

## Creative Economy Programme Consultation

I am writing on behalf of The Newspaper Society (NS), the association of publishers of the local and regional press, with regard to the Competition and Intellectual Property Working Group Report.

Our sector is responding to consumer demand and extending local connections by investing in a range of new products and digital media platforms. NS members publish over 1300 newspaper titles across the UK, read by 40 million adults every week, and the regional press now has over 500 websites, 21 radio stations and two television stations. The fundamental commercial importance of intellectual property to the newspaper industry is clear in relation to both traditional print products and new media services.

The Report characterises the existing IP regime as "confusing and restrictive". With regard to clarity, it concludes that "the specification of IP rights, and the procedures applicable to them, contrasts very unfavourably with the copyright rules and processes applicable to printed material". We find this apparent distinction between copyright in printed works and IP in digital works to be artificial and perplexing. As we have emphasised to the Gowers Review, we believe that the provisions of the Copyright, Designs & Patents Act 1988 have generally worked well in practice. Although the current IP system in the UK is quite complex, NS members do not perceive system complexity to be a particular barrier to obtaining, protecting or exercising IP rights. At the Publishing Summit held on 4 September the Minister alluded to the central importance of the creative industries for the UK's economy. This success has been facilitated by a strong current framework of copyright laws. Our members operate in a fast-moving and diverse sector. Considerable challenges are presented by convergence and the development of new platforms. Although this occasionally means that anomalies arise as commercial models catch up (as highlighted by Summit panellist Dominic Young of News International), we do not consider that this calls for new legislation to be put in place.

It is our belief that copyright infringement can best be tackled by a combination of law enforcement, technological measures and public education. The work of the Creative Industries Forum on Intellectual Property, on which the Newspaper Society is represented, has helped to gain a recognition from government of the importance of leading people, both users and creators, to respect the value of intellectual property as fundamental to the future health of creative industries in the UK. Education will assist in maintaining the right balance between the rights of creators and the expectations of consumers in the digital environment.

The Group recommends that a mechanism should be developed "to assist SME's in purchasing and using a specific DRM solution (similar to the BBC's use of DRM for its online archive)". The freedom of publishers to be able to choose whether or not to employ DRM must be respected. Even in the analogue environment publishers favour usage-related individual agreements or voluntary collective licensing over the flat fee approach of a levy.

The Competition and Intellectual Property Working Group Report identifies a need to "Create trusted third parties in digital IP ownership and trading to improve liquidity in the markets for digital IP (as has emerged in artefacts and print) – or fund existing trusted third parties, such as the British Library, to do the job". We have considerable experience of working with the BL, particularly in relation to legal deposit issues. Even if a 'trusted intermediary' was needed (which we question) they would have to be wholly neutral; it is important to recognise that the libraries' agenda does not necessarily chime with that of rightholders.

We trust that the Newspaper Society's preliminary comments will be taken into consideration in the formulation of the forthcoming Government Policy Paper.

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