

# Annual Report 2007



# Contents

Foreword	2	Stichting Reprorecht [Reprographic Reproduction Rights Foundation] was established in 1974 by organisations representing writers and publishers and has been appointed by the Dutch Minister of Justice as the sole body responsible for collecting reprographic reproduction fees. As such, it acts as a single office for both the public sector and educational institutions, businesses and other organisations.
Over Reprorecht	3	Stichting Reprorecht distributes these fees proportionately to writers and publishers in accordance with regulations approved by the Dutch government. The College van Toezicht Auteursrecht [Copyright Supervisory Authority] (CvTA) accounts for the operations of Stichting Reprorecht to the Minister of Justice.
About Reprorecht		
<i>Key figures</i>	7	
<i>Distribution breakdown</i>	10	
Annual review of the public sector	12	
Annual review of the business sector	13	
Annual review of the distribution	14	
Management	15	
Colophon	18	
Appendices		
<i>IFRRO</i>	19	
<i>Overview of allocated spending of collective funds</i>	21	



# Foreword

2007 was characterized by a series of new developments in the sector of collective rights organizations. Stichting Reprorecht contributed to the creation of a code of conduct for the sector and the establishment of a new trade association for these organizations. The code of conduct defines the rules that the collective rights organizations must observe. The code not only deals with their relationship with those liable for payment, but also their relationship with their own supporters and is mainly focused on the transparency of what they do in practice. The code of conduct came into force at the start of 2008 and was endorsed by all the collective rights organizations, including Stichting Reprorecht. The new sector association VOI©E will ensure that the code of conduct is observed. VOI©E is short for *Vereniging van Organisaties die Intellectueel eigendom Collectief Exploiteren* (the Association of Organizations for the Collective Management of Intellectual Property Rights). This organization will have to find an answer to the criticism of the business sector and politicians concerning the collective administration of copyrights. The former State Secretary and Minister of Justice Aad Kosto has been chosen as the independent chairperson of VOI©E.

Stichting Reprorecht (the Foundation) looks back with satisfaction at the year 2007. The Foundation is pleased to be able to establish that a record amount of € 20.1 million could be distributed in 2007 (€ 13.2 million in 2006). The Regeling Reprorecht Bedrijfsleven (Business Sector Reprographic Reproduction Rights Plan) has now been largely accepted. In 2007, the business sector was addressed concerning the invoicing period 2005/2006, a continuation of the collection that began some time in the middle of 2006. In 2007, the total amount collected from the business sector was € 6 million (€ 15 million in 2006). In 2007, the amount collected from the public sector rose by € 2.6 million to € 9.2 million thanks to money that was received for a number of years.

In 2007, Stichting Reprorecht began an investigation into compliance by publishers with the obligation to pay writers (at least 50% of the money must be paid to the creators). The larger publishers generally had their affairs in good order. However, some of the smaller publishers had problems paying relatively small amounts to a large number of writers who do not receive an annual royalty payment. In 2008, the Foundation again investigated 10 large and 75 small publishers.

Stichting Reprorecht works in close cooperation with its foreign sister organizations within IFRRO, the International Federation of Reproduction Rights Organisations. In 2007, new reciprocity contracts were agreed by the Foundation, such as with the Australian sister organization Copyright Agency Limited (CAL).

To summarize, 2007 was a year of consolidation and strengthening in all fields for the Foundation. The Foundation is, therefore, pleased that, at the time of writing this annual report, it had been made public that the Regeling Reprorecht Bedrijfsleven had been extended to at least 2008.

*M.J. Sanders-ten Holte*  
*Chairperson of Stichting Reprorecht*

# About Reprorecht

## Introduction

In short, the Copyright Act protects the rights of copyright holders. For example, to photocopy work (paper to paper) that is copyright protected, permission is required, in principle, from the copyright holder.

Making photocopies for personal use is permitted, provided that it remains confined to small sections of books (or the score or passages of a musical work) or articles in daily newspapers or magazines. Photographs and other illustrations contained in books, newspapers and magazines may also be photocopied for personal use. If a publication is no longer available for sale, it may be copied in its entirety. The author's consent is not required for photocopies for personal use, nor is any fee payable, provided these photocopies are only for personal use and are not be given to a third party.

A stipulation contrary to the latter may be made in the general interest by an Algemene Maatregel van Bestuur [Order in Council] (AMvB). Under the terms of an AMvB, known as the Reprobesluit [Reprographic Reproduction Order in Council], educational institutions, libraries, government organisations and other public interest bodies are permitted to make photocopies for internal use and to give them to third parties, namely, students, other libraries for inter-library loans, as well as their own officials, respectively, provided that an equitable fee is paid to Stichting Reprorecht for this purpose.

A similar scheme applies to the business sector under the terms of a legislative amendment enacted on 1st February 2003. Businesses, organisations and institutions may make photocopies for their own staff to use internally, provided they pay an equitable fee to Stichting Reprorecht. At present, the approved reproduction fee amounts to € 0.045 per photocopy.

## The role of Stichting Reprorecht

Stichting Reprorecht, which was established by organisations representing writers and publishers, has been appointed by the Minister of Justice (to the exclusion of anyone else) to collect the fees for the photocopies permitted by law and the AMvB which are made by organisations working in the public interest and by the business sector. The legislature has made provision for two exceptions, or opt outs, in this respect. The first opt-out option is that a rightsholder can decide not to exercise his reproduction right and to waive his entitlement to a fee. In this case, the person liable for payment will need to show that the rightsholder has waived his reproduction right. This could occur, for example, by a writer stating in his work that he waives any entitlement to a fee. The second opt-out option is for the person liable for payment to agree with the rightsholder to pay any fee directly. In this case too, the person liable for payment will also need to prove to Stichting Reprorecht that he has complied with such an arrangement and continues to do so.

It is questionable whether people will actually avail themselves of the opportunity to opt out. After all, not only will anyone who is liable for payment need to show that the relevant rightsholder has waived his entitlement to a fee or that he has made arrangements directly with the rightsholder, he will also need to specify the extent to which photocopies have been made of the relevant works and what proportion they represent of the total number of photocopies made of the copyright protected works in question. It is precisely this administrative rigmarole which Stichting Reprorecht's payment scheme is designed to avoid. It should be noted that this only involves what is known as 'reprographic reproduction', that is to say, from paper to paper. To create and store electronic copies of copyright protected works, public interest organisations and the business sector require the consent of the creator or the creator's legal successor.

## ► About Reprerecht

### Collection

In general terms, the reproduction right system works as follows. When large-scale photocopying occurs, it is almost impossible, from a practical point of view, to register the source details because that would lead to an unproportionally high administrative burden. A compromise needed to be found which involved, on the one hand, as little administrative work as possible for the person liable for payment (no duty to keep records) and payment for actual use, and, on the other hand, a minimum of information to be collected in order to ensure that the fees are paid to the relevant rightsholders as much as possible.

The people who are liable for payment have a duty to report the total number of photocopies that they make each year, unless they make less than 50,000 photocopies. It should be noted here that this refers to the total number of photocopies, also those of works which are not protected by copyright and those which are made for personal use. In this case, the legislature has endeavoured to limit the administrative work involved. All that people liable for payment have to do is keep a record of the photocopier counter and inform Stichting Reprerecht of their photocopying practices. Stichting Reprerecht is then required to determine, together with those liable for payment, what proportion of the total number of photocopies comprises photocopies of books, magazines, newspapers and other documents, so that a fee can be determined in accordance with the legally stipulated rate. Organisations and businesses which produce fewer than 50,000 photocopies per year do not have a duty to report. But they as well may only photocopy publications after paying an equitable fee to Stichting Reprerecht.

### Payment arrangements

Stichting Reprerecht makes payment arrangements with umbrella organisations and institutions in the public sector as much as possible. It makes arrangements with these organisations to secure their cooperation for a market survey to be conducted by an independent research centre into the total number of photocopies

that have been made and the proportion of them which are subject to reprographic reproduction rights. This covers photocopies of books, magazines, daily newspapers, loose-leaf and other publications. These random surveys also examine the nature of the works that have been photocopied, for example, academic books, trade journals, weekly magazines or educational publications. The fee is determined in the form of an annual compensation. The relevant umbrella body may then specify the manner in which this compensation is to be broken down amongst the organisations which it represents and which are liable for payment. This breakdown could be based on the volume of photocopies, the number of students enrolled with them or the size of their workforce.

With regard to the business sector, Stichting Reprerecht has made an arrangement for the determination of a fixed sum payable by each business on the basis of the number of employees. This has been done in consultation with the national employers' associations VNO-NCW and MKB-Nederland.

Based on a study of employee photocopying practices, two fee scales have initially been established: one for sectors with a relatively low percentage of photocopies subject to reprographic rights payments, and one for the sectors with a relatively high percentage of photocopies subject to reprographic rights payments. This scheme is designed to confine the administrative burden for the business sector to a minimum.

### Distribution

Stichting Reprerecht takes the funds that are collected and divides them into categories of publications based on random survey data. As of 1st February 2003, photographs, illustrations and other visual works contained in photocopied documents constitute a separate category. Prior to this date, it was only possible to copy visual works with the creator's consent and the reprographic reproduction rights scheme did not apply to them.

## ► About Reprerecht

Every year, the funds that are available for distribution are broken down into these categories and placed at the disposal of the publishers who can show by means of an auditor's report that they have achieved turnover in a specific category during the year of collection. All the publishers who have registered with Stichting Reprerecht in the course of time are invited to participate in this distribution every year. Any publisher who fails to respond foregoes his entitlement to a share of the disbursements made in the year concerned. The publishers receive a share determined by Stichting Reprerecht's external chartered accountant which is in proportion to their demonstrated sales, subject to the provision that they pay out no less than 50% of it to the creators of the works which have generated the turnover. While it is true that this 50-50 division corresponds to the customary apportionment of the proceeds from accessory rights between book publishers and writers, the distribution of the reprographic reproduction fees is entirely based on Stichting Reprerecht's Disbursement Regulations [Reglement Uitkeringen], which have been approved by the Minister of Justice. The implementation is supervised by a copyright supervisory authority (College van Toezicht Auteursrecht – CvTA) appointed by the same minister.

A publisher, therefore, has a duty to forward 50% of the funds it receives to 'its' creators, irrespective of anything else that may have been agreed in the relevant publishing contracts. He may not charge them for this. Where all or part of a work has been created by a publisher's employee, for example, a journalist, the publisher concerned is the 'creator' and is entitled to receive the relevant share of the fee, unless otherwise agreed. There are two ways in which a publisher can pay the writer's share: it can disburse funds in proportion to the fees disbursed in the year concerned or to the number of pages published. Sums of less than € 15.00 per writer may be allocated for the collective benefit of the relevant group of writers in consultation with Stichting Reprerecht. The publishers are required to pass on any payments within three months after receiving the fund that has been distributed. Stichting Reprerecht may grant a publisher dispensation on request, so that the payment

takes place simultaneously with the next annual fee settlement, but no later than within one year.

### Other forms of payment

Not all of the funds are divided amongst publishers. For a number of categories of documents, organisations have been appointed to distribute the funds intended for their members. In the case of daily newspapers and consumer magazines, the creator's share is distributed through the association of journalists, Stichting Nieuwswaarde. The daily newspaper publishers, on the other hand, receive their share directly from Stichting Reprerecht based on their turnover. In the case of consumer magazines, both the publisher's and the creator's shares are disbursed through such organisations. Groep Publiekstijdschriftuitgevers [Consumer Magazines Publishers Group] of the Nederlands Uitgeversbond [Dutch Publishers Association] receives its publisher's share for allocation for a collective purpose. Stichting Nieuwswaarde receives the share earmarked for printed publication journalists. In addition, some of the money in this category is channelled into a jointly managed Onderwijsfonds Publiekstijdschriften [Consumer Magazine Training Fund] for professional training. General book fees are shared amongst the Groep Algemene Uitgevers [General Publishing Group] of the Nederlands Uitgeversbond, which is then used to fund activities promoting books, and Stichting LIRA, which adds these funds to those allocated for the disbursement of lending fees.

The creator's share for visual works is disbursed as a separate category to the association representing the creators of these works, Pictoright.

If a publisher fails to register with Stichting Reprerecht as a payment beneficiary, its authors may approach Stichting Reprerecht directly. Every year, Stichting Reprerecht places a notice for this writers fund in the daily newspapers and magazines. The publishers who are not a member of the scheme would, of course, do well to notify their writers of this themselves. The writers also need to provide plausible evidence of their turnover in the category of

## ► About Reprorecht

publications for which funds are available. Journalists who write for daily newspapers and consumer magazines would do best to approach Stichting Nieuwsaarde. Writers of general-interest books receive their share through the disbursement of lending fees and creators of visual works can approach their own organisation, Pictoright.

Dutch rightsholders who require more information about reproduction rights or who wish to register for distribution purposes may approach Stichting Reprorecht.

### *Other countries*

Stichting Reprorecht also collects fees for foreign rightsholders. These funds are set aside for each country until funds are exchanged with the relevant foreign sister organisation based on reciprocity. The determination of the foreign share and its breakdown amongst the various countries is also based on random market surveys. As it happens, the Dutch component in other countries should not be underestimated. Dutch publishers represent more than 20% of scientific and professional information in the global market.

*Stichting Reprorecht is affiliated to the International Federation of Reproduction Rights Organisations (IFRRO). You can find detailed information about IFRRO [here](#).*

# Key figures for 2007

Amounts in thousands of euros

RECEIPTS	2007	2006	2005	2004	2003
Public sector	9,256	6,591	7,701	7,183	5,237
Business sector	6,049	15,038	4,234	14,825	1,925
<b>Total receipts</b>	<b>15,305</b>	<b>21,629</b>	<b>11,935</b>	<b>22,008</b>	<b>7,162</b>
<b>BREAKDOWN OF INCOME AND EXPENDITURE</b>					
Administrative fees withheld from distribution	3,876	2,583	2,350	539	510
Business sector expenses withheld from collection	0	0	2,853	3,697	6,661
Financial income and expenditure	1,328	711	580	343	316
Total expenditure	5,204	3,294	5,783	4,579	7,487
Operating expenses	-3,080	-2,747	-3,317	-4,136	-6,712
<b>Operating result for result destination</b>	<b>2,124</b>	<b>547</b>	<b>2,466</b>	<b>443</b>	<b>775</b>
General reserve mutation	796	-164	1,886	385	562
Addition to destination reserve for funds to be distributed	1,328	711	580	58	213
<b>Result destination balance</b>	<b>2,124</b>	<b>547</b>	<b>2,466</b>	<b>443</b>	<b>775</b>
<b>EQUITY CAPITAL MUTATION OVERVIEW</b>					
Position on 1st January	3,609	3,773	1,887	1,502	940
General reserve mutation	796	-164	1,886	385	562
Destination reserve for funds to be distributed mutation	0	0	0	0	0
<b>Position on 31st December</b>	<b>4,405</b>	<b>3,609</b>	<b>3,773</b>	<b>1,887</b>	<b>1,502</b>
<b>MUTATION OVERVIEW OF THE FUNDS TO BE DISTRIBUTED</b>					
Position on 1st January	24,950	15,805	17,959	4,847	11,442
Collected, gross	15,305	21,629	11,935	22,008	7,162
Withheld from collection (inc. VAT)	0	0	-2,808	-2,619	-7,173
<b>Collected, net</b>	<b>15,305</b>	<b>21,629</b>	<b>9,127</b>	<b>19,389</b>	<b>-11</b>
Withheld from destination reserve for funds to be distributed	1,328	711	580	58	213
Distribution	-20,069	-13,195	-11,861	-6,335	-6,797
<b>Position on 31st December</b>	<b>21,514</b>	<b>24,950</b>	<b>15,805</b>	<b>17,959</b>	<b>4,847</b>
<b>BREAKDOWN OF FUNDS STILL TO BE DISTRIBUTED</b>					
Still to be specified: Public sector	0	0	294	2	532
Still to be specified: Business sector	0	0	67	1,692	-5,248
Total funds still to be specified	0	0	361	1,694	-4,716
Disbursement categories in the Netherlands	17,132	19,763	12,687	13,542	6,528
Disbursement categories abroad	4,382	5,187	2,757	2,723	3,035
<b>Total funds to be distributed as of 31st December</b>	<b>21,514</b>	<b>24,950</b>	<b>15,805</b>	<b>17,959</b>	<b>4,847</b>

# Notes on the key figures for 2007

The key figures concisely reveal the organisation's most important financial developments for the year under review and for recent years. Below, you will find an explanation of a number of items.

## **COLLECTED**

The total amount collected has fluctuated greatly over the years. This is explained by the fact that, in addition to collections from the public sector, funds have also been collected from the private sector (the business sector) twice a year since 2003. The bulk of the amounts pertaining to the period from 2003 to 2004 was invoiced and collected from the business sector in 2004. The invoicing and collection of the amounts pertaining to the period from 2005 to 2006 commenced in the middle of 2006 and continued in 2007. As a result, there is a significant decline in the amounts collected from the business sector in 2005. In 2006, there was a significant increase to € 15,038,000, which was followed by a fall in 2007 to € 6,049,000. For more information about the public and business sectors, please refer to pages [page 12](#) and [page 13](#), respectively.

## **ADMINISTRATIVE FEES WITHHELD FROM DISTRIBUTION**

The item administrative fees withheld from distribution refers to income derived from the withholding of 20% of the amount paid out to the relevant rightsholders by way of administrative fees, with the exception of several disbursements which are subject to a different withholding rate: funds received from abroad (9%), the writers fund (9%) and disbursements to Stichting MusiCopy (15%). Consequently, the increase of this item is directly related to the increase of the funds that were distributed during the year under review. The amount withheld is to cover operating expenses.

## **BUSINESS EXPENSES WITHHELD FROM COLLECTION**

Unlike previous years, no more business expenses have been deducted from the amount collected since 2006, because administrative fees withheld from distribution were enough to cover the operating expenses. As a result, the item business expenses

withheld from collection is listed as nil in the breakdown of income and expenditure and the movement of funds to be distributed.

## **FINANCIAL INCOME AND EXPENDITURE**

Financial income and expenditure mainly consists of interest received on bank balances and deposits. The amount rose from € 711,000 in 2006 to € 1,328,000 in 2007. One of the reasons for this is a rise in liquid assets as a result of an increase in the funds to be distributed. In addition, more efficient asset management and an increase in interest remittances have had a positive effect on the interest received.

The presentation of the allocation of interest to the funds to be distributed has been changed as of 2007. The comparative figures for previous years have been altered for comparison reasons. The reason for this is the following. Until 2007, the breakdown of income and expenditure not only included the financial income and expenditure, but also the interest assigned to the funds to be distributed. This means that, on balance, only the interest assigned to the operating activities was visible – it should be noted here that from 2005, all the income from interest has been assigned to the funds to be distributed. From 2007, the interest assigned to the funds to be distributed is no longer included in the breakdown of income and expenditure, but is only added to the funds to be distributed after it has been added, together with the result destination, to the "Destination reserve of the funds to be distributed". As a result, the financial income and expenditure is expressed in full in the operating result.

## **OPERATING EXPENSES**

Operating expenses are incurred for the purposes of invoicing, collection, distribution and other activities conducted by Stichting Reprorecht. This item also includes management fees of € 30,000 (€ 28,000 in 2006).

The increase in the operating costs is partly the result of more personnel being required to invoice and collect funds from the

## ► Notes on the key figures for 2007

business sector for the period 2005 – 2006, which commenced in the middle of 2006 and was continued throughout 2007.

### **OPERATING RESULT FOR RESULT DESTINATION**

The operating result for the amount of the financial income and expenditure is added in its entirety to the destination reserve of the funds to be distributed. The rest is added to the general reserve for the equity capital.

### **EQUITY CAPITAL**

The equity capital can be freely spent and mainly serves as a continuity reserve, the amount of which is determined by the extent of the Foundation's activities and the risks that are related to this. The equity capital of € 4,405,000 at the end of 2007 (€ 3,609,000 at the end of 2006) is in keeping with this. In 2007, the addition to the destination reserve for funds to be distributed is made immediately and fully available to the funds to be distributed, so that the destination reserve is nil at the end of 2007.

### **FUNDS TO BE DISTRIBUTED**

In 2007, the funds to be distributed fell from € 24,950,000 to € 21,514,000 by the end of 2007. The total amount concerns the various payment categories for the Dutch rightsholders (€ 17,132,000) and the various country accounts for foreign rightsholders (€ 4,382,000). The item "Still to be specified" concerns the amounts that have been collected, but still have to be assigned to the various payment categories. This item was nil at the end of 2006 and 2007, because all the amounts had been assigned to payment categories.

The distribution rose from € 13,195,000 in 2006 to a record amount of € 20,069,000 in 2007. See [page 10](#) and [page 11](#) for a specification of the funds distributed in 2007. In December of each year, all the available funds in the various payment categories are normally distributed and paid to the rightsholders – in theory, funds that were collected in the previous year.

# Distribution in 2007

The table on this and the following page contains a breakdown of the funds distributed to Dutch and foreign rightsholders in 2006.

## DUTCH RIGHTSHOLDERS

*Amounts in thousands of euros*

CATEGORIES	GROSS DISTRIBUTED TO	DISTRIBUTED IN:	2007	2006
Professional and academic journals	Publishers and their writers based on PWC apportionment		4,225,649	2,057,186
Professional and academic books	Publishers and their writers based on PWC apportionment		4,157,600	1,956,622
Educational publications	Publishers and their writers based on PWC apportionment		2,663,789	1,969,082
Newspapers	Publishers based on PWC apportionment		346,066	165,651
Newspapers	Stichting Nieuwswaarde		346,036	165,651
Music publications	Stichting Musicopy		131,547	77,805
Consumer magazines	Stichting Nieuwswaarde		258,866	225,315
Consumer magazines	Onderwijsfonds Publiekstijdschriften		129,433	197,523
Consumer magazines	Groep Publiekstijdschriften NUV		258,866	395,047
General-interest books and other publications	Stichting LIRA		130,584	88,909
General-interest books and other publications	Groep Algemene Uitgevers NUV		130,584	174,001
Creators of visual works	Pictoright		2,169,424	1,237,716
Publishers of visual works	Publishers based on PWC apportionment		2,161,248	2,845,868
Foreign sister organisations	Dutch publishers and writers based on specifications		791,707	475,357
<b>Total distributed in the Netherlands</b>			<b>17,901,399</b>	<b>12,031,732</b>

## ► Distribution in 2007

### FOREIGN RIGHTSHOLDERS

Amounts in thousands of euros

COUNTRY ACCOUNTS	GROSS DISTRIBUTED TO	DISTRIBUTED IN:	2007	2006
United States	CCC		998,978	570,271
United Kingdom	CLA		647,052	343,645
United Kingdom	NLA		37,493	14,319
France	CFC		186,662	106,557
Belgium	Reprobel		183,589	104,802
Canada	Acces Copy		18,653	10,648
Canada	Copibec		6,217	3,549
Ireland	ICLA		10,340	5,902
Norway	Kopinor		4,191	2,393
New Zealand	CLL		2,235	1,277
Spain	Cedro		1,398	797
Australia	CAL		43,811	0
Other countries	IFRRO Development Fund		26,247	0
<b>Total distributed abroad</b>			<b>2,166,866</b>	<b>1,164,160</b>
<b>Total distributed</b>			<b>20,068,265</b>	<b>13,195,892</b>

Countries with which Stichting Reprorecht has now entered into A (Transfer of Funds) or B (Repertoire Exchange) agreements:

**TYPE A:** Australia, Belgium, Canada, France, Ireland, New Zealand, Norway, Spain, United States, United Kingdom

**TYPE B:** Brazil, Denmark, Germany, Finland, Hong Kong, Mexico, Poland, South Africa, Zwitserland

# Annual review of the public sector

## Collection

Stichting Reprorecht has made arrangements for payment with the relevant umbrella organisations or has agreed with them on models which are to be sent to the members of these organisations with a recommendation from the latter. The foundation will make arrangements with these organisations to secure their cooperation for a market survey to be conducted by an independent research centre into the total number of photocopies that have been made and the proportion of them which are subject to reprographic reproduction rights.

amounts in Euros

COLLECTED	2007	2006
Government	1,837,539	1,705,853
Education	5,557,561	4,388,446
Other countries	1,860,585	496,340
<b>Total</b>	<b>9,255,685</b>	<b>6,590,693</b>

In 2007 the collection in the public sector increased by € 2.6 million to € 9.2 million due to the receipts related to a number of years.

## Education

The incidental increase related to the collection at education in the year under review relates to a payment made by the Association of Universities in the Netherlands (VSNU) over 2006. In 2006, the Stichting Reprorecht and the VSNU have agreed on a reprographic reproduction rights scheme for the period from 2003 to 2009. Furthermore the Stichting Reprorecht and the VSNU have also agreed that during the term of this agreement they would conduct joint research for the purposes of determining a reasonable reprographic reproduction fee to be paid by the VSNU as of 2010. To this end the total annual volume of photocopies made by the universities will be counted along with the proportion of copies in respect of which reprographic reproduction fees are payable.

## OTHER COUNTRIES

The incidental increase of the receipts from other countries in the year under review mainly relates to payments received from our Belgian sister organisation Reprobel in relation to previous years. The Foundation hardly has any control over the size of the amounts to be received and the time when this occurs. Incidentally, every year Stichting Reprorecht takes the amounts collected for Denmark, Germany, Finland, Mexico and Switzerland and adds them to the funds that are to be distributed to Dutch rightsholders in accordance with the provisions of the Type B (Repertoire Exchange) reciprocal agreements).

Within the IFRRO, the International Federation of Reproduction Rights Organisations, the Stichting Reprorecht works in close cooperation with its sister organisations in other countries. In the year under review, the Foundation entered into new reciprocal agreements, for example with its Australian sister organisation Copyright Agency Limited (CAL).

# Annual review of the business sector

In the year under review businesses have been written to in relation to the invoicing period 2005/2006, which is a continuation of the collection which commenced mid 2006. In 2007 the total collected at businesses amounted to € 6.0 million (€ 15.0 million in 2006).

The writing to a limited number of businesses in respect of the invoicing period of 2005 to 2006 was not yet fully completed at the end of 2007. This refers for example to businesses who – on their own request – pay the reprographic reproduction fees based on individual arrangements within the regulation, and to a number of businesses addressed by the Foundation separately, since in those specific cases they experience the fixed fee not be reasonably corresponding in relation to their actual volume of photocopies.

In 2007, the Stichting Reprorecht has contributed to the realisation of a code of conduct for the industry, in which it is stipulated which codes are to be observed by the collective administration bodies. This code includes their relation regarding the obligation to pay, such as businesses. The recently established trade association VOI©E [Vereniging van Organisaties die Intellectueel eigendom Collectief Exploiteren or freely translated; Association of organisations who collectively exploit intellectual ownership] will monitor the proper observance of this code of conduct, and which intends to find an answer/answers to the critical remarks made by the trade in relation to the collective administration of the copyright.

During the year under review, the Stichting Reprorecht has regularly been in contact with employer organisations, such as the Raad Nederlandse Detailhandel in relation to the implementation in this respect. Furthermore the Foundation conducted intense negotiations with MKB-Nederland and VNO-NCW in relation to a continuation of the Reprorechtregeling Bedrijfsleven. The Foundation is pleased to announce that at the time of the formulation of this annual report, it was known that the Regeling Reprorecht Bedrijfsleven is in any case continuing in 2008.

## Regeling Reprorecht Bedrijfsleven (Business Sector Reprographic Reproduction Rights Plan) in the year under review

The scheme for 2005 to 2006 was agreed with VNO-NCW and MKB-Nederland in December 2005. Following the proven success of an introductory scheme for the period from 2003 to 2004, negotiations conducted by the Foundation with the employers associations, VNO-NCW and MKB-Nederland, resulted in the continuation of the Regeling Reprorecht Bedrijfsleven in relation to 2005 and 2006. Like its predecessor, the scheme for 2005 to 2006 is based on flat-rate approach: businesses pay a fixed sum depending on their size and the relevant industry. The rates are indexed, with the result that the following fees are applicable in respect of 2005 and 2006:

- businesses with fewer than 20 employees pay EUR 16.78 each year;
- businesses with 20 or more employees which produce fewer photocopies are required to pay as part of a system of five size-based categories with fees varying from EUR 107.00 to EUR 3,115.00;
- businesses with 20 or more employees which produce more photocopies are required to pay a fee varying from EUR 161.00 to EUR 4,672.00 depending on the size-based category in which they fall.

It is possible for either Stichting Reprorecht or businesses to take the initiative to make individual arrangements, if the fixed sums do not reasonably correspond to the actual volume of photocopies concerned.

# Annual review of the distribution

The Stichting Reprorecht is delighted to note that it managed to distribute an even larger amount during this financial year (EUR 20 million) than the record sum achieved last year (EUR 13.2 million). For a specification of the distributed funds in 2007, please refer to [page 10](#) and [page 11](#).

Following the decision made by the Foundation at the end of 2006 to intensify the investigation into the extent to which payments are passed on to the writers in accordance with Stichting Reprorecht's Disbursement Regulations [Reglement Uitkeringen], the Foundation initiated an investigation regarding the observance of the publisher's obligation to pay the authors; no less than 50% of the amounts received by the publishers should be paid out to the creators of the works.

The scope of the investigation involved various publishers of different sizes. Large publishers were visited by an accountant and a Stichting Reprorecht employee; smaller publishers were approached in an administrative manner by the Stichting Reprorecht with the request to submit relevant data. A steering workgroup oversees the investigation.

The scope of the inspections was focussed on the distribution of national funds, and covers the following categories of publishers: professional and academic journals and books, and educational publications. Newspaper and consumer magazine publishers will not be investigated, because the relevant writers are paid by Stichting Nieuws waarde and not by the publisher.

In general, large publishers appeared to have their affairs in order. However, at the smaller publishers it appeared as though it had problems in relation to paying out relatively small fees to a large group of authors who did not receive an annual royalty fee.

The investigations results are used to create a cohesive set of measures with the objective to ensure the payment or distribution of reprographic reproduction fees by publishers and, where required – to improve these. The Foundation has the objective to again investigate ten (10) large publishers and seventy five (75) smaller publishers in 2008.

# Management

## College van Toezicht Auteursrecht

The *Wet toezicht collectieve beheersorganisaties auteurs- en naburige rechten* [Supervision of Collective Administration Bodies (Copyright and Neighbouring Rights) Act] came into force on 15 July 2003. This legislation has resulted in the establishment of the College van toezicht beheersorganisaties auteurs- en naburige rechten [Supervisory Authority for Copyright and Neighbouring Rights Administrative Bodies] (CvTA). This Authority is responsible for supervising the collection and distribution of fees by the following collective administration bodies: the Vereniging Bureau voor Muziekauteursrecht [Music Copyright Association Bureau] (Buma), Stichting Reprorecht, Stichting De Thuis kopie [Home Copying Foundation], Stichting ter exploitatie van naburige rechten [Foundation for the Commercial Exploitation of Neighbouring Rights] (SENA) and Stichting Leenrecht [Lending Rights Foundation]. Amongst other things, the Authority ensures that these collective administration bodies maintain comprehensive administrative records, collect any fees due in a lawful manner, distribute them to rightsholders on time and also that they provide fee payers and copyright holders with appropriate insight into their general and financial policy, maintain transparent fee structures, and are adequately equipped to perform their duties properly.

The *College van Toezicht Auteursrecht* consists of the following people:

H.F. Dijkstal (chairperson)

mr. Th.R. Bremer (member)

dr. M. Sanders (member)

H.B. van der Veen RA (substitute member)

The CvTA is assisted by a secretary, D.J. Hesemans.

*For more information see <http://www.cvta.nl/>*

## Stichting Reprorecht board of management

The members of the board of management are appointed by organisations representing writers and publishers, or are co-opted by the board of management of Stichting Reprorecht in accordance with its articles of incorporation. *You can find the full text of Stichting Reprorecht's articles of incorporation here.*

### WRITERS' REPRESENTATIVES

The eight writers' representatives are appointed as follows:

- *professional and academic books* – one individual writer is co-opted by the Stichting Reprorecht executive committee;
- *professional and academic journals* – one writer is appointed by the Koninklijke Nederlandse Akademie van Wetenschappen [Royal Netherlands Academy of Arts and Sciences];
- *educational publications* – one writer is appointed by the Sectie Educatieve Auteurs [Educational Writers Division] of Stichting Auteursraad [Writers Council Foundation];
- *newspapers* – one daily newspaper journalist is appointed by the Nederlandse Vereniging van Journalisten [Netherlands Association of Journalists];
- *general-interest books and other publications* – one writer is appointed by the Vereniging van Schrijvers en Vertalers [Netherlands Association of Writers and Translators] (VSenV);
- *consumer magazines* – one freelance journalist with experience in the consumer magazine sector is jointly appointed by the Netherlands Freelancers Association and the VSenV;
- *visual works* – two creators of visual works, one of whom is appointed by Pictoright (formerly, De Visuelen), and one who is appointed by the Fotografen Federatie [Netherlands Federation of Photographers].

## ► Management

### **PUBLISHERS' REPRESENTATIVES**

Eight publishers' representatives are appointed by the Dutch Publishers Association [Nederlandse Uitgeversbond] as follows:

- three members are nominated by the Professional and Academic Publishers Group [Groep Uitgevers voor Vak en Wetenschap];
- one member is nominated by the Educational Publishing Group [Groep Educatieve Uitgeverijen];
- one member is nominated by the Dutch Newspaper Publishers Group [Groep Nederlandse Dagbladpers];
- one member is nominated by the General-interest Publishers Group [Groep Algemene Uitgevers] and other publishers;
- one member is nominated by the Consumer Magazines Group [Groep Publiekstijdschriften];
- one member is nominated by the Vereniging van Muziekuitgevers [Netherlands Association of Music Publishers].

### **Appointments**

#### **WRITERS**

Following her nomination by the Dutch Association of Educational Writers [Vereniging van Educatieve Auteurs], Mrs Van Straaten-Huygen had been appointed to succeed Mr Groot, who has resigned, in November 2007. Mr Holierhoek was reappointed after being nominated by the Netherlands Association of Writers and Translators. Mr Lesbesque was reappointed after being nominated by the Netherlands Association of Journalists in November 2007.

#### **PUBLISHERS**

In November 2007, following his nomination by the Dutch Publishers Association, Mr Jansen has been appointed to succeed Mr Steenbeek who has retired. Following the nomination of the Dutch Publishers Association, Mrs Van Walt Meijer-van den Bremen and Mr De Wit have been reappointed in November 2007. Following the nomination by the Dutch Publishers Association, Mr Gijsbers has been appointed to succeed Mrs Van Walt Meijer-van den Bremen – who resigned – in June 2008.

#### **EXECUTIVE COMMITTEE**

Mr Gijsbers has been appointed to serve as a member of the executive committee after being appointed by the Dutch Publishers Association in June 2008.

## ► Management

MEMBERS OF THE BOARD AS OF 17TH JUNE 2008	CATEGORY	TERM EXPIRES IN:
Ms M. Sanders-ten Holte, Chairperson*	o	November 2008
Mr R.F. van Amerongen	u Educational publications	November 2009
Mr V.F.R.M. van den Eijnde	a Visual works	November 2009
Mr M. J. Frequin	u General-interest books and other publications	November 2009
Mr C.G. Gijsbers*	u Professional and academic books and journals	November 2010
Mr C.P.A. Holierhoek, Deputy Chairperson*	a General-interest books and other publications	November 2010
Mr J.P. Jansen	u Consumer magazines	November 2010
Mr V.H.G. Lebesque*	a Newspapers	November 2010
Mr N. van Lingen	a Professional and academic books	November 2009
Mr N. Louis	u Professional and academic books and journals	November 2008
Mr J.A.M. van der Meer, Treasurer*	u Professional and academic books and journals	November 2008
Mr H. van Meurs	u Newspapers	November 2008
Dr P.A.M. Spaninks	a Consumer magazines	November 2008
Ms A.T. van Straaten-Huygen	a Educational publications	November 2010
Prof. B. Wessels	a Professional and academic journals	November 2009
Mr F.J.P. de Wit	u Sheet music	November 2010
Mr G.J. Wolffensperger	a Visual works	November 2009

- a Writers' representative
- u Publishers' representative
- o Independent board member
- \* Executive committee

# Colofon

## **COPY**

Stichting Reprorecht  
Martèl Bakker Schut, Editor

## **TRANSLATION**

[www.fasttranslator.com](http://www.fasttranslator.com)

## **LAYOUT AND PRODUCTION**

Link Design, Amsterdam  
[www.linkdesign.nl](http://www.linkdesign.nl)

## **STICHTING REPRORECHT**

Siriusdreef 22-28, Hoofddorp, The Netherlands

## **FOR THE BUSINESS SECTOR:**

PO Box 3051  
2130 KB Hoofddorp  
The Netherlands  
[www.reprorecht.nl](http://www.reprorecht.nl)

## **FOR THE PUBLIC SECTOR AND COPYRIGHT HOLDERS:**

PO Box 3060  
2130 KB Hoofddorp  
The Netherlands  
[www.cedar.nl/reprorecht](http://www.cedar.nl/reprorecht)



# Appendix

## International Federation of Reproduction Rights Organisations (IFRRO)

Stichting Reprorecht works together with a large group of sister organisations at the international level. They are affiliated to the International Federation of Reproduction Rights Organisations (IFRRO). Stichting Reprorecht has entered into reciprocal contracts with most of these organisations. Where necessary, these contracts regulate representation in each other's country and include arrangements for the disbursement of funds collected for photocopying foreign publications.

The IFRRO has a number of forums and working parties, such as its regional committees (Latin America, Asia and the Pacific, Africa and the European group) and a digital issues forum. Discussions occur in these forums about important developments affecting legislation, technological developments, the role of reproduction organisations in relation to digital storage and the distribution of protected works (sometimes across borders), and specific fields of operation, such as those involving newspaper clipping digests and music publications. Stichting Reprorecht is an active member of the IFRRO and participates in all of its relative consultative bodies.

### **IFRRO JOINS ACAP**

On 1 July IFRRO joined the Automated Access Content Protocol (ACAP) to participate in the creation of a publishing industry standard that will work with search engines to indicate permissions information for materials published online. There is potential synergy with other standards that IFRRO is involved in developing, and RROs are well-placed to provide back office management of royalty payments to creators and publishers, if ACAP-search engine agreements require payment for access to online content.

### **EUROPEAN COMMISSION I2010 DIGITAL LIBRARIES STAKEHOLDER CONFERENCE**

On 14 September the EC's DG Information Society held a stakeholder conference to discuss implementation of solutions for orphan and out-of-print works. There was general agreement that guidelines needed to be devised for diligent search for rightsholders in orphan works. Both rightsholder and library, archive and museum representatives wanted to contribute to their development. In respect of out-of-print works, the need for a model licence and the universal character of the current one were acknowledged. Whereas the AV and newspaper sectors do not recognise the concept of out-of-print/distribution/commerce works, other sectors do. Implementation will be through a best practice approach at the initiative of institutions.

### **IFRRO AGM 2007 – SPOTLIGHT ON ACCESS TO COPYRIGHT WORKS IN THE DIGITAL ERA**

Javier Hernández-Ros, Head of the European Commission's Digital Libraries and Public Sector Information Unit, gave the keynote speech to a record number of delegates at the international seminar during the IFRRO AGM programme, 15-19 October in Dublin, Ireland. Hosted by the Irish Copyright Licensing Agency (ICLA) with the support of Newspaper Licensing Ireland (NLI), the events and meetings – including the AGM on 18 October – gave IFRRO members from around the world an unparalleled opportunity to debate collective management of rights.

IFRRO and ICLA welcomed author, publisher and library representatives to lively discussions on topics such as the European digital library project, the evolving role of reproduction rights organisations, tools for rights administration and facilitating user access to intellectual works.

## ► Appendix International Federation of Reproduction Rights Organisations (IFRRO)

### **IFRRO BUILDS FOUNDATIONS FOR RRO ACTIVITIES IN THE DIGITAL ARENA**

An IFRRO seminar invited input on tools and resources to help RROs customise exchange agreements for rightsholder mandates and repertoire when licensing in the digital arena. The resources detail non-prescriptive agreement options which RROs can select to give their local rightsholders further flexibility in the administration of their rights across borders, including where and how copyright material can be used, for instance on an educational institution's secure intranet.

The seminar marked the next stage in the implementation of IFRRO's Repertoire Exchange Mandate (REM), the principles that RROs are recommended to observe when being granted creator or publisher mandates that are exchangeable with other RROs. The REM sets standards that reassure rightsholders their rights are being protected when they allow access to their works in the digital environment.

### **IFRRO.ORG**

The IFRRO publishes a newsletter, information for members and other details on its website, which can also be consulted in connection with questions concerning reproduction and digital copies.

*For further information click here.*

# Appendix

## Overview of allocated spending of collective funds

### STICHTING REPRORECHT WRITERS FUND

- *Disbursements to individual writers*

If a publisher does not register with Stichting Reprorecht as a prospective recipient for disbursements, his writers will also be in danger of not receiving any money. In order to avoid this, writers may approach Stichting Reprorecht directly for disbursements from the writers fund. Stichting Reprorecht publishes a notice concerning the writers fund in newspapers and magazines every year. Those publishers who are not members of the scheme, would naturally do well to notify their writers accordingly themselves. The writers need to provide plausible evidence of their turnover in the category of publications for which funds are available. Those journalists who write for daily newspapers and consumer magazines, would do best to approach Stichting Nieuwsaarde. Writers of general-interest books receive their share as part of the library payments made by LIRA, while creators of visual works may approach Pictoright (formerly, De Visuelen) for this purpose.

- *Contributions to the translation fund of the Koninklijke Nederlandse Akademie van Wetenschappen (KNAW)*

This refers to a translation fund for academic articles, which was established in 1992 for the purposes of allocating reproduction fees that are collected by Stichting Reprorecht but which cannot be disbursed to individual writers. Its purpose is to fund translations published as part of a journal or anthology: academic articles written in Dutch and translated into English, French, German, Portuguese, Spanish, Italian or Russian; academic articles written in French or German and translated into English; and academic articles written in English and translated into French, German, Italian, Spanish, Portuguese or Russian. A translated article must be published in a superior academic journal or anthology. It must

set out a new academic understanding, initiate an innovative academic debate or present an original account of academic insights or developments. The target group must be researchers who are associated with a Dutch university or research institute. What qualifies for subsidisation are the costs involved in having an article translated by a professional translator which has been recently published or not yet, or of having a translation corrected by a professional translator. "Recently published" refers to publication less than five years ago, calculated from the date of the application. Each article can only be subsidised once. The amount of the subsidy that is allocated amounts to no more than EUR 1,600 and no less than EUR 800 in the case of each article. The payment of the costs involved in correction is subject to a maximum sum of EUR 300 per article. The application procedure is as follows: applications can be submitted twice a year using an application form provided by the KNAW. The closing date for the submission of application forms is the 1st of February and the 15th of September each year. The writer of the article concerned must apply to the KNAW for a subsidy himself.

### NUV/NVJ ONDERWIJSFONDS PUBLIEKSTIJDSCRIFTEN

- *Expeditie Bladenmaken*

Expeditie Bladenmaken is a week of workshops covering all aspects of magazines targeting young, ambitious, talented magazine producers.

### NUV CONSUMER MAGAZINE GROUP

- *Project Positionering*

The aim of this positioning project is to improve the position of the consumer magazine media type in the advertising market. The emphasis is placed on research and positioning the medium.

## ► Appendix Overview of allocated spending of collective funds

- *HALLO Workshop*

For two weeks students of the HALLO academy for applied creativity are introduced to the ins and outs of the magazine trade. Following this they get down to work themselves and present six concepts for new, commercially viable consumer magazines.

- *Seminar held by the University of Amsterdam*

Every year about 45 students become more familiar with magazine publishing at the University of Amsterdam in the course of a seminar entitled *Het uitgeven van publieksbladen* [Publishing Consumer Magazines]. The Consumer Magazines Group contributes to this training by arranging lectures or tutorials and working visits.

- *Contributions to Stichting ROTA*

Stichting ROTA is the organisation in the Netherlands which has issued *Regelen voor het Advertentiewezen* [Advertising Rules]. These rules are of the nature of collective terms and conditions of supply for the publishing sector and their aim is to ensure a certain order in the commercial dealings between the publishing sector, the advertising and media agencies, and advertisers.

- *Contributions to Stichting Reclame Code Commissie*

Complaints about advertising may be submitted to the Reclame Code Commissie [Advertising Code Committee]. It will determine whether any advertising contravenes the Dutch Advertising Code.

- *Contributions to the Nederlands Persmuseum*

The Dutch press museum is the national custodian of journalistic heritage. The museum manages an extensive collections of newspapers and magazines from 1600 on, a collection of posters and other forms of advertising relating to the press, a unique collection of political drawings and press cartoons (original and

otherwise), numerous archives and photographs featuring journalists and the press, and a large library. The aim of the press museum is to consolidate, document, open up, provide access to and exhibit information about, an understanding and experience of the Dutch press, and to study the history of our press heritage (or have this done). Education about the media is a key objective in this respect.

- *Contributions to the Stichting Lezen*

Stichting Lezen [Reading Foundation] encourages innovative projects, methods and instruments to promote reading and the study of literature, and coordinates existing activities. Furthering research and disseminating its findings is also part of the work of Stichting Lezen. Its most important target group consists of young people of up to 18 years of age.

- *Contributions to the Raad voor de Journalistiek*

The Raad voor de Journalistiek [Netherlands Press Council] is an independent body to which complaints about journalistic activities may be submitted. The council serves as a self-regulating body for the media.

- *Contributions to the Stichting Auteursrechtbelangen*

Stichting Auteursrechtbelangen (Starbel) is a professional organisation. Its aim is to safeguard related interests and to position copyright broadly as a legal, economic and cultural factor in relation to government, the political establishment and the public. As it happens, this does not refer to a direct payment from the Group to Starbel. The NUV is affiliated to Starbel and distributes the contributions to the various groups. The Consumer Magazines group uses the reprographic reproduction fees to fund its contribution.

## ► Appendix Overview of allocated spending of collective funds

### NUV GENERAL-INTEREST PUBLISHERS GROUP

- *Contributions to the Stichting Marktonderzoek Boekenvak*  
Stichting Marktonderzoek Boekenvak [Organisation of Market Research Book Trade] was established by the General-interest Publishers Group and the Nederlandse Boekverkopersbond [Dutch Book Sellers Association] and its aim is to conduct quantitative and qualitative research into the procurement and sales of books and related products.

- *Griffels en penselen*

The CPNB [Collective Propaganda of Dutch Books] presents awards for the best children's books of the previous year on the occasion of the Children's Book Week. These awards are known as griffels en penselen.

- *Strategy development and advice*

Advice is obtained for the purposes of the general book trade. The aim of securing this advice is to strengthen the general book trade overall.

- *CPNB contributions*

The aim of Collective Propaganda of Dutch Books [Stichting Collectieve Propaganda van het Nederlandse Boek (CPNB)] is to encourage people to keep and read books. It organises various activities for this purpose, the book week being the most widely known activity.

- *Tiele Stichting*

Dr. P.A. Tiele-Stichting promotes the study of books in the Netherlands. It does this by establishing academic chairs, arranging for academic research to be conducted, publishing academic publications (or arranging for this to be done), and by organising symposiums, conferences, lectures and so forth.

- *Stichting Lezen*

Stichting Lezen [Reading Association] encourages innovative projects to promote reading and the study of literature, and coordinates existing activities. Furthering research and disseminating its findings is also part of the work of Stichting Lezen. Its most important target group consists of young people of up to 18 years of age.

### NUV PROFESSIONAL AND ACADEMIC PUBLISHERS GROUP

- *International conference*

This refers to an international conference on the future of books in relation to the digitisation of academic and higher education for and in collaboration with academic publishers and their natural counterparts: SURF, academic libraries and writers, universities and institutions of higher education. The conference will be organised as part of Amsterdam Wereldboekenstad [Amsterdam World Book Capital] in 2008. In order to prepare for this, a conference was organised in 2007 for representatives from all organisations involved. The Professional and Academic Publishers Group funds part of it using its own resources. In addition, as the successor to the Export Council it will also use available reprographic reproduction fees for this purpose.