

G E S A C

GROUPEMENT
EUROPÉEN
DES SOCIÉTÉS
D'AUTEURS
ET COMPOSITEURS

PRESS RELEASE

Victory for European songwriters and composers in the World Trade Organisation

Brussels, 26 April 2000 - WTO is about to admit that European Authors and Composers are right in denouncing US Copyright legislation which exempt bars, restaurants and other public establishments from the payment of royalties when music is being performed by means of radios or televisions. This exemption provided in section 110 (5) subparagraph (b) of the Copyright Act will thus be declared contrary to US international obligations under the WTO agreement on intellectual property (TRIPS).

This case was brought by the European Union to WTO dispute settlement bodies in January 1999 on the basis of a complaint by the Irish Music Rights Organisation (IMRO), with the unanimous support of GESAC, the European Grouping of Authors' societies.

GESAC welcomes this decision which will be officially confirmed in some weeks. Indeed it is a considerable victory as for Europe only, more than 28 millions Euro are lost every year by authors and composers due to the American exemption which concerns nearly 70% of American bars and restaurants. This decision confirms the economic importance of copyright and the role of guardians of TRIPS agreement played by WTO.

This jurisprudence should create an incentive for WTO Member States applying similar exemptions to amend them. Particularly the WTO ruling should convince Luxembourg which plan to introduce an exemption comparable to the sanctioned one to amend its draft law.

GESAC wishes to congratulate the European Commission and in first place Commissioner Lamy for succeeding in this action which constitutes an important step towards the effective enforcement of international copyright standards.

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