TO: H.E. Ambassador Cosmin Boiangiu

CC: Deputy Permanent Representatives of the Member States to the European Union, European Parliament negotiating team and European Commission

Brussels, 7 February 2019

RE: Open letter to the Romanian Presidency of the European Council on Article 11 of the proposed Copyright Directive

Dear Ambassador Cosmin Boiangiu,

We, the undersigned represent associations of small and medium sized publishers, media companies and digital native outlets, committed to producing high quality news and relying on online channels to reach and grow our audiences and daily provide more than 1.37 million stories to 140 million readers.

Although a substantial number of big press publishers are in favour of the introduction of a publishers' right, we are deeply concerned with the **detrimental effects that it will have for local, regional and innovative media publishers and media pluralism in Europe.**

In order to introduce the appropriate safeguards to ensure that all-sized media publishers can continue to coexist in the EU, we call on policy-makers to consider the following recommendations:

I. <u>"Insubstantial parts" of a press publication to be excluded</u>

Data shows that when a hyperlink is accompanied by enough context (image, headline etc.), users are more inclined to click and visit a specific webpage. An overwhelming majority of readers of well-known media outlets such as Der Spiegel or Bildt visit directly the webpages of these newspapers (between 70 and 80%). This is not the case for less well known or local press publishers who rely on the web traffic of online services. News aggregators, search engines and apps make our stories heard by the public. They are our allies in generating more revenues through ads or subscriptions.

We therefore urge the EU Institutions to:

- Maintain the exclusion of *"mere facts"* from the scope of the Directive, as currently proposed in recital 34;
- Exclude headlines and short previews from the scope of the new publisher's right in order to preserve our business model. Specifically:

- **Recital 34a**: (...) "Therefore, it is appropriate to provide that the use of individual words, very short extracts, **headlines or very short previews** of press publications should not fall within the scope of the rights provided for in this Directive".
- Article 11 (1): "The rights referred to in the first subparagraph shall not apply in respect of uses of individual words, very short extracts, **headlines or very short previews** of a press publication".

II. <u>Waivability</u>

Small and local publishers would prefer an explicit reference to the exclusive nature of the publisher's right and to the ability of press publishers to license their content for free.

We believe it is important to see reflected in a recital, that the detrimental consequences of the Spanish model should not be repeated at EU level. We recall that the "AEDE fee" in Spain caused small publishers to lose as much as 15% of their web traffic and loose advertising revenues estimated at around \notin 9-18 million annually.¹

We therefore urge the EU institutions to introduce a new paragraph on Recital 34:

"The rights granted to the publishers of press publications under this Directive are exclusive in nature and allow publishers of press publications to authorise or prohibit the uses of their press publications against the payment of remuneration or for free, for instance through free licences. The parties should remain free to negotiate the terms of use of the press publications".

For these reasons, small and local publishers are calling on the European institutions to strike a fair balance that will satisfy all stakeholders and ensure media pluralism in Europe.

Yours sincerely,

¹ "Impact on competition and on Fee Market of the Google Tax or AEDE fee" 2017, Nera Consulting <u>https://www.aeepp.com/pdf/Informe_NERA_para_AEEPP_(INGLES).pdf</u>























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The signatories:

European Innovative Media Publishers – European

Association of Publishers of Periodical Publications (AEEPP) – Spain

Associazione Nazionale Stampa Online (ANSO) – Italy

<u>300polityka</u> – Poland

Meltygroup – France

Prauda – Denmark

IVG – Italy

Dcnews – Romania

<u>Genova 24</u> – Italy

<u>Riviera 24</u> – Italy

Cuneo 24 – Italy

<u>Il Giunco</u> – Italy

Live Network – Italy

<u>TP 24</u> – Italy

<u>RMC 101</u> – Italy

Quotidiano Piemontese – Italy

<u>Il Faro Online</u> – Italy

AT News – Italy

Piacenza Sera – Italy

Varese News – Italy

BS News - Italy

<u>Ciao Como</u> – Italy

<u>Reggio Sera</u> – Italy

<u>Il Capoluogo</u> – Italy

Journal of Ireland – Ireland

Adevarul - Romania