<sup>th</sup> May in London on remote access to e-books, which was well attended including by libraries and booksellers representatives. New experiences were shown from Sweden and Flanders, and the Swiss RRO presented their situation. Previous experiences were updated. A panel talk took place between the four associations: FEP, EWC, EIBF and EBLIDA.**

**EBLIDA, FEP, EBW and EIBF met on 1st July and on 24<sup>th</sup> September and agreed on wording on shared principles on remote access to e-books.**

**FEP launched the #copyrightforfreedom campaign during the Salon du Livre in Paris (Paris Book Fair) in March 2015.**

The Commission Work Programme issued on 16<sup>th</sup> December 2014 confirmed that legislation on copyright can be expected soon. Legislation is now expected in the autumn of 2015. There are no precise indications of the content of this legislation, but we can expect it not to be a total upheaval. We expect the following areas to be included: territoriality (touching mostly on audiovisual) and exceptions and limitations (teaching and research, library consultation – article 5 (3) (n) 2001 Copyright Directive, mass-digitisation for out-of-commerce, clarification or new exception for Text and Data Mining).

Copyright is part of the broader political initiative called the Digital Single Market, which identifies copyright as a cornerstone. This falls under the responsibility of Vice President Ansiip. An orientation debate took place on 25<sup>th</sup> March 2015 and a Communication is expected at the beginning of May 2015. Copyright will be one of the legislative actions announced.

Meanwhile, the European Parliament has been very active on the copyright file. The only Pirate Party MEP Julia Reda (Green, DE) is rapporteur on the own-initiative report on the implementation of the 2001 InfoSoc Directive. Shadows are Therese Comodini Cachia MEP (EPP, MT), Mary Honeyball MEP (S&D, UK), Jean-Marie Cavada MEP (ALDE, FR) and Angel Djambaski MEP (ECR, BG). The draft report was issued in January and was broadly criticised for not including a report on the implementation of the Directive. Opinions have been voted in IMCO, ITRE and CULT and the report should be voted in JURI beginning of May 2015 with a plenary vote in June.

In parallel, Jean-Marie Cavada MEP has been nominated to be chair of a working group on copyright. This closed group had its first meeting in December with President Oettinger. The second meeting took place in Strasbourg in February on Trade publishing and FEP spoke alongside with the rest of the book chain (authors, booksellers), press publishers and journalists and libraries (EBLIDA). The following meeting on STM publishing took place in March and covered TDM and educational issues.

Finally, the Council is relatively cautious on this issue and none of the latest presidencies have issued any conclusions (the Council's document equivalent to Communications in the Commission). France was supported by other Member States in not pushing for reform and letting actors develop solutions. It seems that for a majority of Member States, a reform is premature. The Latvian presidency organised a conference on exceptions and limitation in March 2015. Now that the Commission has announced legislation officially, Member States might take a different stance and in any event will play a key role.

## DG COMMUNICATIONS, NETWORKS, CONTENT AND TECHNOLOGY

FEP is regularly organising seminars and live-demos on specific areas identified by some stakeholders or some DGs of the Commission as an issue in relation to copyright (e.g. education, e-lending).

FEP is regularly attending and speaking at many conferences and seminars on copyright, namely at the European Parliament and in Brussels.

FEP is heavily involved in some coalitions with other creative industries and authors such as Creativity Works! and CMBA, the Creative Media Business Alliance, of which it held the Secretariat from January until June 2014. CMBA organised a

dinner in Strasbourg where renowned crime author Val McDermid spoke on copyright. The dinner was very well attended by MEPs. FEP is co-organiser of a workshop with colleagues from Creativity Works! and in May 2015 there will be one on publishing, music and picture. FEP has taken an active part in the drafting of a brochure on copyright.

### EUROPEAN DIGITAL LIBRARY - EUROPEANA

#### FEP'S INTERVENTIONS

**FEP attended several Board meetings and the Europeana Network Annual General Meeting in 2014 in Madrid.**

**FEP is an active participant in the Europeana Food & Drinks project.**

**FEP also works with the Conference of European National Librarians (CENL) to find balanced solutions for the legal deposit and subsequent uses of contemporary works. FEP has, with the CENL, adopted a joint statement for the deposit and harvesting of books and journals, and informed the EU of this important achievement.**

#### BACKGROUND

Europeana sets out to make all Europe's cultural resources and scientific records – books, journals, films, maps, photographs, music, etc. – accessible to all, and preserve it for future generations. FEP has been encouraging publishers to participate and has, through ARROW, developed an instrument to facilitate the use of orphan works - as well as out of commerce works - once agreements have been made with rights holders - who are now easier to identify thanks to the ARROW project.

The initiative focuses on two areas: cultural heritage, creating electronic versions of the materials in Europe's libraries, archives and museums, making them available online, for work, study or leisure, and preserving them for future generations, and scientific information, making research findings more widely available online and keeping them available over time. FEP has been an early supporter, since 2008, of Europeana and has been extremely actively involved in finding ways for publishers to be able to bring their publications to Europeana. In the early years, FEP was a member of the High Level Group on digital libraries and afterwards participated in a number of consultations. FEP is striving to find solutions to issues raised by librarians.

# DG COMMUNICATIONS, NETWORKS, CONTENT AND TECHNOLOGY

## ARROW - ARROW +

### FEP'S INTERVENTIONS

**FEP remained engaged with the ARROW system by becoming a Charter Member of the Arrow Association.**

**FEP contributed to the dissemination activities of the Arrow Association through a number of meetings with Commission officials, Members of the European Parliament and other stakeholders, also trying to secure public support for the system.**

**FEP entered into an agreement with the Arrow Association to contribute to the implementation of its promotion plan.**

**FEP reported regularly to its member associations on the developments related to the ARROW system.**

**FEP contributed to discussions and preparations around existing and emerging use cases for ARROW.**

**On 10<sup>th</sup> September 2014, FEP participated and presented to a meeting in Bucharest with Romanian stakeholders, aimed at exploring the possibility to implement a workflow in the country.**

### BACKGROUND

Together with the emergence of digital libraries, the need to provide pragmatic solutions to the challenges of orphan works, out of print books, and clearance of protected material has arisen. In 2008, under the leadership of the Italian Publishers Association (AIE), FEP undertook a project under the Commission programme eContent+, called ARROW: Accessible Registries of Rights Information and Orphan Works towards Europeana.

The project aimed at creating an interoperable search infrastructure, a distributed network of national databases to facilitate retrieving information about the rights status of works and a set of tools for both public and private organisations who wish to contact active rightholders to seek copyright clearance for the reuse of content. It also collected information on current and emerging business models and explored possible systems facilitating co-existence and interoperability between public institutions and commercial publishing initiatives, drawing

from the emerging European solutions driven by the private sector.

This infrastructure will include, but is not limited to, the creation of a European distributed registry of orphan works and access to a network of existing clearance centres for out of print works, in line with the recommendations of the High Level Expert Group on Digital libraries. The system will also provide the infrastructure for the management of any type of rights information, thus facilitating the actual implementation of innovative business models for both digital libraries and private e-content providers.

The rights information infrastructure will facilitate the search for rightholders and the identification of public domain works, orphan works, out of print works and other copyrighted works, which could be released for inclusion and access if only the rights information infrastructure existed. The broad involvement of rightholders, collective management organisations and libraries provides critical mass to approach the problem at pan-European level.

The project ran for 2.5 years, from September 2008 to February 2011; it led to the setting up of the planned infrastructure and to the piloting of the system in four countries: France, Germany, Spain and the UK.

Since 2010, most of the project partners also worked on the enhancement and extension of the project: this led to the setting up of the ARROW+ project under the Competitiveness and Innovation Framework Programme 2007-2013. The project aims at sustaining the current developments by enhancing the system already in place following case usage requirements and integrating a wider range of countries, as well as piloting the inclusion of images embedded in books in its scope. ARROW+ started in April 2011; FEP was leader of Work Package 3 Organising and coordinating national initiatives. The project was granted an extension and came to a conclusion at the end of December 2013. Work was completed in all the target countries, focusing on the creation of new data infrastructure or the integration of the one existing, the system was enhanced and plans were made for its sustainability in the long term. As a result, 12 new countries were integrated in the ARROW system: Austria, Belgium, Bulgaria, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Netherlands, Poland and Portugal. The project was assessed very positively by the independent reviewers appointed by the European Commission.

In September 2013, a legal entity was established to manage the system after the end of the project phase. Negotiations are going on with regard to existing and potential new use cases for ARROW in several countries. A number of use cases have been completed and work is progressing on others.

## DG COMMUNICATIONS, NETWORKS, CONTENT AND TECHNOLOGY

### TISP (TECHNOLOGY AND INNOVATION FOR SMART PUBLISHING)

#### FEP'S INTERVENTIONS

**FEP actively participated in Management Board meetings and conference calls of the TISP project all along the period concerned.**

**FEP prepared the reports and deliverables within its competence, and coordinated the involvement of project partners and FEP members in the collection of information for the project.**

**FEP provided business cases and reports for the TISP Smart Book.**

**FEP coordinated partners' contributions and finalised the first edition of the TISP policy recommendations, issued in June 2014.**

**In December 2014, FEP participated in the project's general meeting.**

**FEP participated in project meetings and attended project-related events at the International Conference on Computers Helping People with Special Needs (July 2014), NEM Summit (September 2014), Frankfurt Book Fair (October 2014), Bologna Children's Book Fair (March 2015) and London Book Fair (April 2015).**

**In January 2015, FEP attended one day of seminars and presentations at the BETT trade show on ICT in education.**

**FEP contributed to the dissemination activities of the project through a number of meetings with Commission officials, Members of the European Parliament and other stakeholders.**

**FEP reported regularly to its member associations on the goals and status of the project.**

**FEP actively participated in the TISP review meeting of 6<sup>th</sup> March 2015.**

#### BACKGROUND

In June 2012, FEP organised a roundtable on digital book publishing together with DG Information Society. This inspired the European Commission to launch a call for a project bringing together the ICT and book publishing communities. A consortium of partners from the two domains, led by the Italian Publishers Association and including FEP, proposed the project TISP (Technology and Innovation for Smart Publishing), which was selected. The objectives of TISP are to foster business innovation in the book publishing and ICT sectors through enhanced dialogue, mutual understanding and information exchanges and to support policy innovation at national and European level through recommendations stemming from the dialogue between the main stakeholder communities. The project provides a platform for publishers and technology providers to fill the gaps between them and to bring new ideas into both sectors. Started in January 2013, it will run until December 2015. In April 2014, the project launched an online resource, the TISP Smart Book, which collects business cases, studies, reports and analyses. FEP is Work Package Leader in charge of policy recommendations together with Digital Europe.

## DG COMMUNICATIONS, NETWORKS, CONTENT AND TECHNOLOGY

### NEM (NEW EUROPEAN MEDIA)

#### FEP'S INTERVENTIONS

**FEP participated in several meetings and conference calls of the NEM Steering Board and Executive Group.**

**FEP contributed to the drafting of the NEM Strategic Innovation and Research Agenda.**

**FEP contributed to developing synergies between NEM and TISP.**

**In September 2014, FEP participated in the NEM Summit.**

**FEP participated in the creation of NEM ACCESS, a NEM working group dedicated to accessibility of digital for the disabled.**

#### BACKGROUND

NEM (New European Media, formerly Networked and Electronic Media) is a European Technology Platform dedicated to Content, dealing with Connected, Converging and Interactive Media & Creative Industries. In entering a new phase of its existence, NEM is trying to become a key player in interactive content and media and to enhance the involvement of creative industries. The European Commission (DG CNECT in particular) wants NEM to become a point of reference to reach out to cultural and creative industries (especially SMEs) and collect their views with regard to technology-related policies affecting the sector and in particular concerning the definition of the research and innovation agenda (including funding programmes, in particular Horizon 2020).

FEP became a member of NEM in early 2014 and entered its Steering Board and Executive Group.

### EUROPEANA FOOD & DRINK

#### FEP'S INTERVENTIONS

**FEP actively participated in regular conference calls of the Europeana Food & Drink project all along the period concerned.**

**FEP contributed to preparing and reviewing several deliverables within its competence.**

**FEP contributed to the dissemination activities of the project within the publisher's community.**

**FEP prepared its periodic activity and financial reports for the project.**

**On 19<sup>th</sup> and 20<sup>th</sup> March 2015, FEP participated in a general meeting of the project.**

#### BACKGROUND

Europeana Food and Drink is a project that aims to promote the wider re-use of digital cultural resources available through Europeana to boost creativity and business development across Europe. It will run from January 2014 to June 2016.

Europeana Food and Drink wants to provide the basis for innovative and commercially viable applications and services developed in partnership with creative industries, with a strong thematic focus on celebrating Europe's diverse food and drink culture, and with a view to demonstrate the potential of high-value digital content discovered through Europeana. Among the project outcomes, a book and an e-book will be produced.

FEP is a partner of the project to ensure the involvement of the publishing sector and is part of the project cluster dedicated to the book and e-book initiative.

# DG COMMUNICATIONS, NETWORKS, CONTENT AND TECHNOLOGY

## NET NEUTRALITY

### FEP'S INTERVENTIONS

**FEP regularly attends parliamentary sessions and conferences organised on the issue of net neutrality in the context of the adoption of the Connected Continent regulation.**

**Whenever possible, FEP presented its views in favour of net neutrality, a regulated internet market which guarantees fair competition, protects intellectual property rights and encourages the development of new business models. Yet, at the same time, net neutrality should not be used as a shield for illegal practices. Any policy taken on this must be framed to firmly maintain freedom of speech, media pluralism and cultural diversity, which are the core values upheld by FEP members.**

### BACKGROUND

The EU regulatory framework for communications was created in the 1990s to open up markets and culminated in 1998 with the liberalisation of national markets.

Following up to its commitment – one of the prerequisites for the successful conclusion of the EU telecoms reform package – to closely scrutinise the open and neutral nature of the Internet and to report on the state of play to the European Parliament and the Council, the Commission decided in early 2010 to take forward the net neutrality debate.

While the Council adopted net neutrality as a policy objective in July 2011, the Commission issued a Communication on "The open internet and net neutrality in Europe" on 19<sup>th</sup> April 2011. The Communication suggests that here is no need for legislation to protect net neutrality and that the market and competition would ensure the neutrality of the Internet. However, the Commission vowed to be vigilant that new EU telecoms rules are applied in a way that ensures that open and neutral internet principles are respected in practice. At the Parliament, the issue is regularly debated and a resolution was adopted in Plenary on 17<sup>th</sup> November 2011 calling on the EU to enshrine its concept in its law.

The Commission has also asked the Body of European Regulators for Electronic Communications (BEREC) to undertake a fact-finding exercise on issues crucial to ensuring an open and neutral Internet, including barriers to changing operators, blocking or throttling Internet traffic, transparency, and quality of service. On 29<sup>th</sup> May 2012, BEREC issued a report with the final results of the questionnaire on traffic management practices. BEREC also investigated transparency and switching. The Commission subsequently launched a detailed public consultation on "specific aspects of transparency, traffic management and switching in an Open Internet" that closed in October 2012. The Commission is working on a guidance that will include measures related to those specific issues.

In September 2013, the Commission proposed a wide reform on the telecom package, called Connected Continent, in order to boost the telecom sector and incentivise investment in broadband network. The proposal for a regulation aims at "laying down measures to complete the European single market for electronic communications and to achieve a Connected Continent". The objective was to create a real single market for telecoms, as it currently still works on 29 national markets. Many areas are covered such as roaming charges or radio spectrum allocation, but the main topics for publishers are net neutrality and consumer protection in a connected continent. A report was voted in December 2013 by the Parliament and it was approved on 3<sup>rd</sup> April 2014 in Plenary. This enhances guarantees for consumers to freely access online services, compared to the Commission initial text and the fast track approach was justified by an ending Parliament.

The new Parliament has entered in discussion with the Council in March 2015 with a first trialogue. 129 MEPs sent a letter to the Council to ask for a clear definition of net neutrality. Their position is based on the one of last legislature.

The Council appears to have a considerably different approach to and aim for net neutrality that would only bar internet service providers from applying traffic management measures which "block, slow down, alter, degrade or discriminate against specific content."

# DG JUSTICE AND CONSUMERS



The objective of this DG (formerly DG Justice, Freedom and Security) is to seek practical solutions to cross-border problems in order for citizens to feel at ease about living, travelling and working in another Member State and trust that their rights are protected no matter where in the European Union they happen to be. This involves, amongst other things, promoting and enforcing the Charter of Fundamental Rights of the European Union, fighting discrimination, data protection, fundamental rights, gender equality, effective justice, and consumer policy.

Consumer policy is central to the EU objective of continuously improving the quality of life of all EU citizens. The aim of promoting the interests, fundamental rights and safety of citizens and consumers in the EU is enshrined in articles 153 and 95 of the Treaty establishing the European Community. The Directorate-General monitor the application of EU laws on the safety of food and other products, on consumers' rights and on the protection of people's health and devise on new policies.

The Commissioner responsible is  
Věra Jourová.

The Director General is Paraskevi Michou.

## REVIEW OF THE CONSUMER ACQUIS

### FEP'S INTERVENTIONS

**FEP is an active member of the Stakeholder Consultation Group for Consumer Rules for Online and Digital Purchases, organised by the Commission's Unit E6 on Consumer Policy. FEP attends monthly meetings to discuss the scope of a possible future directive. Its position is that it should remain B2C and not involve publishers' liability in the chain.**

**FEP attends regular conferences and meetings involving consumers and dealing with consumer policies, including the new Directive.**

### BACKGROUND

The new Consumer Rights Directive came into force on 13<sup>th</sup> June 2014 and aims at strengthening consumer protection and establishing the a true internal market for retail, making it easier and less costly for traders to sell cross-border and providing consumers with a larger choice and competitive prices. The Directive merges four previous EU consumer directives (Directive 85/577/EEC on contracts negotiated away from business premises, Directive 93/13/EEC on unfair terms in consumer contracts, Directive 97/7/EC on distance contracts and Directive 1999/44/EC on consumer sales and guarantees into one set of rules and adopts a full harmonisation approach (i.e. Member States cannot maintain or adopt provisions diverging from those laid down in the Directive). It updates and modernises existing consumer rights, bringing them in line with technological change and strengthening provisions in the key areas where consumers have experienced problems in recent years – particularly in sales negotiated away from business premises (e.g. door to door selling). Several meetings took place between the Commission and Member States to assist them in the transposition of the Directive, the last which one was in September 2013.

Although books are not mentioned explicitly with regard to any of the provisions of the Directive, for publishers, this Directive plays an important role in the digital environment. It provides that information on compatibility, in particular of hardware and software and the application of any technical protection measures (e.g. limiting the possibilities for consumers to make copies) must

be clearly stated. Further, it specifies that consumers have a right to withdraw from any digital purchases up until the moment the download begins.

The Directive also effects physical distribution. Adversely to the previous directives, consumers will be able to withdraw from the sales contract within 14 days starting from the moment when the goods are received (rather than at the point when the contract is concluded, as is presently the case) and that refunds – including delivery charges – must be paid within 14 days of withdrawal.

On 22<sup>nd</sup> May 2012, the Commission released a Communication on 'A European Consumer Agenda – Boosting confidence and growth'. The Consumer Agenda was proposed both by former Commissioners Dalli (DG Health and Consumers) and Reding (DG Justice, fundamental rights and citizenship) to propose a strategic vision for consumer policy placing the consumer at the very heart of the EU Single Market through the notion of 'consumer empowerment'. It proposed key actions to be implemented before 2014 around 4 pillars: reinforcing consumer safety, enhancing information and education, improving enforcement and securing redress and aligning policies to societal changes).

This is very relevant to boosting the single e-commerce market, which will have a positive impact on publishers' activities. One of the five key sectors of the Agenda is indeed the Digital one with a view to tackling problems faced by consumers and ensuring their protection online.

Lastly, the Commission Proposal for a Regulation on a Common European Sales Law (under the competence of another DG Justice, but affecting consumer law) was debated in the Council in June 2012 and discussions ensued in the Parliament. It was adopted by the Parliament on 28<sup>th</sup> February 2014. The Common European Sales Law will be optional and aims to facilitate cross border trade by having a single set of rules. It aims at providing a coherent set of rules for the marketing of digital products and related services instead of 28 different rules in Member States. The approach will leave national law untouched and preserve rules of sovereignty. The optional contract law should serve both the interests of SMEs acting across Europe and consumers. Stakeholders believe this needs to be followed by more steps such as setting up a single digital portal by the Commission to help SMEs to go digital.

Consumer Policy has been working towards the idea of having new rules for online and digital purchases to apply to consumers, covering the scope of consumers' contracts, right and conformity rules, damages and redress, and contract terms. Put under political pressure and acting in the framework of the Digital Single Market, they need to act fast. They therefore organise monthly meeting with a consultation group asking opinion to stakeholders.

## DATA PROTECTION

### FEP'S INTERVENTIONS

**FEP has been following the discussions concerning the Data Protection Package debated in the Parliament. Several issues affect publishers who handle data in the course of their business, but mostly because any provision should respect the right to privacy concerning citizens' reading and freedom of speech. Besides this, there has been a tension between the right to information enshrined in the Enforcement Directive and privacy concerns under the Data Protection and Data Retention Directives that deserve to be elaborated upon, although this is not a priority.**

**FEP attended several conferences and hearings on data protection and privacy issues, notably at the European Parliament.**

### BACKGROUND

The current EU Directive governing data protection and privacy was created in 1995 and since then the rapid evolution of technology and the expansion of the digital world have introduced many new ways in which data can be created, exchanged and manipulated. The issue of privacy and data protection in the digital world is regarded with increasing interest by decision-makers and stakeholders, and is followed closely by the cultural industries due to its possible interaction with the protection of intellectual property rights. The intersection of legislative provisions on data protection and copyright enforcement has in fact created tensions in a number of cases in the past years.

The judgment of the European Court of Justice in *Promusicae v Telefonica* of 5<sup>th</sup> February 2008 stated that Member States, when implementing the various Directives on IPR, e-commerce and data protection, must strike a fair balance between the fundamental rights they protect - including the right to property in civil proceedings - as well as respecting the principle of proportionality.

After several years of consultations, in January 2012, the Commission issued a proposal for a Comprehensive reform of the EU 1995 Data Protection rules consisting in a Policy Communication and two legislative proposals: a new general data protection Regulation, and a new Directive on protecting personal data processed for the purposes of the prevention, detection, investigation or prosecution of criminal offences or execution of criminal penalties and free movement of data. Both the proposals for a Regulation and for a Directive were voted in plenary in March 2014. The new Parliament will enter in trialogue with the Council once both agree on a general approach on the regulation. The Latvian Presidency is aiming for completion in June 2015. So far a "partial general approach" on various chapters has been reached.

Working on a country of origin basis, the Regulation aims to provide a one-stop-shop for businesses to deal with regulators and cut red tape. For consumers, it includes the 'right to be forgotten', provision for easier access to their own personal data and 'opt-in' rather than assumed consent for data to be processed. These key changes will affect publishers who do handle private data in the course of their activities.

In April 2014, the European Court of Justice in a milestone decision (Joined cases C-293/12, C-594/12 *Digital Rights Ireland and Seitlinger and Others*) ruled the Data Retention Directive no longer valid. This means that publishers are no longer able to rely on it in a potential lawsuit against a copyright infringer.

# DG RESEARCH AND INNOVATION

The Directorate-General for Research and Innovation's mission is to develop and implement the European research and innovation policy with a view to achieving the goals of Europe 2020 and the Innovation Union.

The Commissioner responsible is Carlos Moedas.

The Director General is Robert-Jan Smits.

# DG RESEARCH AND INNOVATION

## FEP'S INTERVENTIONS

**FEP coordinates with the International Association of Scientific, Technical and Medical Publishers (STM) so that the views of our respective members are well represented in Brussels.**

**FEP regularly attends meetings and conferences organised by DG Research, the European Parliament and other institutions and stakeholders on the issue of access to scientific publications and information.**

**FEP follows the debates and initiatives related to the development of the EU research and innovation funding programmes.**

**FEP has regular meetings with the EU Institutions to discuss topics of relevance for scientific publishers, in particular TDM.**

**On 16<sup>th</sup> January 2015, FEP participated in a stakeholder workshop on the implementation of the funding programme Horizon 2020.**

## BACKGROUND

The issue of access to scientific output is high on the agenda of the institutions. Horizon 2020 is the financial instrument implementing the Innovation Union, a Europe 2020 flagship initiative aimed at securing Europe's global competitiveness. Running from 2014 to 2020 with an €80 billion budget, its aim is to create new growth and jobs in Europe.

Horizon 2020 provides major simplification through a single set of rules. It will combine all research and innovation funding currently provided through the Framework Programmes for Research and Technical Development, the innovation related activities of the Competitiveness and Innovation Framework Programme (CIP) and the European Institute of Innovation and Technology (EIT).

The European Commission made a proposal in November 2011; the Commission also issued a Communication on 'Open Access (OA) to Scientific Information' in July 2012. There is a strong drive towards open access in the documents and support for Gold OA as the preferred way forward. An alternative is to have different embargo periods in case of Green OA, depending on areas of research.

The European Parliament adopted the package on Horizon 2020 in plenary in November 2013 and the Council carried out its final adoption in December 2013. The first calls for proposals were launched the same month.

Several further details are set in the grant agreements on research funding. Model Grant Agreements (MGAs) have been issued together with the first calls for proposals, but can be modified by the Commission. There are various versions of the MGA, according to different sections of Horizon 2020 and to several parameters. Some of them contain information on OA provisions, but some clarifications are still needed. An important point is that publication costs may become eligible for funding under Horizon 2020.

FEP maintains that the sustainability of the sector must be taken into account. It is essential to distinguish between the principles of intellectual property and policies which allow access to scientific information published in STM journals. FEP works closely with STM publishers to make sure that any policy in the field of access to scientific publications is a balanced one and recognises the added value of the publishing process.

FEP recurrently recalls, in talks with its counterparts, that in the case of scholarly journal publishing, publishers are offering 90% of their products in digital form having successfully covered the objective of providing access to the content. Higher education establishments can make use of the licenses offered to provide those services for distance learning purposes. In this case, there is no need for the exception to be extended because the market has successfully provided the desired result of facilitating access to knowledge. FEP also upholds the notion that licences provide the best means to address the technical, economic and legal issues related to TDM.

FEP and STM have been organising a series of demonstrations on TDM to present the issue and the merits of licensing solutions over exceptions, and are engaged with the Commission on this subject in the framework of the reflections on a review of the copyright framework.

# DG TAXATION AND CUSTOMS UNION



The Directorate General's mission is to propose and develop EU policies in the field of taxation, as well as to ensure the proper implementation of taxation measures that the Council and the Parliament have adopted. Amongst these, it aims at developing a coherent, modern and simple Value Added Tax system.

The Commissioner responsible is Pierre Moscovici.

The Director General is Heinz Zourek.

## REDUCED RATES OF VAT

### FEP'S INTERVENTIONS

**FEP met with or contacted several members of former Commissioner Šemeta's cabinet. FEP has always pleaded for books to be taxed at the lowest rate for the intrinsic educational, cultural and social values they carry, and is now committed to advocating for equal fiscal treatment for all kinds of books, regardless of their format or the way they are delivered.**

**FEP President met Commissioner Moscovici at the 2015 Paris Book fair.**

**FEP has gathered information to support its arguments for equal treatment of all kinds of books and also intelligence on the position of the European Institutions on the subject, working especially within the Working Group on VAT established within its members.**

**FEP regularly collects information about the implementation of the new VAT Directive in the EU Member States and on changes in VAT rates applied to books.**

**FEP frequently presented the issue of VAT on electronic publications to European Commission officials, MEPs and Permanent Representations in Brussels.**

**FEP continued campaigning together with representatives of newspaper and magazine publishers through meetings with a number of members of cabinets of relevant Commissioners and with representatives of the EU Presidencies in order to raise support for the cause and convince the Commission to consider the issue of equal treatment of cultural products online and offline.**

### BACKGROUND

26 out of 28 Member States in the EU allow reduced or zero VAT rates on printed books, as per the VAT Directive, in recognition of the cultural, social and economic value of books and reading. FEP constantly supports this attitude and encourages its preservation and expansion.

In May 2009, a new Directive on VAT rates (Council Directive 2009/47/EC) extended the possible application of reduced rates to books on all physical supports; this includes CDs, DVDs and USB sticks but excludes downloads and access online, which according to EU law are electronic services and must be taxed at full VAT under the current conditions. As of April 2015, 14 Member States have taken advantage of the new provisions to extend the reduced rates to some or all books on other physical supports. However, differences remain in the fiscal treatment of books with regard to their format (printed or electronic) and means of delivery (online or offline).

A Commission Green Paper on the future of VAT (December 2010) and the related consultation mentioned the discrepancy in treatment of cultural products online and offline. In late 2011 the European Parliament took a position on several topics: the Parliament Report on the future of VAT called for equal and favourable treatment of books in all format, a call echoed by MEP Gallo and 42 other MEPs, and a Parliament resolution on modernising VAT recommended reduced rates for online cultural products and redressing the discrimination. Members of the Parliament continue to express their interest in the issue via Parliamentary Questions to the Commission.

A Commission Communication was issued in December 2011, based on the results of the consultation that followed the Green Paper and intended to set out the fundamental features of a future EU VAT system and list a number of priority areas for further action. The 2011 Communication devised a plan to propose a VAT system based on the principle of destination (taxation according to the rate of the country where the consumer resides); it will have to be simple, efficient and neutral, robust and fraud-proof. The Communication in general had a negative attitude towards the use of reduced rates of VAT, based on some responses to the consultation and on further economic analysis. Still, the arguments proposed by a number of stakeholders (including FEP) were taken into account, so that the document envisaged the possibility of addressing the issue of the equal treatment of products available in traditional and digital formats, and did not rule out completely the use of reduced rates in selected cases.

## DG TAXATION AND CUSTOMS UNION

**On 6<sup>th</sup> May 2014, FEP attended a conference on 'VAT and digital economy: testing the robustness of the EU common system', organised by the Catholic University of Louvain (UCL) and the Institute for European Studies of the Free University of Brussels (VUB), with the support of the European Commission.**

**On 28<sup>th</sup> May 2014, FEP issued a press release supporting reduced rates of VAT in reaction to the suggestions made by the High Level Expert Group on the Taxation of the Digital Economy in their report with regard to VAT rates.**

**On 5<sup>th</sup> June 2014, FEP met with the responsible for VAT at the German Permanent Representation to the EU.**

**On 26<sup>th</sup> June 2014, FEP participated in a VAT session at the Executive Committee meeting of EIBF.**

**On 22<sup>nd</sup> July 2014, FEP attended a PhD dissertation on VAT in the digital era at the Free University of Brussels.**

**On 24<sup>th</sup> September 2014, FEP adopted a resolution calling for the government of Iceland not to increase VAT on books.**

**On 5<sup>th</sup> March 2015, FEP sent an open letter to the Presidents of the European Parliament, the European Council and the European Commission in reaction to the sentence of the CJEU on France and Luxembourg.**

**On 17<sup>th</sup> March 2015, FEP met with the responsible for VAT at the Italian Permanent Representation to the EU.**

**On 25<sup>th</sup> March 2015, FEP met with officials from DG TAXUD in charge of VAT.**

In May 2012 the Council issued Conclusions on the future of VAT, based on the Commission Communication that were quite negative about the use of reduced rates but acknowledged the intention of the Commission to assess the VAT framework according to principles that included addressing the discrimination; Member States agreed to examine the findings of the assessment.

Around that time the Commission held a small inter-service consultation regarding the assessment of the VAT structure. It asked a group of consultants to conduct a study to estimate the impact of changes in VAT rates and carried out an Impact Assessment to look into the possible effects of different policy options.

A new consultation from the Commission was issued from October 2012 to January 2013, focused on reduced rates of VAT; large attention was devoted to the issue of different treatment of online and offline cultural products, with a specific question on the definition of e-books for VAT purposes and one on the opportunity of having a precise definition of online cultural goods in EU legislation. In October 2013, the European Council took note of the intention by the Commission to look into the issue of VAT discrimination.

Despite the pressure and expectations of many stakeholders, the 2009-14 Commission finally blocked the process: no VAT proposal was made, the study and impact assessment were never published and the file passed on to the new Commission. Besides its aversion for reduced rates in general, DG TAXUD maintained that e-books and print books are not perfect substitutes and thus justified its reluctance to propose for e-books to be allowed reduced rates. A High Level Expert Group on the taxation of the digital economy issued a report in June 2014 mainly dealing with the taxation of internet giants, but also recommending harmonising rates to the standard rates; FEP issued a press release and wrote to the Commission. The Italian Minister of Culture, very supportive of the cause, made a proposal for the Culture Council of 25 November 2014 to adopt strong Conclusions on the subject, finally achieving a compromise on a text that recorded both the support of many Member States and the opposition of some others (based, allegedly, on cautiousness and budget considerations), as well as a reply by the Commission stating that they would keep looking into the issue.

As of January 2012, France and Luxembourg began applying reduced VAT rates to all kinds of books, regardless of the support. In July 2012, the Commission started an infringement procedure against them and in October 2012 it entered the second stage of the procedure, asking France and Luxembourg to change their position or find an acceptable justification within a month. In 2013, the Commission referred France and Luxembourg to the Court of Justice of the EU. The CJEU ruled against the two Member States on 5 March 2015. Meanwhile, as of January 2015, Italy has begun to apply reduced rates of VAT on e-books.

### NEW RULES ON THE PLACE OF SUPPLY OF ELECTRONIC SERVICES FOR VAT PURPOSES

#### FEP'S INTERVENTIONS

**On 2<sup>nd</sup> June 2014, FEP, together with EIBF, organised a seminar for publishers and booksellers on the new VAT rules at the London Book Fair.**

**FEP collects evidence of the functioning of the system.**

#### BACKGROUND

Directive 2008/8/EC of 12 February 2008 amending Directive 2006/112/EC as regards the place of supply of services established that, as of 1 January 2015, the supply of electronic services (including e-books) must be taxed according to the VAT rate applicable in the country where the consumer is located. This means that retailers will have to know the VAT rates of each country they sell to and be able to locate their customers.

The switch to the principle of destination for the determination of the place of supply for VAT purposes in 2015 was meant, among others, to eliminate the problem of distortion of the internal market that could arise with different VAT rates in different countries under the current rules.

Further legislation was adopted to implement the new rules (in particular Council Implementing Regulation 1042/2013 of 7 October 2013 amending Implementing Regulation 282/2011). In April 2014 the Commission published a set of explanatory notes to facilitate the understanding and implementation of the new rules (FEP participated in the drafting). A scheme is being put in place called the Mini One-Stop-Shop (MOSS) to simplify the handling of VAT by retailers selling to more than one Member State. Member States were expected to have their MOSS portals ready for companies to register by 1 October 2014 (most of them complied). The Commission also created a portal with information on VAT rules and procedures and explanations on the new rules and the MOSS.

The new system could create difficulties in particular to small businesses trading across borders, due to the information requirements to correctly locate customers.

# DG TRADE



The Directorate General for Trade is in charge of implementing the common trade policy of the European Union. It is negotiating on behalf of the EU with the US on the TTIP (Transatlantic Trade and Investment Partnership). Among other aims, it works for more effective protection of intellectual property rights worldwide.

The Commissioner responsible is Cecilia Malmström.

The Director General is Jean-Luc Demarty.

### TRANSATLANTIC TRADE AND INVESTMENT PARTNERSHIP (TTIP)

#### FEP'S INTERVENTIONS

**FEP meets regularly officials at DG Trade (IPR, Services, Investment Protection Units) and DG EAC in order to discuss TTIP (Transatlantic Trade and Investment Partnership), the Free Trade Agreement between the US and the EU to present publishers priorities in the IPR chapter and the question of the exclusion of cultural services of the FTA. FEP members are concerned that the fix book price arrangements could be challenged under TTIP, as they are non-discriminatory national arrangements necessary to cultural diversity and to keep a variety of distribution channels. FEP met DG Trade director of Services and Investment, Intellectual Property and Public Procurement in December.**

**FEP continues its lobby together with other trade organisation of the cultural sector in order to obtain an explicit exclusion of the cultural services from the agreement.**

**FEP answered the public consultation on modalities for investment protection and ISDS (Investment protection dispute settlement or the ability for companies to "sue" a state if they believe a domestic law harm their investment in the country) following our position, so that the new modalities cannot be used to challenge cultural policies such as the fixed book price one and Member States should be free to regulate for questions of public interest.**

#### BACKGROUND

Following a Working Group established in 2011 between the EU and the US to discuss the prospect of a free-trade agreement, former Commission President Jose Manuel Barroso and US President Barack Obama announced on 13th February 2013 that the EU and the US would enter into free trade agreement negotiations. They both decided that there was to be a chapter on IPR, which might be subject to controversy. Voices from the EU would soon after call for all cultural services to be explicitly excluded from the agreement. The Council gave a mandate to the Commission on 14<sup>th</sup> June 2013, however only audiovisual services were excluded from the mandate. This means that publishing, although an already largely liberalised sector, will potentially be part of the discussions. The Commission has however informally stated that - so far - it has not formed a part of the discussions. While the IPR chapter is to stay, parties on both sides of the Atlantic seem willing to repeat ACTA. Negotiations will be on very precise IPR-related issues, where a gap between legislations affects trade between the EU and the US.

A motion for resolution was voted in the Parliament on 23 May 2013 with a positive result: the IPR chapter is supported and a reference made to the fact that "*other areas of divergence relating to IPRs should be resolved in line with international standards of protection*". A separate vote withheld the proposal to have audiovisual and cultural services explicitly excluded. This, however, did not impact the mandate given to the Commission on the cultural services aspect.

The rounds of negotiations started in July 2013. The Commission and the US meet regularly to discuss each are of the negotiations, with a small break only occurring when the new Commission was appointed. The IPR chapter should not prove to be contentious for the content sector, whereas ISDS are heavily contested. In particular, publishers have raised concerns regarding the relationship between TTIP and fixed book prices schemes.

In November 2014, Commissioner Malmström took over Commissioner De Gucht at DG Trade. She was heavily questioned during her hearing on ISDS. In her hearing, when asked about ISDS, Malmström stated that ISDS cannot be used to mitigate public interest as States remain sovereign. However, she did not commit on anything specific, for example whether this chapter will be frozen or whether it should be a separate agreement but she reminded the

## DG TRADE

**FEP took part to the debate and wrote to MEPs during the discussions at the European Parliament on the Recommendations to the European Commission on the negotiations for the Transatlantic Trade and Investment Partnership (TTIP) to be voted in INTA.**

**FEP attends, since summer 2013 when the negotiations started, a number of civil society dialogue meetings and other negotiator's presentations to hear about progress and to be able to ask questions to the negotiators.**

**FEP liaises regularly with its colleagues from the Association of American Publishers, who have the same position FEP members initially wanted to take, to have a placeholder but not push for concrete wording.**

hearing that the EU needs ISDS with other countries. According to her services, she will support open market, high protection standards and transparency improvements.

The Commission issued over the summer 2014 a paper on TTIP and Culture which emphasises that the EU must "take cultural aspects into account under other provisions of the Treaties" (article 167, para 4) and trade negotiations are one of the "other provisions". The EU must also promote and defend cultural diversity as signatory of the 2005 UNESCO Convention on cultural diversity. This document also states that the "EU wants the preamble to TTIP to underline that the EU's partnership with the US is based on values consistent with the principles and objectives of EU's foreign policy. It must also stress the right of the parties to take measures necessary to achieve legitimate public policy objectives for promoting cultural diversity as laid down in the UNESCO Convention. The US does not have such a concept as the EU of cultural diversity. The Commission has published documents to show transparency on TTIP, including this one, on their website in January 2015.

### OTHER FREE TRADE AGREEMENTS AND TRADE IPR DIALOGUES

**FEP is regularly attending DG Trade civil society dialogues organised around trade issues and IPRs.**

**FEP attended preparatory meetings organised by the Commission to discuss IP issues with third countries such as Turkey, Korea, Singapore, China, Ukraine, Thailand and Brazil and presented publishers' priorities and issues of concerns in those countries.**

**FEP presented a submission on behalf of its British member on the draft Chinese copyright legislation. In May 2012, FEP participated in a seminar on the latest developments in China's IP system entitled "IP in China - Experience and Reform" organised by FTI consulting and Bird & Bird.**

#### BACKGROUND

A number of EU companies suffer from extensive counterfeiting and piracy activities in third countries that affect their markets on a large scale. Activities in China, India and Russia have been among the most harmful from this point of view.

The EU host regular IP dialogues which are also opportunities to give feedback on third countries IPR legislation (for example in 2014 Singapore) and also to help address problems that EU industries encounter in their daily operations, to exchange best practices and to address concrete issues with a view to their resolution. Several Dialogues of this type have been put in place. The Commission initially tried to establish a positive work relation with local authorities that create an environment for discussion and to find solutions for various cases reported by European right holders, such as in 2014 in Korea, Turkey, and Latin America.

**FEP takes part in all relevant IPR dialogues with third country. One which is particularly advanced is that with China. This year is the 10<sup>th</sup> anniversary of the EU-China IP dialogue. FEP and the UK PA submitted a project to IP Key on copyright infringement of academic and STM journals and on CRM of published works.**

In order to improve the protection of IP in China, the Commission has been active on a number of fronts, including the setting up of a structured EU-China Dialogue focused on IP that began in October 2003. To complement this Dialogue and allow the participation of the industry and other rightholders in the IP discussions between the EU and China, an EU-China IP Working Group was created in July 2004 and approved at the occasion of the 2005 Summit. The EU continues its IP dialogue with China and regularly consults stakeholders for feedback, most recently on the current review of Chinese copyright legislation. The IP Key Project ([www.ipkey.org](http://www.ipkey.org)) is funded by the EU and implemented and co-financed by OHIM in partnership with the EPO. In 2014 it conducted a study assessing to what extent "state-created intellectual property (IP)-related measures" ("SIPMs") - i.e. Chinese policies, laws, regulations and guidelines and other measures and practices in China's strategic emerging industries (SEIs) - are in effect becoming barriers to EU firms, and what EU firms have and can do in reaction to these barriers.

The European Commission also holds periodic meetings with stakeholders on IPR issues in Russia twice a year. A special technical Working Group on Internet Piracy has been created and a meeting will take place in June 2012.

As a general matter, the Commission includes IPR provisions in its trade agreements with third countries.

For example, the Free Trade Agreement signed with South Korea in October 2010 is quite robust in regards the enforcement of IPR.

The Commission has been negotiating a Comprehensive Economic and Trade Agreement (CETA) with Canada. At the same time, the Canadian government adopted a bill aimed at modernising Canada's copyright system which includes provisions on exceptions that, less than a year after its adoption, have already negatively affected EU publishers, in particular academic and educational publishers. This means many European publishers have already decided to leave Canada. The EU has tried but failed to use the CETA as leverage to influence domestic legislation. On 18 October 2013, The Canadian Prime Minister Stephen Harper and former Commission President José Manuel Barroso announced an agreement in principle on the CETA which is an ambitious first-time partnership of its kind between the EU and a G8 country. The agreement aims to go much further in scope and depth than the Canadian-US partnership NAFTA. The text is not publically available, but concerning copyright, it brings Canada into compliance with the two 1996 WIP treaties (Copyright, and Performances and Phonograms) and touches upon terms of protection, broadcasting, protection of technological measures (technology designed to protect copyrighted material), protection of rights management information, and liability of intermediary (e.g. Internet) service providers. Lawyers from both sides must now sit down and perform some legal scrubbing, which will take several months (until summer 2014).

There are also currently negotiations with India which are blocked on the IPR chapter. This is regrettable as there are considerable print and online piracy issues affecting publishers in India. The Commission has also announced future negotiations with Japan, however it is widely considered that such a deal would not affect European publishers too much, due to language differences and the high level of IPR protection offered under both systems.

**“Each new paper publication that is released, with a beautiful cover, irreproachable quality, the wonderful smell of paper and the extreme satisfaction of its author, is a success for which the whole team who worked on it is rightly proud.”**

**CARINE LECOMTE**

**Carine Lecomte is 48, she's married and her 2 children are aged 17 and 12. Having a jurist background, she also holds a degree in business administration. In 1990 she joined Wolters Kluwer Belgium, after a brief stay at the Belgian Ministry of Justice. Working at Wolters Kluwer has given her the opportunity to develop her skills in several fields: marketing - sales - publishing. Member of the scientific and digital committees at the ADEB (Association of Belgian Publishers) she is also administrator for Copiebel (Belgian Publishers' society for tax collection and compensation/ reprography and lending right). Currently, she holds the position of publishing director at Wolters Kluwer's Legal & Regulatory department.**



### 1. Can you please describe your job in 100 words?

As Publishing Director, with the help of a team of over 60 editors and publishers, I manage Kluwer Belgium's portfolio of legal publications in both its online and paper versions. Authors play a crucial role in this respect. If they did not exist, nothing would be published.

My position gives me the possibility of unearthing new talented writers and establishing a relationship of trust with our authors, who are all experts in their area of specialisation.

My team and I pull out all the stops to help our authors as much as possible.

We also think about new editorial concepts and projects, which are more and more digitally oriented (online databases, e-books, apps, tailor-made electronic projects), in order to communicate high-quality information even more quickly and efficiently to our clients (lawyers, notaries, magistrates, corporate lawyers, civil servants, HR managers, employers, social-accounting secretariats, bankers, insurers, tax specialists, accountants, auditors etc.).

### 2. What did you want to do when you were 5 years old?

In primary school, I hesitated between two projects: to become a pharmacist or to write. Back then, I used to write 'poems', some of which gained a little recognition within the walls of the school I was attending. Don't they say you should always go back to the passions of your youth?

Well, even if at first glance these activities may not seem to have anything in common, I have kept a sense and a taste for social contacts. As for writing, I put my heart and soul into it by nurturing the talent of those who really have it!

### 3. Can you describe a typical working day?

There's no routine in my job! For all that, my day does almost always start with the signature of authors' contracts and payment orders for the authors' fees. Since around 2,500 writers work for Kluwer, this takes me some time.

Then, various (and numerous!) work meetings keep me busy, either with my direct colleagues to make sure ongoing publications and projects are on track, or with co-workers from other departments (IT, sales or marketing),

or with colleagues from abroad, from other Kluwer subsidiaries in the framework of cross-cutting or international projects. These mainly focus on the role that tomorrow's editor will have to play. Since our focus is on professional clients, our job will consist more and more in providing real solutions that connect various sources of information and in integrating the content into software. As an editor, our job is to truly deliver our added value at the core of our clients' workflow.

And precisely because our publications, be they paper-based or digital, target users for whom they are crucial in their day-to-day work, it is important for me to stay in touch with our clients, to be receptive to their needs and to keep up with developments that affect their professions. This means that I take part as often as possible in user panels and in customer events organised by Kluwer.

In the evening, a networking activity is also often organised, either by Kluwer (like the Cafés Kluwers that travel throughout Belgium and that enable our authors, trainers, clients and employees to meet informally) or in the context of the Cercle de Wallonie (a club for business people), of which I am a member.

#### 4. What would happen to the book if you were not there?

This question could lead to a very pretentious answer. All that I will mention is the role that I have been trying to play within the community of Belgian editors these past few years with regard to open access. I launched a debate on the subject both within Kluwer and the ADEB, the Association of Belgian Publishers, to try and achieve a compromise between scientific authors and editors that would offer shared benefits for the parties concerned. Discussions are still in progress.

#### 5. What is the most exciting/striking thing that ever happened to you in your job?

Each new paper publication that is released, with a beautiful cover, irreproachable quality, the wonderful smell of paper and the extreme satisfaction of its author, is a success for which the whole team who worked on it is rightly proud.

The increasing number of prestigious followers who sign up on the Twitter accounts of some of our online publications (LegalWorld and Polinfo, for example) is also a source of great satisfaction. These are just a few examples...

At Kluwer, we like to celebrate in a dignified manner, not only with our employees, but also with our authors and our clients, the successes in which they have all taken part.

On a personal note, I remember with much pleasure and pleasant nostalgia the time when the 'Editions Kluwer' were created. This Frenchspeaking subsidiary of the company practically started from scratch with around a hundred highly motivated and enthusiastic employees. The page was quite blank: a name and some office space (the Blue Tower on Avenue Louise) had to be found for the new entity, teams had to be put together, authors had to be brought in and our project had to be explained to them. Everyone was elated and excited by the enterprise. Great projects saw the light of day, and great work relationships were born which are still alive today. All aspects of the experience have been extremely enriching.

#### EDITORIAL

- . Reading panel
- . Commissioning or acquisition
- . Copy editing/Full text editing
- . Proofreading
- . Index making
- . Translation
- . Technical revision
- . Infographics
- . Legal reading if necessary
- . Relations with the author



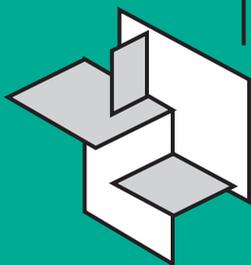
#### FINANCIAL

- . Authors royalties & copyrights fees
- . Management accounts
- . Creditors & debtors
- . Legal procurement
- . Sponsors
- . Audits
- . Tax



#### PRODUCTION

- . Typesetting
- . File conversion
- . Layout & design
- . Paper buying & storage
- . Printing
- . Insurance & shipping



#### SALES & MARKETING

- . Representation
- . Marketing plans
- . Foreign rights
- . Publicity
- . Contracts with the media & PR approaches of opinion
- . Leaders & institutions
- . Social media
- . Parties



#### FULFILMENT & DISTRIBUTION

- . Order processing & servicing
- . Fulfilment & delivery
- . IT systems
- . Warehouse management
- . Digital warehouse & distribution
  - . Physical bookstores & other stores selling books
  - . Electronic bookstores
  - . Libraries
- . Consignment processing, returns, used/damaged books sales
- . Management of unsold stock



**Pierre Dutilleul, 63 years old, is Deputy CEO of the French publishing group Editis.**

**There, he acted as the CEO of many publishing houses, such as Robert Laffont, Julliard, Plon, Perrin, La Découverte, Masson, Belfond and was also Director for Human Resources and Communication of this Group of 2,200 people. He is also the newly elected President of the Federation of European Publishers.**



### 1. Describe your job in 100 words.

I've been working for almost 25 years at Groupe Editis, number two in the world of French publishing. I have held many different positions there: financial manager, CEO of several publishing houses, director for human resources and communication and other roles. Thanks to the breadth and depth of this experience, today I am Editis Director of External and Inter professional Relations. Everything I learnt in the past quarter of a century serves my group and my job. There is a beautiful logic in this: firstly, by gaining a thorough knowledge of publishing houses of all sizes and all editorial types in leading them, I have then sought to improve how they function in a changing environment, both on a national and international level.

### 2. What did you want to do when you were 5 years old?

My first vocation, when I was five years old, was to be a fireman. With a smile, I think I can say I have been one; throughout my career I have rescued publishing houses facing difficult situations. After the age of five, I wanted to be a radio journalist, commenting non-stop on events happening around me, a ladle in my hand for a microphone. I did it, from the age of fifteen, with a real microphone and for many years. It is only later that I wanted to write and publish books.

### 3. Can you describe a typical working day?

For me, it's essential to be able to always assess efficiency, the result of what I am doing. I always start the day by reading my morning mails as well as checking the sales figures from the previous day. This will inform the main priorities of the day to come. Then, I take note of the events which happened since the day before in my sector, my profession. Then, it's appointments, meetings and files until the evening. The crucial rule: always be ready for the unexpected, to be disturbed, and often to be faced with an overload of work: this job is a passion! Finally, I never end my working day without writing a report of what I've done and to prepare the following day: a very useful discipline!

### 4. What would happen to the book if you were not there?

One should stay humble and there is no doubt that the book would continue to develop without me. However, I think I have contributed to the blossoming of many talents over the years: writers, publishers and other colleagues in all sorts of roles. We shouldn't forget that publishing is a service industry and hence a creation industry, and, as the people in charge, we have to locate, ease, attract and develop the loyalty of those talents which makes the book, even in times of crisis, a priority good. Moreover, I have created my own publishing house, the Presses de la Renaissance. Hence, I have, in my own way, added my stone to the block.

### 5. What is the most exciting /striking thing that ever happened to you in your job?

There would be many, as this job is a job of passion! But I can mention the day I saw my first book come off the press at a printers in Normandy, the day when I published my first book as the head of Presses de la Renaissance, the publishing house I created, the days when I met Jean d'Ormesson, Norman Mailer, the days I spent with Salman Rushdie and finally, the day when I had to leave a publishing house I was managing, the colleagues and writers paid a tribute to me for everything I did for them. It's hard to always be humble...

**“On Sundays, we children were allowed to accompany our father to the book shops and read there. And when we were teenagers, we took on temporary jobs in the company.”**

**HEINRICH RIETHMÜLLER**

**Heinrich Riethmüller was born on 14 October 1955 and has served as acting partner of the book shop Osiander in Tübingen since 1983. After graduating from High School and serving in the German armed forces, he trained as a bookseller in the university book shop Ziebank in Heidelberg. He joined his parents' company in 1977. Since 2001, he has been working voluntarily for the book industry.**

**From 2007 to 2012, he was Chairman of the Retail Bookseller Committee of the Börsenverein des Deutschen Buchhandels (German Publishers and Booksellers Association); from 2001 to 2007, he served as Chairman of the Committee of Academic Retail and Specialist Bookshops. At the Buchtage Berlin (AGM in Berlin) in June 2012, he was elected President of the Börsenverein des Deutschen Buchhandels.**



### 1. Describe your job in 100 words

I am the CEO of one of the oldest book shops in the world. Osiander was founded in 1596; it is a family business with 32 branches. I run the company together with my older brother, my nephew, and our wives.

### 2. What did you want to do when you were 5 years old?

I always wanted to become a bookseller. My parents always gave us children the impression that their profession was interesting, that the job is multifaceted, and that they really enjoyed it. That is how I slowly grew into our book shop. On Sundays, we children were allowed to accompany our father to the book shops and read there. And when we were teenagers, we took on temporary jobs in the company.

### 3. Can you describe a typical working day?

There is no typical working day that repeats itself. I am an early bird; most days, I am at the company by 7.30 a.m., going through the mail and e-mails. I am out and about a lot: I visit our book shops with our area managers, talk to branch managers in their shops, speak to architects about our expansion and planned branches. Then there are meetings with the company management or meetings with employees about various topics. In addition, I do voluntary work one or two days each week.

### 4. What would happen to the book if you were not there?

The world would keep turning, and books would still be sold. I would not be worried about customers and readers as we have brilliantly trained, passionate booksellers in Germany who are able to provide customers with suitable but also unexpected reading experiences. Yet my favorite books would be deprived of one reader, which would be a pity.

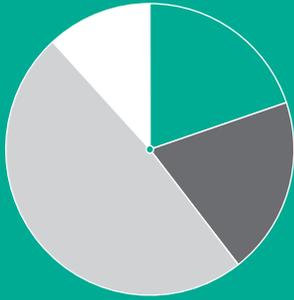
### 5. What is the most exciting /striking thing that ever happened to you in your job?

The events surrounding our 400<sup>th</sup> anniversary in 1996: On this occasion, the renowned "Literarisches Quartett" (Literary Quartet) with Germany's most famous literary critics Marcel Reich-Ranicki and Helmut Karasek came to Tübingen and were broadcast live on German television from our book shop. We were their hosts! It was a great feeling for our family to be presented to all of Germany!

# BOOKS IN EUROPE

# FACTS AND FIGURES

A turnover of 22-24 billion euros benefiting the EU economy



European publishing, largest in the world: of the top 10 largest publishers, 7 are European



9 million titles are available in Europe, 2 million are e-books



More than half a million people work in publishing...\*



\*Direct and indirect employment in the book sector (authors, publishers, booksellers, printers, designers, etc.)

On average, a book has a print run of...



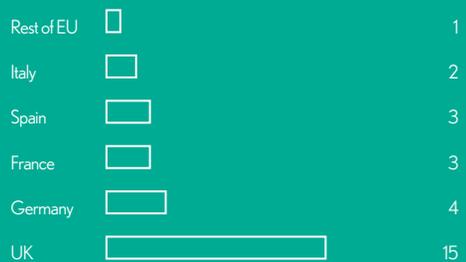
7000 in France      3000 in Spain      600 in Bulgaria

Over half a million new titles are published every year



Cross-subsidisation from best-sellers enables investment in new talents

The e-book market is a nascent one



\*E-books sales as a share of the total trade book market (in %)

# FACTS AND FIGURES ON THE BOOK MARKET

Average school budget for print and digital learning resources

1% in average

In France, print textbooks share is 0.23% of total educational expenditure (or 1% when discounting staff expenditure) (Source: SNE).

Self-published authors tend to sign with publishers once they are successful

50 Shades of Grey (E.L. James)

Self-published: 250 000 copies

By Random House: over 100 million copies

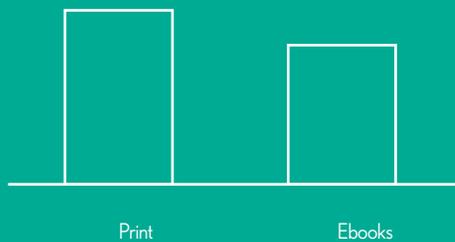
The demand for digital titles is still limited and varies according to countries

1,4% of textbooks adopted in Italy are digital

4 out of 5 publishers produce ebooks



Ebooks are only 15-20 % cheaper to produce than physical books



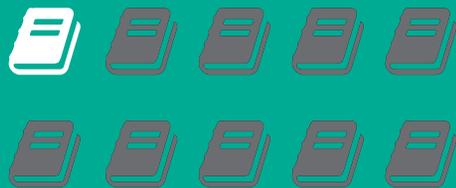
Producing ebooks generates certain costs which do not apply in the case of printed books

Books are the third most likely product to be purchased online\*



\*and first in Germany

Out of 10 books, only 1 makes a profit



2 break even, the rest is losing money

# FACTS AND FIGURES ON PUBLIC LIBRARIES

Local libraries lend music and audiovisual... and books



31.8 million phonograms\*  
\*in France



11.4 million videos\*



164.9 million printed works\*

Authors receive much less from loans of their books than from sales in shops.

0,06 £

Several countries across the EU have not yet implemented PLR schemes (Greece, Bulgaria, ...)

\*Rate per loan in the UK in 2012 - Source PLR UK

The books most frequently borrowed in libraries are often bestsellers

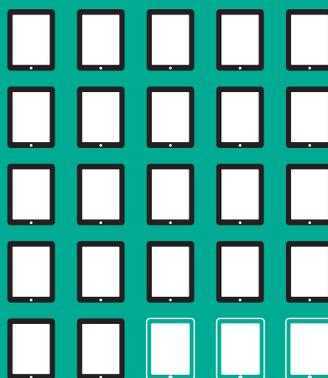
1. Lee Child / The Affair / Bantam (2011) 2. Lee Child / A Wanted Man / Bantam (2012) 3. E L James / Fifty Shades of Grey / Arrow (2012) 4. James Patterson & Maxine Paetro / 11th Hour/ Century (2012) 5. James Patterson / Guilty Wives / Century (2012) 6. Hilary Mantel / Bring up the Bodies / Fourth Estate (2012) \*

> UK's most borrowed book of the decade 2002-2012: The Da Vinci Code, Dan Brown (2003)

They were also among the bestselling titles in bookshops!

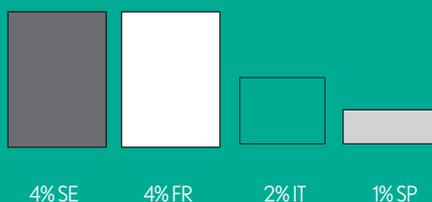
\* 2012-2013 (source UK PLR)

Libraries can take over a large part of the primary e-book market



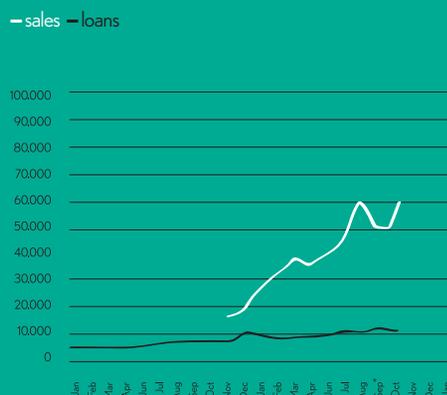
In Sweden, libraries only purchase 4% of all books sold, while they are serving up to 90% of the e-book needs

Library acquisitions make up at the very best 4% of publishers' turnover



So at least 96% of publishers' turnover is made through retailers

Experience shows how e-loans can cannibalise sales of e-books\*



\* eReolen in Denmark

# FACTS AND FIGURES ON THE BOOK MARKET

Educational publishing is a very important component of the overall publishing industry (6-7 billion € value)



- Educational (19%)\*
- Academic (20%)
- Trade (61%)

\*up to 30% (ES, PL), 60% (IE)

33% of Danish primary school textbook market stems from sales of digital content



Because the Danish government has since 2012 supported the schools purchases of digital learning materials.

Different education markets have different needs and customers



Primary and secondary (parents, public institutions)



Educational consumer market (parents)

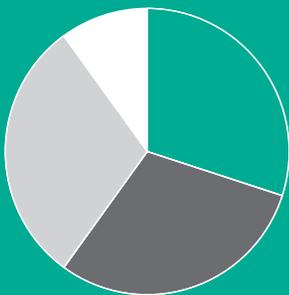


Higher education (students, university libraries)



Scientific and academic communication (university libraries, commercial companies, researchers, interested laymen)

Main costs in educational publishing



- Production/Storage 30%
- Trade 30%
- Overhead costs 30%
- Royalties authors 10%

School books alone are extremely widely copied and require licensing

## 400 million copies each year in Germany

(Source: VG Wort)

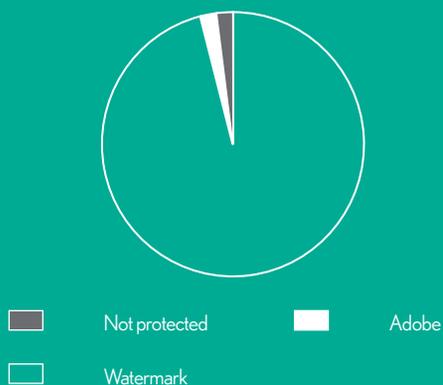
Since 2008, 100% of French text books are digital, 95% of Italian books



French publishers invest 4 times more than they recoup

# FACTS AND FIGURES ON THE BOOK MARKET

96% of ebooks are sold with soft DRM



31% of ebooks publishers produce enhanced ebooks



Books were the most desired Christmas gift in many EU countries for 2014 \*



\* Survey Deloitte Etude de Noel 2014 (in Denmark, France, Germany, Italy, Luxembourg, Poland, Spain, UK)

## ACRONYMS

<b>ALDE</b> Alliance of Liberals and Democrats for Europe	<b>DG TRADE</b> Directorate General for Trade	<b>IPR</b> Intellectual Property Rights
<b>AIE</b> Italian Publishers Association	<b>EBLIDA</b> European Bureau of Library Information and Documentations Associations	<b>IPRED</b> Intellectual Property Rights Enforcement Directive
<b>ARROW</b> Accessible Registries of Rights Information and Orphan Works	<b>EC</b> European Commission	<b>iTEC</b> (Innovative Technologies for Engaging Classrooms)
<b>BEREC</b> Body of European Regulators for Electronic Communications	<b>ECR</b> European Conservatives and Reformists Group	<b>JRC</b> Joint Research Centre
<b>CMO</b> Collective Management Organisation	<b>EIBF</b> European and International Booksellers Federation	<b>MEP</b> Member of the European Parliament
<b>CEN</b> European Standardisation Committee	<b>EMMA</b> European Magazine Media Association	<b>MOOC</b> Massive Open Online Course
<b>CENELEC</b> European Committee for Electrotechnical Standardisation	<b>ENPA</b> European Newspaper Publishers Association	<b>NEM</b> New European Media
<b>CENL</b> Conference of European National Librarians	<b>EOCP</b> European Counterfeiting and Piracy Observatory	<b>OA</b> Open Access
<b>CETA</b> Comprehensive and Economic Trade Agreement	<b>EP</b> European Parliament	<b>OER</b> Open Educational Resources
<b>CJEU</b> Court of Justice of the European Union	<b>EPC</b> European Publishers Council	<b>OHIM</b> Office for Harmonization in the Internal Market
<b>CMBA</b> Creative Media Business Alliance	<b>EPP</b> European People's Party	<b>RRO</b> Reproduction Rights' Organisation
<b>DG CNECT</b> Directorate General for Communications Networks, Content and Technology	<b>ETUCE</b> European Federation of Teachers' Trade Unions.	<b>S&amp;D</b> Group of the Progressive Alliance of Socialists and Democrats in the European Parliament
<b>DG EAC</b> Directorate General for Education and Culture	<b>EUEB</b> European Union Ecolabelling Board	<b>STM</b> International Association of Scientific, Technical & Medical Publishers
<b>DG EN</b> Directorate General for the Environment	<b>EUN</b> European Schoolnet	<b>TDM</b> Text and Data Mining
<b>DG GROW</b> Directorate General for Internal Market, Industry, Entrepreneurship and SMEs	<b>EUPL</b> European Union Prize for Literature	<b>TISP</b> Technology and Innovation for Smart Publishing
<b>DG JUST</b> Directorate General for Justice and Consumers	<b>EWC</b> European Writers' Council	<b>TTIP</b> Transatlantic Trade and Investment Partnership
<b>DG TAXUD</b> Directorate General Taxation and Customs Unit	<b>ICT</b> Information and Communications Technology	
	<b>IFRRO</b> International Federation of Reproduction Rights Organisations	
	<b>IP</b> Intellectual Property	
	<b>IPA</b> International Publishers Association	

31 rue Montoyer - Box 8  
1000 Brussels • +32 2 770 1110  
info@fep-fee.eu • www.fep-fee.eu



AUSTRIA HAUPTVERBAND DES ÖSTERREICHISCHEN BUCHHANDELS  
BELGIUM VLAAMSE UITGEVERS VERENIGING / ASSOCIATION DES ÉDITEURS BELGES  
BULGARIA АСОЦИАЦИЯ "БЪЛГАРСКА КНИГА"  
CZECH REPUBLIC SVAZ ČESKÝCH KNIHKUPCŮ A NAKLADATELŮ  
DENMARK FORLÆGGERFORENINGEN  
ESTONIA EESTI KIRJASTUSTE LIIT  
FINLAND SUOMEN KUSTANNUSYHDISTYS RY  
FRANCE SYNDICAT NATIONAL DE L'ÉDITION  
GERMANY BORSENVEREIN DES DEUTSCHEN BUCHHANDELS  
GREECE Ομοσπονδία Εκδοτών Βιβλίου Ελλάδος  
HUNGARY MAGYAR KÖNYVKIADÓK ÉS KÖNYVTERJESZTŐK EGYESÜLÉSE  
ICELAND FÉLAG ÍSLENSKRA BÓKAÚTGEFENDA  
IRELAND PUBLISHING IRELAND  
ITALY ASSOCIAZIONE ITALIANA EDITORI  
LATVIA LATVIJAS GRĀMATI ZDEVĒJU ASOCIĀCIJA  
LITHUANIA LIETUVOS LEIDĖJŲ ASOCIACIJA  
LUXEMBOURG FÉDÉRATION LUXEMBOURGEOISE DES ÉDITEURS DE LIVRES  
THE NETHERLANDS NEDERLANDS UITGEVERSVORBOND  
NORWAY DEN NORSKE FORLÆGGERFORENING  
POLAND POLSKA IZBA KSIĄŻKI  
PORTUGAL ASSOCIAÇÃO PORTUGUESA DE EDITORES E LIVREIROS  
ROMANIA FEDERATIA EDITORILOR DIN ROMANIA  
SERBIA УДРУЖЕЊЕ ИЗДАВАЧА И КЊИЖАРА  
SLOVENIA GOSPODARSKA ZBORNICA SLOVENIJE  
SPAIN FEDERACIÓN DE GREMIOS DE EDITORES DE ESPAÑA  
SWEDEN SVENSKA FORLÄGGAREFORENINGEN  
UNITED KINGDOM THE PUBLISHERS ASSOCIATION

**BON A TIRER / GOED VOOR DRUK**