# BIC Breakfasts 2017

### Welcome to February's BIC Breakfast:

Knowing Your Rights: The Challenges of Book Rights in a Changing & Increasingly Digital Landscape

**#BICBreakfast** 

Kindly sponsored by

klopotek.



### BOOK INDUSTRY COMMUNICATION LTD





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THE BOOK INDUSTRY'S SUPPLY CHAIN ORGANISATION

### **BIC Committees**

Digital Supply Chain

Libraries

Metadata

Physical Supply Chain

Training, Events & Communications

### BOOK INDUSTRY COMMUNICATION LTD

## Regular BIC Events

BIC Breakfasts (monthly)

Building a Better Business Seminar at LBF (16<sup>th</sup> March 2017, 10am-12:30pm, The Dark Room, Olympia)

New Trends in Publishing Seminar (5th September 2017)

BIC Networking Events including our annual BIC Bash (November 2017)

## BOOK INDUSTRY COMMUNICATION LTD

### BIC on the web

New website coming soon

**Extensive Training Programme** 

Social Media:

@BIC1UK

@KarinaLuke

@LastPhoenixDown

@BIC\_LCF

Connect with us on Twitter, Facebook and LinkedIn.



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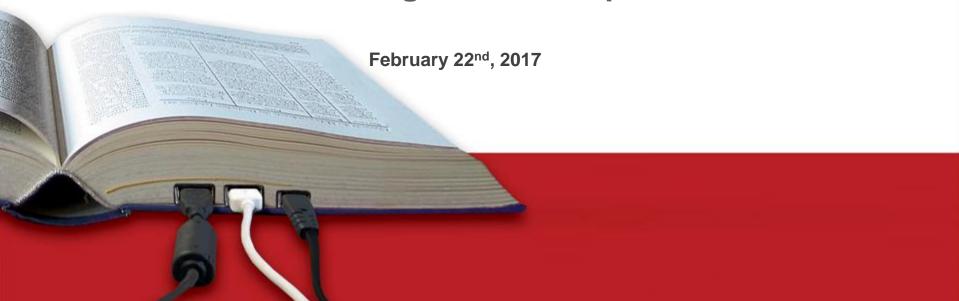


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## klopotek.

**BIC Breakfast** 

The Challenges of Selling Book Rights in a Changing & Increasingly Digital Landscape



#### A trusted partner in media solutions

Klopotek software supports more publishers and information providers, with more users, in more locations, developing and distributing more products around the world than any other publishing software vendor.

Klopotek is a leading supplier of international standardized software and consulting services for publishers of digital products, books and journals.



#### **Corporate Headquarters**

Berlin, Germany

#### Regional Sales and Consulting Offices

Amsterdam, London, Munich, Paris, Parsippany

#### **Software Development**

Berlin and Milan

#### 180 employees



#### klopotek.

## Worldwide Customer list - 4 million products from 2,500 publishers are managed using Klopotek



#### Klopotek Solution Modular - End to End

Planning and Product Creation Rights and Royalties

**Production** 

Sales and Marketing **Customers** and Ordering

**Fulfillment** 

**Finance** 

End-to-end support by 4 strategies

#### **TEP**

Title Management, Product Marketing Editorial and Production

#### **CRR**

Contracts, Rights, Licenses, Permissions and Royalties

#### O<sub>2</sub>C

Order to Cash

#### **CRM**

Customer Relationship Management

#### **Klopotek Publishing Solution**

Third party financial system

Klopotek end-to-end integration covers the entire Publishing Supply Chain.

#### Klopotek solutions for rights

#### **Contract Workflow Manager**

create and manage contract documents with ease and ensure transparency of the signature process

#### **Rights Sales Manager**

streamlines the rights negotiation and selling process while having crucial information regarding rights availability and customer profiles at your fingertips

#### **Royalty Account Manager**

provides comprehensive royalty account information, royalty managers and publishing team members, business analysts and rights accountants can access all relevant information at one glance

#### **Permissions and Compliance Manager**

control and manage the multitude of complex specifications and licensing agreements involved in the acquisition and licensing of content assets

#### **Authors Online**

offer your authors more transparency and detailed royalty information – including a comprehensive history

#### klopotek.

#### **Rights Sales Manager**

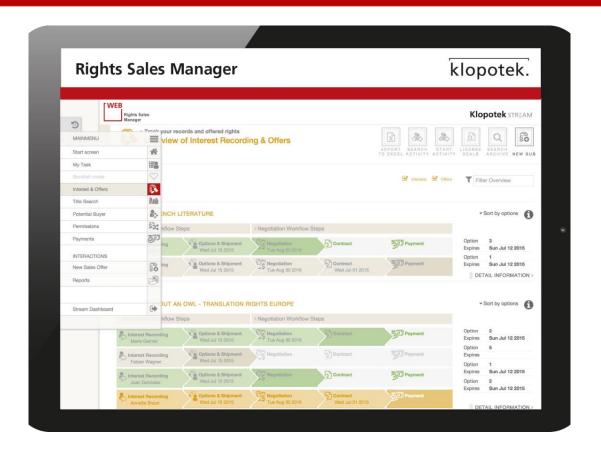
Rights Sales Manager is a workfloworiented solution designed to support and guide users through the rights negotiation and selling process

- Browser-based solution
- User interface available in English, German, Dutch, French, Italian, Portuguese and Chinese
- Available as an integrated module with the Klopotek solution or as standalone solution in the cloud
- Simple and transparent payment: a fee per user per month





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#### Thank you

For a demonstration of Rights Sales Manager, please visit our website @ <a href="http://www.klopotek.co.uk">http://www.klopotek.co.uk</a> and select 'Webinars' under the Events tab.



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From

Under the Road

to

Up in the Cloud

Changes in Rights Management

Diane Spivey

Group Contracts Director

BIC Breakfast 22 Feb 17

## Rights and Contracts

- Contracts and rights different perspective
- Sales plus detail
- Feeding the inner nerd

## Do you own the rights?

- No longer a simple question
- You can't sell what you don't own
- How do you find out?
- New opportunities for exploitation

## Changing business environment

- Amalgamation of companies (and agencies)
- Lack of publishing history
- Lack of copyright trail

## Where do the rights come from

- What constitutes 'the Work'
- Original material
- Embedded material
- The © cascade downstream
- Looking upstream at the tributaries

## Copyright pressures

- Protection of copyright and improving access
- Protection of moral rights holders

### Publisher in the middle

- Rights record-keeping
- Contracts record-keeping
- Integrated systems
- Content versus data

### All the other stuff...

- Third party clearance
- Storage and data extraction

## Dragging rights into 20th Century

- PLS and CCC and rights selling platforms
- Copyright hub & ARROW
- Getting our houses in order



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# Selling Rights — a changing scene?

Lynette Owen, Copyright and Rights Consultant BIC Breakfast, February 22<sup>nd</sup> 2017

## Key changes in the rights world (1) - technology

- Contact with licensees can now be conducted by telephone, e-mail and Skype
- Sample material for assessment can be sent (or shown) electronically rather than via proofs or reading copies
- Rights catalogues can be posted on websites and sent as PDFs
- Rights trading platforms (e.g. PubMatch and IPR License) can facilitate trading
- Speed of communication impacts on rights business but face to face contact (e.g. at book fairs or on sales trips) is still vital
- Rights sellers and buyers can keep track of submissions and rights deals on appropriate databases, rather than in paper files or on index cards

## Key changes in the rights world (2) – control of rights

- In trade publishing, author's agents are now more likely to retain control of some categories of rights, and may limit some rights granted to publishers in terms of duration or exploitation ("use it or lose it")
- In educational, academic and professional publishing, publishers are more likely to secure full grant of rights – however, they need to be sure they are contracting with the correct person. Author, or the institute which employs him or her?
- The Society of Authors often advises against assignment of copyright but there are often valid reasons for this practice in the educational/academic sector e.g. multi-author works, faster action against piracy. Authors normally still receive advances, royalties and share of subsidiary rights income

# Key changes in the rights world (3) – the changing importance of rights categories

- Paperback rights now rarely licensed to third parties most publishers acquire "vertical" publishing rights for both hardback and paperback publication
- UK book club rights once a key area of licensing have virtually disappeared once retail price maintenance was discontinued
- Digest rights are no longer key for Reader's Digest in the UK
- Revenue from serial rights to newspapers is now more modest
- Possibilities for licensing digital rights have expanded e.g licensing content to websites, licensing digital summaries, adding e-book rights to print contracts, e.g. to US or foreign language publishers

## Key changes in the rights world (4) – changes in licensing policy

- Agents and subagents feature more prominently, especially in the trade publishing sector
- Multinational publishers may favour licensing "within the family" to their own subsidiary companies, and some may handle rights sales to third parties in some markets via regional offices
- More attention paid to control of content when licensing, especially when third party material is involved
- For some content, more opportunities to "slice and dice", e.g. for custom publishing
- Some content licensing may be automated via services such as CCC's RightsLink and PLSclear

## Key changes in the rights world — the future?

- Some publishers may seek to publish projects created entirely inhouse, to ensure they control full range of rights
- More than 50% of all rights deals stem from English language content, so unlikely that Brexit will deter licensees from seeking British books
- But exchange rates may affect currency in which deals are done
- And will UK publishers be able to justify seeking exclusivity in the European market once the UK leaves the EU?
- Although most countries belong to one or more of the international copyright conventions, many (including China and Japan) still have a shorter term of copyright protection than the UK, other EU countries and the USA
- Vital for publishers to keep track of exact rights they are acquiring (in terms of type of usage, sales territory, duration etc) and which rights they are able to license out

## Contact details and publications

- lynetteowen@hotmail.co.uk
- Owen: Selling Rights 7/e (Routledge 2014, ISBN 978 0 83564 0)
- Owen (General Editor): Clark's Publishing Agreements: A Book of Precedents 9/e (Bloomsbury Professional 2013, ISBN 978 178043 220 5; 10/e due July 2017)
- Jones & Benson: Publishing Law 5/e (Routledge 2016, ISBN 978 1 138 80379 4)



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### **Knowing your rights:**

The challenges of selling rights in a changing & increasingly digital landscape

The BIC Breakfast London, February 2017

Michael Healy Executive Director, International Relations Copyright Clearance Center











#### Copyright Law: maintaining balance

- Incentive to Create and Publish
- Promote Authorship and Scholarship
- Public Need for Information
- Access to and Use of Content

**Exclusive Rights** 

COPYRIGHT HOLDERS Exceptions and Limitations

CONTENT USERS





#### Today's Copyright Debate

- Copyright and economic growth and development
- Rights vs. Responsibilities
- Focus on exceptions and limitations
- Information and transparency
- Transactional simplicity and automation





#### Technology-enabled infringement

- Social Networks
  - 1.4 billion active Facebook users
  - 500 million tweets every day
  - 100 million Snapchats daily
- Email
- Linking
- File-sharing





#### Government Reviews of Copyright

- Australia
  - Productivity Commission 2015-2016
- United Kingdom
  - Hargreaves Review (2011)
  - Hooper Review (2012)
- European Commission





## New Copyright Legislation

- Canada
- South Africa
- Brazil
- China
- European Union





#### Key Judicial Decisions on Copyright

- USA
  - Georgia State University
- European Union
  - Hewlett Packard vs. Reprobel
  - Vogel vs. VG WORT
- India
  - Delhi University





#### Key issues: summary

- Proliferation of technologyenabled infringement
- Legislation, regulations, and judgements injurious to interests of © owners
- Absence of effective licensing mechanisms in key markets
- State of © education and advocacy





#### **Protecting copyright: 3 foundations**

1. Education 2. Enforcement 3. Licensing



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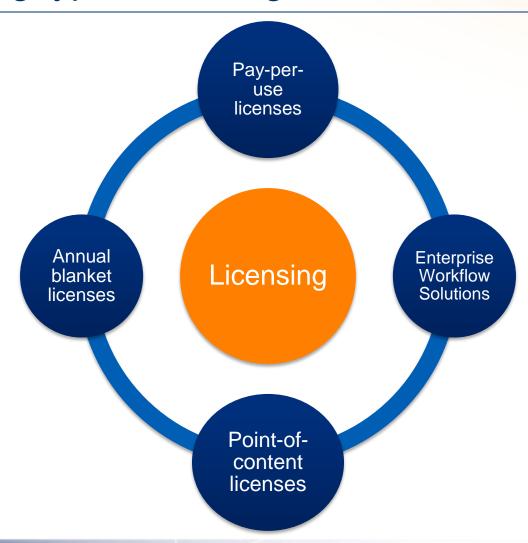
We need a global infrastructure that permits simple, global licensing. One that makes the task of licensing cultural works legally on the Internet as easy as it is to obtain such works there illegally.



Francis Gurry
Director General
WIPO

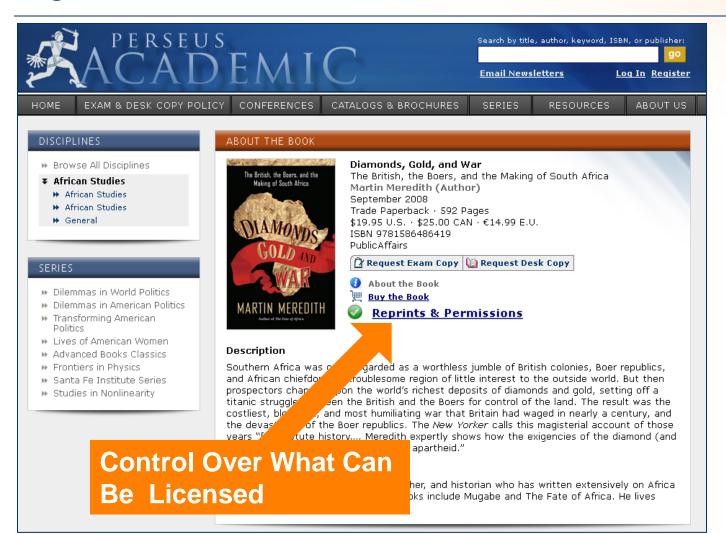


## Licensing types: meeting the users' needs



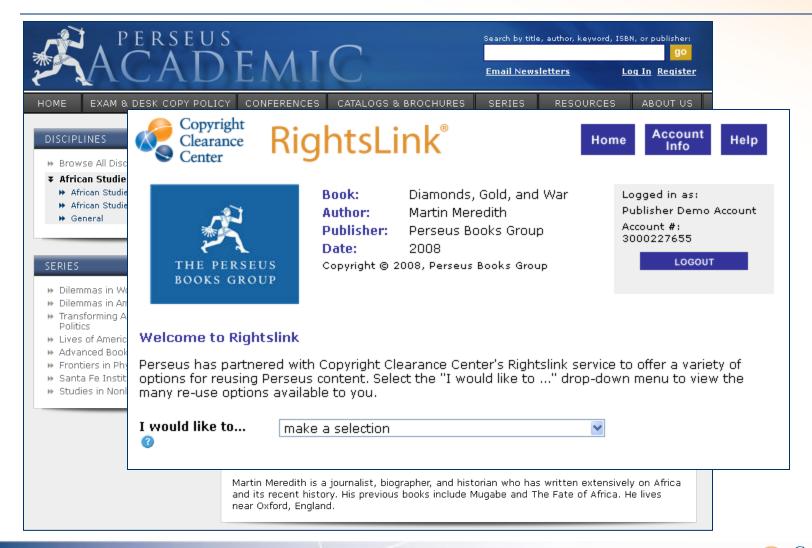


#### Rights with Content





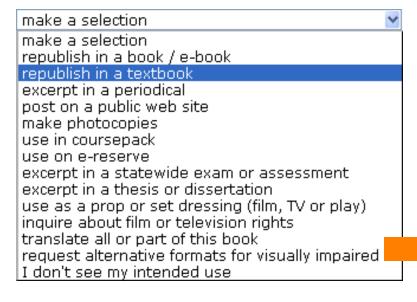
## Customer Clicks And Opens RightsLink





#### Licensing Options Are Set By The Publisher

#### Flexible Licensing



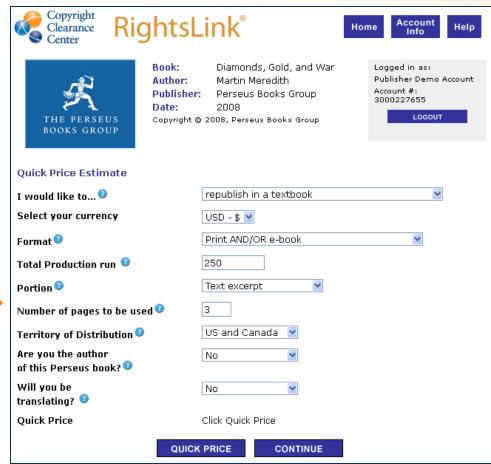




#### Customer Answers Questions Regarding Reuse

# Publisher maintains control of the licensing process



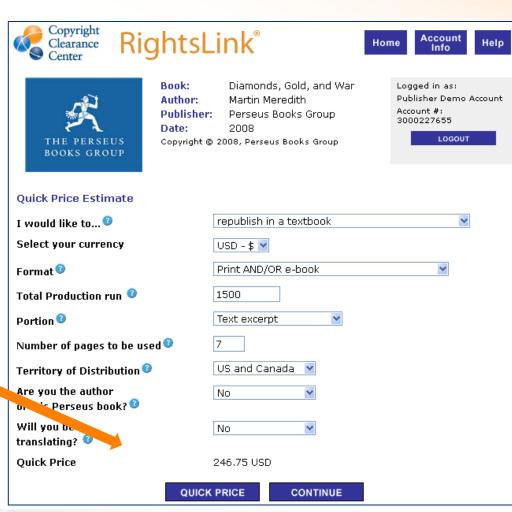




#### **Instant Price Estimates**

# Price estimates are based on order details

Quick Price 246.75 USD





#### Order Verified And Completed in Minutes

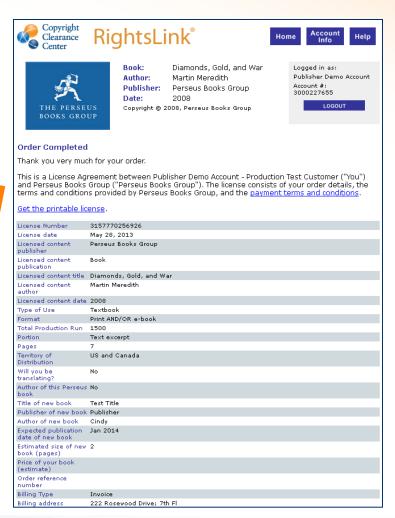
#### **Instant licensing**



Thank you very much for your order.

This is a License Agreement between Publisher Demo Account - Production Test Customer ("You") and Perseus Books Group ("Perseus Books Group"). The license consists of your order details, the terms and conditions provided by Perseus Books Group, and the <u>payment terms and conditions</u>.

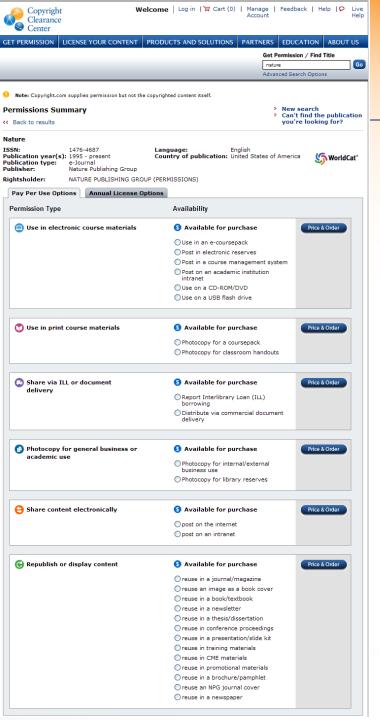
Get the printable license.





#### **Pay-Per-Use Permission Options**







# Thank you.

mhealy@copyright.com @mjhealy http://www.copyright.com













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#### Thank you for attending February's BIC Breakfast:

Knowing Your Rights: The Challenges of Book Rights in a Changing & Increasingly Digital Landscape

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