

BDV CELEBRATES NEIGHBOURING RIGHTS SUCCESS

PROMOTERS AND AGENTS association, BDV, has won its decade-long battle to convince German regulators to accept that live entertainment organisers deserve their own collection society to process royalties from live concert recordings made at their events.

The Deutsches Patent- und Markenamt (German patent and trademark office) has ratified Gesellschaft zur Wahrnehmung von Veranstaltungserrechten (GWVR), which BDV set-up three years ago to establish tariffs, administer the rights procedures and distribute royalties from the exploitation of live entertainment sound and audio visual

recordings. As a result, the rights of promoters, festival organisers and some venues are now part of German copyright law, meaning that record labels and broadcasters will have to pay the event organiser a share of any revenues they receive from live concert recordings.

The law will also benefit international promoters operating in Germany or co-promoting with local partners. The patent office has agreed to make the right to royalties retrospective for 25 years, meaning that record labels, broadcasters and artists – who made their own recordings for commercial use – are

liable to make royalty payments to promoters.

“It’s a revolution in the live entertainment business,” states BDV president Prof. Jens Michow. “Every promoter who has such rights will also be entitled to revenue from radio and television broadcasts of the recordings, as well as from platforms such as YouTube and Facebook.”

GWVR has set an initial 7% tariff for albums and recorded products where the live content is more than 50% of the whole, dropping to 4.55% if the live content is between 25-50%. For anything below 25% of the content, GWVR will charge a rate of 3.5%.

But German record companies association BVMI and indie labels body VUT argue that those rates are too high and have made a counter offer flat rate of 2.5%. Negotiations have been ongoing for more than a year, but GWVR CEO Dr. Johannes Ulbricht, believes an agreement could be on the horizon that could set the rate at somewhere close to 5.5%.

In order to receive royalties from recordings made at live entertainment events, promoters need to be GWVR members and should be able to prove that they were involved in arrangements to make the recording. GWVR membership costs €300.