

# Collective Management of Music Copyright in China in the Digital Age

December 2018



### I. Time of Establishment of MCSC



1. Time

December 17<sup>th</sup>, 1992



- (1) The establishment of copyright system in China:

  Copyright Law of the People's Republic of China came into force on June 1st, 1991.
- (2) The requirement of joining international treaties:
  China became a contracting member of Berne Convention and Universal Copyright
  Convention in July 1992.
- (3) Activity of the musical creators: support from the Chinese Musicians Association.
- (4) Support from the National Copyright Administration of the People's Republic of China.



# II. Basic Information (as of December 31st, 2017)



Membership 8907

• Works Approx. 14,000,000

• Highest Annual Income RMB 216,000,000 Yuan (2017)

Documentation and Distribution
 DIVA database ,

The only agency of ISWC in China

• Staff Approx. 70

• Office 1200 m<sup>2</sup>

Local Chief Representatives

International Cooperation
 Signed Reciprocal Representation agreements with 75 overseas societies

Legal Actions
 Initiated more than 300 court cases

Information Disclosure
 Annual Reports; Briefings

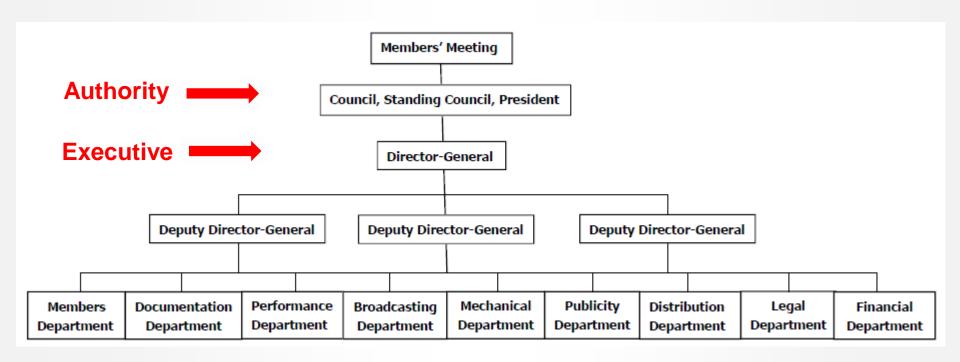
Official website: www.mcsc.com.cn

WeChat ID: mcsc1992



## **III. Organization Structure**



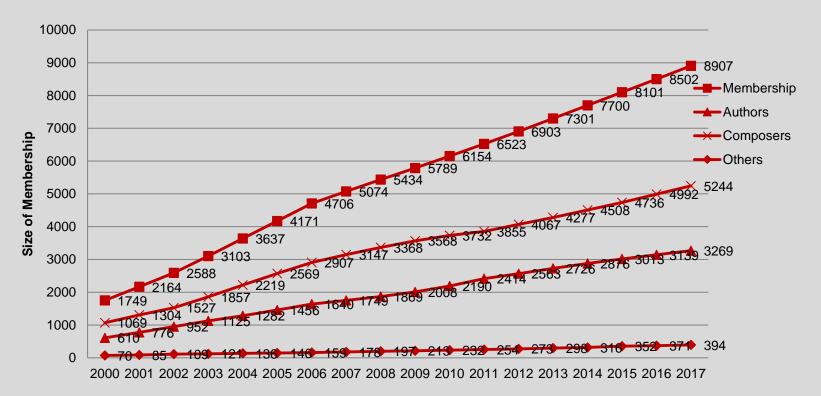




# IV. Membership Development



# **Membership Development and Proportion**





# Sample of Membership Agreement



#### 音乐著作权合同

 甲方:
 中国音乐者作戦争会
 乙方:

 地址:
 北京本三条31号(100065)
 電名或別名:

 电话:
 (010) 6823896
 身份正号:

 传真:
 (010) 68238957
 (01 由北部川澤中外利40%)

 附址:
 898. BODG: COM. COM.

甲方是依法成立的各乐著作权集体管组组织,乙方是依法拥有各乐作品等作权的著作 权人,双方统乙方所拥有的各条作品著作权模权甲方进行管理事宜,约定知下;

#### 第一条 史义新

中子邮節: memberahin@mese.com.cn.

 育城作品,是指乙万规有和今后将有的所有音乐训作品和曲作品。包括但不限于 乙方自己创作、通过转让、许可、受赠、继承等方式获得著作权的音乐作品。

2、信托、是指委托人(乙方)基于对受托人(甲方)的信任、将其上述音乐作品的相 次者们权委托给受托人,由受托人为维护委托人及其受信人的身件权信或者特定目的,以受 托人自己的名义对所委托的相关事件权进行管理或者处分的行为。

#### 第二条 授权

1、乙方同意等其報看着作权的音乐作品的广播效果同步转越知识的播放的技术、表演 及 整例以、发疗权以及整子信息网络等离枝木种量下形态部分为和复物行为产游及内取利 (两可称为消息网络传播技术员他反称)、以前比等为或授权甲方进行原体管理、以便上建 权利水品有效期间及依未合种有效服务完全由申力行任。

- 2、本合同签署后水妨碍乙方行使其音乐作品的音次使用权,该省次使用管风乙方应向 甲方进行告知,除此之外,乙方不再自己行使或委托第三人代其行使在本合同有效周内约定 由甲方行使的权利。
- 3、甲力可以授权资外同类组织管理乙力授权的权利,以便使乙方音乐作品的著作权保护结图证从个准外国家和地区。

4. 本件例不到網元/方在本台作签订及生效之目前为第三方度立的著作权欠集。但乙方 原告加中万浪第三方的各样。协议市场、涉及指作品、涉及期限等信息。乙方应在向甲万进 存价品量定过,就此转形说明。或协议到明訂、所涉及作品的相次著作权自动根据本台时投 发甲方置作管温、并或本台则的效果。

#### 第三条 作品登记

1. 乙川來等其輕數下一力管重為來有含係有益的茶品有有物等轉數裝算料。截中另所指 定的格式和力式設計向中方型站。且該資係用品的我間等信息不有任何導減或更更。於與及 前週知中力、乙另的作品登记是甲分分配使用預顧予乙力的依据、中力完义等分配未經登记 管系作品的使用項條件之方。

2、如发生乙方未及时向甲方进行言乐作品登记的情况,不影响甲方对该音乐作品行使 管理权,但该管理以甲方知悉该作品的权利归属为能振条件。

#### 第四条 权利管理

- 1、甲方对乙方的著作权管理,是指同各英音宏作品的使用者前读使用条件并复数授权 约可,收集作品使用情况。向使用者收取著作权使用费,并根据使用情况向乙方分配著作权 使用费。上述事作权集体管理的业务,依法以甲方的名义进行。
- 为有效管理乙方梗予甲方的考作权。甲方有权以自己的名义从事包括诉讼和行政投诉任内的各种维权业务。乙方亦应积极配合甲方的维权业务。
- 3、当发生使肥乙方相关著作权的行为时。乙方可以在甲方来提起诉讼的情况下对支便权行为是起诉讼。但是为了不影响甲分俟的开展的著作权管理业务。发生该等情况时。乙方应率先通知甲力并补得甲为同意。

#### 第五条 权利保证

- 平方將遵照国家法律法規的规定和未合同的约定,使乙方的相关权利特到尽可能有 第萬管理。
- 2、乙方保证其对授权予甲方管理的企都音乐作品拥有真实合法的著作权。绝未侵犯任何第三方的权利。倘若任何人因甲方所行使该等权利而向甲方提出任何权利诉求。乙方应采取措施潜免甲方受到任何福誉和赊保甲方因此所遭受的全部损失。
- 3、乙方于本合同有效期内,应配合甲方从事的相类组权业务并在甲方提出要求的前提下签署和提供相关权利证明等文件,以便甲方有效行使乙方契予的权利。

4、乙方认可甲方章程和分配规则。乙方作为会员的权利义务由甲方章程确定。

#### 第六条 权利健承

- 1. 作为的核人的企力工业后,甲方整整有权限届本台间等度之为曾乐年基的著作权。 迅速严继来人应及可遇知中力进行行益,中可以取利维本人的分分成为中方的会外,与甲 方签订变应的入会合同,有多位继承人制,可以由全体继承人选举一位代表却中方签订入会 合同。选择及人的代表分份还要合配股本人和更提及文件确认。
- 乙方的维承人加入协会的,应提交具各维承人资格的身份证明的原件和复印件,供 甲方套验。

#### 第七条 著作权使用费分配

- 在本合同有效期内,甲方管理乙方授权的音乐作品所带来的著作权使用费收益,应 按照甲方的章程及分配规则每年向乙方进行分配。
- 乙方对分配所得的使用费有异议时,应于收到该使用费后六十日内,以书面形式向 甲方型出复查请求。
- 3. 在全合时代或期外。均指任何第三对对人员使甲分原准的有所高数效利用减 进界议。并则此支生活验验争议分为的。明今南省被合成法令政治总及音乐体运治者和农业 展界。并是他是放政路处对处理未成多方当节人之间交生进中级力的多面协议是非是处。 在万龙林、银行银生、联系方式等后总对起火发型的。应立即以该国际交通由平 方。况之方本及时有上达信息其中的交更物必遂则下方而进成平方未使及时将使用身分配到 之为的。但是不是对非人。

#### 無八条 会員解除

乙方有权通过书面形式终止本合同,校园投予甲方管理的权利,但应在甲方收到书面终止通知一年后件效。

- 乙方亡故不是本合同終止的法定情形,乙方依本合同授权甲方管理的权利,甲方应 母纯行使至本合同终止。
- 3、本合同徐止时、甲方底将乙方搜予的全部权利归还乙方或依法继受该权利之人。甲 方在本合同行效期內已发出的授权许可业务。应继续生效企其合同期限漏漏时终止、不受本 合用的。此份的原告。

#### 第九条 合同期限

本合何自甲方加並決定代表人人名意和乙方签名或加並人名章之上起生效。有效别为三 年、本合同至期满六十日前乙方未以节前形式提出异议的。本合同自动续展二年、此后本合 同的维墨粉妆此约束自动维罗。

#### 第十条 与旧版合同的关系

在此之前甲乙双方如己签订过旧版《各乐著作权合同》的,本合同所有条款自旧版《各 乐著作权合同》签章之日起生效,甲乙双方的合同权利义务则均以本合同为准。

#### 第十一条 合同布更

本合同的变更及其他未尽事宜,由双方另行书面约定。

#### 第十二条 并他

本合同一式两份、具有同等法律效力、甲乙双方各执一份为凭。

甲方:中国音乐著作权协会 乙方:



(签 字)

日期: 年 月 日



# V. Rights and Works



#### Types of Rights (the rights difficult for creators to exercise):

Mechanical rights, performing rights, broadcasting rights, and information network dissemination rights

#### Authorization:

- (1) Authorization from members;
- (2) Authorization from overseas societies by reciprocal representation agreements;
- (3) Authorization pursuant to laws to collect and distribute statutory licensing royalties.

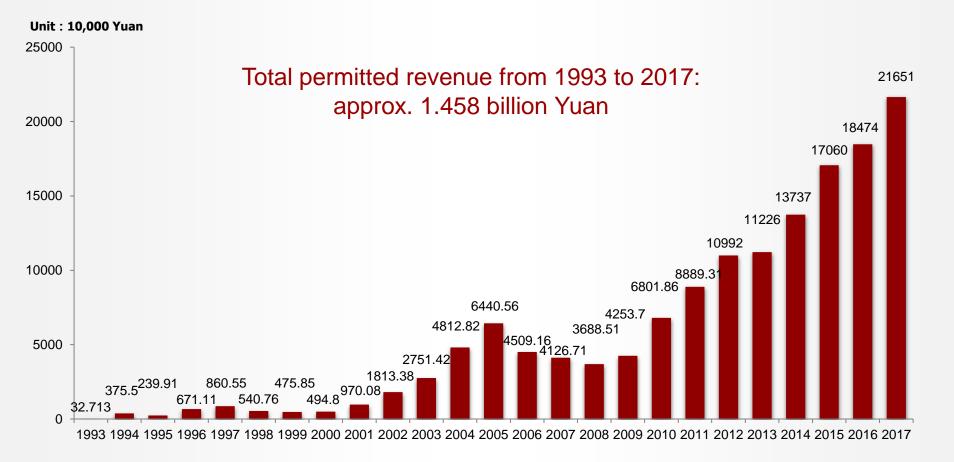
### Works Managed:

About 14,000,000 musical works globally.



# **VI. Royalties Collection**



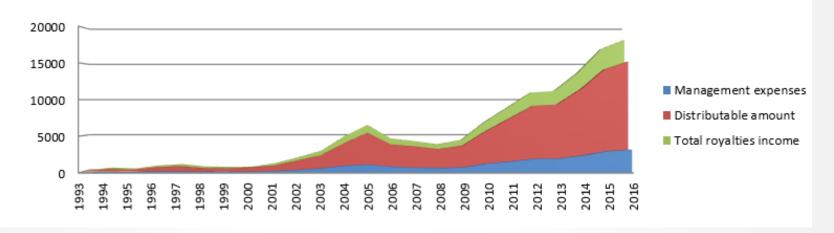


# VII. Royalties Distribution



# 1993-2016 Comparison of royalties income, distributable amount, management expenses

Unit: 10,000 Yuan







Distribution rules

Method of Dist.	Usage Reports Availability	Detailed Practice	Applied Situations
Standard Dist.	Yes	Distribute according to reports	Publications, Ads, TV and movies, concerts, online use, etc.
Blanket Dist.	No	Sampling; Reference to other distribution situations	Background music, etc.

Proportion of management expenses deduction:

Income from overseas societies: 5% Income from statutory licensing: 10%

Income from Ads licensing: 10% Income from other domestic licensing: 20%

• Distribution time: Usually on January, April, July and October, four times every year, including more than ten distributions:

Live performance royalties Background music royalties Information network royalties Mechanical royalties

Overseas societies royalties Karaoke royalties Broadcasting royalties

Distribution payment:

Wire the royalties to members' bank accounts according to actual use of works;

Mail distribution statements to each member, in which the source and amount of the distribution are described in detail.



## **VIII.** Documentation



DIVA Database: International creators' system – IPI International works' system - ISWC

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# The International Standard Musical Work Code (ISWC)



- MCSC became the only agency of ISWC in mainland China on February 1<sup>st</sup>, 2009. MCSC is responsible for the registration, issuance and management of ISWC in mainland China.
- ISWC is developed by the International Confederation of Societies of Authors and Composers (CISAC) and approved by the International Organization for Standardization.
- In the environment of digital music and Internet, ISWC is an unique identifier for a musical work to be recognized and copyright-protected effectively in the world.
- By the end of 2017, MCSC has issued ISWC for more than 134,000 musical works created by its members.



## IX. Legal Actions



- MCSC has initiated more than 300 court cases as of 2017
- Typical cases:
- 2002 Built-in music infringement, against Huizhou TCL Co.
- 2004 CD music infringement, against Guangdong Pacific Co.
- 2006 Illegal adaptation and use of *Wo Bu Xiang Shuo*, against Kongzhong Network
- 2007 Online rights infringement, against Baidu
- 2013 Illegal use of musical works in TV series Lei Feng
- 2014 Information network dissemination infringement, against Tian Tian Dong Ting
- 2014 Online rights infringement, against Tencent
- 2015 Broadcasting right infringement, against Xiamen Broadcasting and Television Group

- 2015 Performing right infringement, against ShenzhenHappy Valley
- 2016 Reproduction right infringement, against Jiangsu Phoenix Juvenile and Children's Publishing
- 2016 Broadcasting right infringement, against Nanjing Broadcasting and Television Group
- 2016 Background music infringement, against Beijing Wangfujing Department Store
- 2016 Performing right infringement of Eason Chan'sConcert in Hangzhou
- 2017 Migu Music infringement, against China Mobile
- 2017 Performing right infringement of Liu Lao Gen DaWu Tai (Qian Men Store)

## X. International Communication and Cooperation Structures

Joined the International Confederation of Societies of Authors and Composers (CISAC)

Joined the Bureau International des Sociétés Gérant les Droits d'Enregistrement et de Reproduction Mécanique 🄸 (BIEM)

Joined International Federation of Reproduction Rights Organizations (IFRRO)

**Entered into Reciprocal Representation Agreements** with 75 similar overseas societies.







Berlin • München











2012





#### **XI. Information Disclosure**



Annual Reports



Briefings



- Website: www.mcsc.com.cn
- Official WeChat ID: mcsc1992



#### XII. Awards



# 2006 National Administration of Copyright

Model organization in national copyright protection in the year of 2005

2004 Ministry of Civil Affairs

Advanced national

Advanced national civil organization

2004

2006

2007

2007 State
Administration of
Science, Technology
and Industry for
National Defense

Coordinating organization of music copyright issues for Chang'e-1

# 2008 Beijing Olympic Games

Music copyright service associate



# 2009 National Administration of Copyright

Advanced organization of national copyright work in the years of 2006-2007



#### XII. Awards





Music copyright service associate

2011 State Intellectual
Property Office, National
Industrial and
Commercial Bureau, and
National Administration
of Copyright

Recommended organization in the event of national copyright protection

2018 Shanghai Import Exposition

Music copyright service associate



2014 Nanjing Youth Olympic Games

Music copyright service associate

2018 National Administration of Copyright and WIPO

"China Copyright Golden Award" Management Award 国际作者和作曲者协会联合会成员 Member of CISAC

# 中国名乐著作和任

Since 1992