

**CREATIVE INDUSTRIES INTELLECTUAL PROPERTY RIGHTS FORUM: 16 DECEMBER
@ DCMS**

Attendees

Estelle Morris – Minister for the Arts (Joint Chair)

Lord Sainsbury – Minister for Science & Innovation (Joint Chair)

Andrew Davies MP – Welsh Assembly

Lavinia Carey (Alliance Against Counterfeiting & Piracy)

Stephen Collins (Yahoo! Europe)

Carol Comley (UKFC)

Phil Evans (Consumer Association)

David Harrison (Ofcom)

John Higgins (Intellect)

Hugh Jones (Publishing Association)

Anthony Lilley (Magic Lantern)

Paula Le Dieu (BBC)

Angela Mills Wade (DCF)

Eric Nicoli (Music Business Forum)

Michael Rawlinson (ELSPA)

Toby Scott (Design Council)

Dr Rosie Stoakes (Sony)

Fiona Clarke-Hackston (British Screen Advisory Council)

David Brew (Scottish Executive)

Mark Ferrero (DCMS)

Andrew Frazer (DCA)

Rob Halford (Welsh Assembly)

Caroline Johnson (Home Office)

Peter Lawrence (Patent Office)

Brian Leonard (DCMS)

Mark McGuckin (Northern Ireland Office)

Chris Matthews (DTI)

Martin Raven (UK Trade & Investment)

Sarah Tebbutt (HMT)

Apologies

Caroline Flint – Home Office; David Lammy – DCA; DfES; ODPM; William Perrin - No.10; Hugh Griffiths O2; Nicholas Lansman - ISPA

Introductions

Estelle Morris (EM) opened the meeting thanking those participating in and leading the working groups, stating that it was vital for the Forum to have clear direction. It was envisaged that the Forum would meet again in March. **Lord Sainsbury (LS)** and **EM** considered that whilst the issues and potential solutions were long term, it would be important for clear recommendations to be made at the next meeting to provide an impetus for the work of the group to continue. Ministers confirmed that there would be a limited budget for any recommendations that gained the support of the Forum. It was envisaged that a progress report would be sent to the Prime Minister in advance of the next Forum meeting. Ministers invited Group Chairs to feed back on their work.

Business Opportunities Working Group

The work of this group concentrated on four key areas:

- Looking at existing business models, what had worked and what had not, and what lessons could be drawn;
- What the technology drivers are in this area, including digital rights management, micro-payment systems and interoperability issues;
- The consumer and creator perspective, and how emerging business models can demonstrate a fair balance between legitimate expectations; and
- Whether, and if so how, any of the above changes when business-to-business is considered, as opposed to business-to-consumer

The underlying aim was to enable decision makers in industry to make judgments based on better information and clearer understanding of what is happening in this area, not to try to “pick winners”.

There had been a number of responses to a request for written submissions, and some rich presentations made to the last meeting of the Group. Some interesting issues were emerging, such as the growing importance of community as a driver of consumer engagement, and it was proposed to commission a piece of research that would bring together what has already been said, and utilise the standing of the Group's membership by interviewing them, and other key stakeholders, in more depth. It was expected that this would produce some clear conclusions, and recommendations, in time for the next meeting of the Forum.

An important element in the research would be on technical solutions, particularly digital rights management, and whether there was any specific action for government in that area. However, it was agreed that the research should start from broader perspective, which would provide the information necessary to be able to focus the discussion down. The Forum agreed that the Business Opportunities Group should carry out the research in advance of the proposed March meeting.

Education and Communication Working Group

The Education and Communications Group had taken a very broad approach. It was clear that there were many good initiatives already working but that these were uncoordinated and with a confusing set of messages. IP is a difficult concept to explain. Therefore the Group felt it was important to highlight the positive aspects of protecting intellectual property (IP), to highlight the economic contribution of the creative industries and to map that back on how IP touches the lives of people across a range of audiences and stakeholders. The Group emphasised that these were long term initiatives.

The Group recommended that:

- There was a need for an independent platform for a debate to take place on the value of IP and to ensure that information was communicated clearly and accurately and that this could be achieved through a stand-alone web-site.
- A series of copyright scenarios are created in a format, that is easily accessible to the key audiences – children and young people in education; people in further and higher education; individual creators and creative

businesses; and consumers – and that this could be achieved through a short film competition.

- High profile IP Champions are identified to promote the value of IP.
- There was a need to open up the debate on alternative licensing models, including the creative commons approach, and that consideration should be given to influencing events and conferences.
- There was an opportunity to strengthen the messages in the National Curriculum through the Citizenship and Enterprise programme.

There was general agreement for the need for high profile IP Champions to raise awareness of the value of IP to a range of audiences. In addition the Group agreed that the UK's presidency of the EU in the second half of 2005 provided an opportunity for an event to consider how IP impacts upon the creative economy. The British Copyright Council (BCC) and the British Screen Advisory Council (BSAC) are in discussion with Government stakeholders on the possibility of staging such an event.

In discussion there were suggestions that there needed to be a "blended approach" ensuring that the positive messages in relation to the protection of IP promote the right to protect and charge for IP, but that it is right to explore other choices for right holders. The knowledge economy was vital to the UK's economic well-being and therefore vital to protect IP. The group further agreed that it was important to educate the whole of the value chain and not just children.

The Forum agreed in principle to the Education and Communication working group running a short film competition on how IP touches people's lives. It was envisaged that the results of the competition would be ready for July, but there would be a progress report ready for the March meeting.

Patent Office IP Crime Strategy

The IP Crime Strategy was published in August 2004 and looks to provide:

- A statement of priorities, evidence gaps and proposals to fill them;
- A management structure to "join-up" the activities of the various agencies, and a system for a public annual report on how each has discharged its

functions on IP Crime, and for updating priorities accordingly;

- Specific operational roles for the Patent Office in chairing a strategic control group of the key agencies involved; in providing an information processing capability to support other agencies in the fight against IP crime.

The Patent Office envisage that this will allow national resources to be prioritised and focused to best effect bringing resources together in an effective way.

LS emphasised that the IP Crime Strategy was a positive step forward, but that it should not work in isolation from the Forum, with proper coordination between the IP Crime Group and the IP Crime and On-Line Infringement Working Group.

IP Crime and On-Line Infringement Working Group

The Group reported that its remit was to consider strong deterrents through tough legislation and enforcement, but this needs to be balanced by deterrence from providing the right products for consumers at the right prices. Digital Rights Management, has a major role to play in fighting IP Crime. There are gaps in the legislation, particularly with Section 107A of the Copyright, Designs and Patents Act 1988 still not in force.

The Group considered that it was important to develop a set of common vocabulary, which ties in with the work of the Education and Communication group. The Group also felt that the Forum should consider an On-Line Charter, similar to an initiative in France, which outlines a common understanding between government, Internet Service Providers and creative businesses. It was felt important to do further work on prioritising the emerging recommendations from the Group and to test them on consumers and retailers and consider covering the design area better.

The Home Office reported that an option for the Group to consider, would be for industry to provide a dedicated fund for a police unit. There was already a model that could be considered by the Group as the Financial Institutions provide funding for a dedicated Credit Card Fraud Unit. This has helped cut fraud, and therefore provided major financial benefits for the finance industry for a relatively modest input. The Home Office promised to provide details of this initiative. Some

indicated that such a proposal was already under consideration, and that resources from assets seized from criminals should also be used to fund more enforcement.

Andrew Davies (AD) welcomed the work of the Forum and requested that the policy framework emerging from the recommendations take account of the devolved administrations. The Welsh Assemblies Creative Industries IP Fund worked within the context of the Forum and **AD** promised to provide **EM** and **LS** with details of its work. **AD** also praised the work of OFCOM and its flexible approach to working with the devolved administrations.

Proposed UK IP Presidency Event – British Copyright Council (BCC) / British Screen Advisory Council (BSAC)

The UK's presidency provides an opportunity to move the IP agenda forward. The BCC and BSAC have been working on a joint proposal looking at issues affecting the creative sector. The proposal is still very much in the planning stages, but does have, in principle, the support of DTI and DCMS. A conference of approximately 300 people is envisaged with approximately 10 representatives from each member state. The European Commission has also agreed in principle to support the proposal. The event will be held over 3 days and consist of 5 working groups considering (1) issues for creators and performers; (2) business opportunities; (3) enforcement; (4) education and (5) public access. The event also provides an opportunity to showcase UK creativity. Funding for the event is still the key issue and it will require industry sponsorship.

AOB

Ministers asked for a date in March 2005 to be circulated to Forum members as soon as possible.

It was also noted that whilst the main emphasis of the Forum was to consider the impact of digital / on-line technology on the creative industries, it was also important to consider physical IP areas such as design which are just as key to innovation. However, **LS** suggested that there could be an emphasis on the digital side because of the pace of changes here.