

Ladies and gentlemen,

it is my honour and pleasure to be able to share my experience with you today. I have been connected with music in one way or another for more than 20 years. I am an ex-musician, ex-indy phonogram producer and ex-author. My interest in the copyright and neighbouring rights started in the mid-nineties, when I was a member of a popular Slovenian music group.

Since that time, I have been closely following this field and thus my path took me from archaeology – which is my first profession and my second great love – via presiding to the supervision board and the managing board of the society, and brought me to my current position: I am director of the collecting society 'Zavod IPF'.

Since I mentioned archaeology – maybe you don't know that Slovenia is proud to possess the oldest musical instrument in the world! A flute made of cave bear's bone, found a few years ago, is more than 55,000 years old, belonging to the middle stone age. And since somebody had to play this flute, we may say that the evidence of the oldest performer comes from Slovenia.

In these past years, as I have been meeting you, I gained an insight in collective management of rights in other European countries and around the world. I have realised that 'Zavod IPF' belongs to the minority of the so-called *joint societies*. I try to understand that in view of historical development of related rights. But being a person of cooperation, and searching for coexistence, I wish there were more collaboration among collecting societies: not only with phonogram producers, but also with authors. And not only within countries' borders, but also across them.

Namely, we are all in the same boat, called music industry. And this boat is no longer as seaworthy as it used to be. It is slightly rusty... and the sea on which we sail is rougher every year. These drastic changes have influenced and will continue to impact everybody in the music production chain: creators, performers and vendors.

And still I am convinced that music will go on!

As we mentioned, music has been with us from the old, since the human race began, and I see no reason why it would not accompany us to the end of humanity. It is true that much has changed in the music industry - and even more will change! But many things will stay the same: I am convinced that authors will continue to write, performers will continue to perform and somebody will still be there to sell the songs - or making them available. As it was in the past and it still is today.

But the technology and methodology of origin, the storing and the path to buyers are different today than they were 20 or 30 years ago. The very access to musical works today is quicker and simpler than at any time in the past, and the selection of music accessible from our living room armchair is broader than we could have imagined in our wildest dreams.

And because of that I believe that time is running short for those who try to preserve their old fashioned way of doing business, because due to development of technology and the accessibility it will be more and more difficult to excuse any reservation and non-cooperation.

And this applies also to us – collecting societies.

'Zavod IPF' is maybe one of the youngest collecting societies in the EU. Perhaps that was also the reason why it was easier to convince the Slovenian Musician union and the biggest music companies in the late 90s that 1 plus 1 is more than 2. And thus 'Zavod IPF' was born.

But despite the efforts, goodwill and openness of performers and producers at that time; they were unfortunately not able to find common language with the authors' association. 'Zavod IPF' was therefore forced to find internal resources for start-up and development of complete professional services – which again makes us one of the few collecting societies to do the whole business by ourselves. To my knowledge, most of you found some sort of a common language mainly with authors' collecting societies, especially in terms of perception.

Meanwhile, in the recent 4 years 'Zavod IPF' developed a network of collaboration with smaller, extremely flexible and responsive companies. At the moment we collaborate with 12 such companies - from external legal service, IT, accounting, monitoring, invoicing and debt collecting. Only 6 people are employed at Zavod IPF and they ensure that all work processes run smoothly.

To illustrate: we issue almost 40,000 invoices per year and we're out paying to thousands of rightholders. We have achieved extremely quick annual growth in the recent years, we radically changed business processes and we made our collecting society very flexible.

And probably it was also our flexibility and efficiency that brought us to the stage when, two years ago, we obtained also a licence to collect *blank tape levy*. We collect that levy on behalf of authors, performers and producers of musical, audio-visual and literal works – which as far as I know again makes us unique among other collecting societies. What I wish to say is that in order to implement and supervise collecting of blank tape levy Slovenian collecting societies of music and literature authors, performers and phonogram producers have formed a special managing board. In which, with a bit of imagination, we can already see the first origins of common administrative services.

Unfortunately, Slovenia is one of the few countries that still do not have a collecting society for rights holders of audio-visual works. In compliance with the Slovenian Copyright Act, 'Zavod IPF' does not have the right to assert remunerations for musical video clips and for performers in that clips.

But because 'Zavod IPF', as we mentioned, collects *blank tape levy* also for rights holders of audio-visual works, it was natural and understandable that, in order to organise the complete system for all rights, we actively participated also in establishing a collecting society for audio-visual works.

This collecting society, which is still waiting for licence, signed an agreement on business and professional collaboration with 'Zavod IPF'. We will share administrative services, offices; we will have common billing, IT and computer equipment maintenance personnel - another step towards association of collecting societies.

In conclusion: I wanted to show and point to the fact that the users of our services - be it right holders, or be it users of musical works - are increasingly informed; information is becoming

easily accessible and processing of data is nowadays simple and cheap as never before. Collecting societies will have to adapt to these new times.

The age of collecting societies as we know them before is now coming to an end. Now is time for collaboration, the world is becoming flat and connected, and more and more of us will ask a reasonable question: whether the work performed by collecting societies is done efficiently, economically and transparently?

For example, why 30 organisations in Europe only still keep and maintain each their own database with a huge quantity of data on musical works and performers? And that's for neighbouring rights only! 10 years ago we finally entered a new age: optical cables and the World Wide Web simplified the exchange of data and speeded it up to the maximum. Software and hardware equipment is cheap as never before, even home edition software enables the most demanding operations – our world shrunk to the minimum.

And the time is ripe for 21st century Collecting Societies! Collecting societies which will be able to provide answers to the challenges of the modern time.

"...there's no problem, only solutions," said John Lennon in one of his songs.

And we owe it to those for whom we exist to provide them with the best possible solutions.

Thank you!

by Gregor Štibernik

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