Collective management of copyright in Thailand

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In Thailand, the collective management of copyright has been introduced in the field of music. Music Copyright (Thailand) Co., Ltd called MCT was firstly established in 1994, which is the same year that the present Thai Copyright Act was promulgated, to collect royalty fees of musical works. MCT is a society member of the Confederation of Societies of Authors and Composers (CISAC). In 1997, Phonorights (Thailand) Co., Ltd. was secondly launched, aiming at the collection of royalty of sound recordings. Phonorights is a member of the International Federation of Phonographic Industry (IFPI).
At that time, Thai people were not well aware of copyright protection. They were confused of why they had to pay royalty fees to both MCT and Phonotrights for using the same song. Double payment was not easily accepted by common people. However, after a few years of operation of the said two collecting societies, together with the stringent intellectual property enforcement of Thai government, Thai people begun to realize and were more interested in copyright protection.
As a result, many music companies and music composers got together and established their own collecting societies. In 2002, the two entertainment enterprises - GMM Grammy, Co., Ltd and Copyright Collection Co., Ltd. (RS Promotion) announced their intent to conduct collective management by their own including the collection of royalty fees over both musical works and sound recordings. Sequentially, other music businesses owning copyrighted songs started to deal with collective management by their own. Currently, there are approximately 29 collecting societies in Thailand.
Now, there are 29 collecting societies in Thailand. All 29 societies have their own business rules because the current Copyright Act has no provision about collective management.
Legislation

No legislation under the Copyright Act
and related Announcements
  → the law under the Department of Internal
  Trade and the Central Committee on the Price of
Goods and Services
  → music CMOs notify annually to be
  authorized to collect royalties
  → music CMOs submit information e.g. rates,
operation costs, repertoire, etc.
  → no specific qualification to become a CMO
There are 2 groups of copyright owners involved in exploitation of music, which are the copyright owners in sound recordings and musical works. Each group collects copyright royalty separately.
Problems of Collective Management
At present, there is no directly governing law for controlling the operations of collecting societies. Therefore, song users such as hotels, pubs, restaurants, supermarkets, and karaoke bars have continuously faced the problem of overlapped fee collections by different collecting societies as well as unlawful collection by unscrupulous people who falsely claim to be the copyright owners.
Problems of Collective Management

Overlap of Fee Collections

1. The overlap of fee collections always arises in the circumstance that music composers who already licensed their copyrights in their musical works to a recording company or a collecting society again license their rights to other collecting societies for commercial exploitation in the same musical works.

2. Since registration of copyright work is not required by law, it is difficult for businesses to check whether they pay royalty fees to the right copyright owners of every single song they use.

Unlawful Collection
Legal Measures & Resolution

• Since the current Copyright Act of Thailand has no provision on collective management, all 29 collecting societies nowadays can have their own business rules. Despite the silence of collective management in the Copyright Act, the Department of Internal Trade of Ministry of Commerce has announced that right to disseminate (communication to the public) copyrighted songs for commerce is a controlled service.

• Specifically, the collecting societies that want to collect royalties from song users have to submit the documents detailing, for example, the capital and expense of operation, the condition of license, the royalty rate, and the list of songs intended for royalty collection to the Central Board on the Price of Commodity and Service. The Department of Internal Trade will then examine the documents and send the copies to the Department of Intellectual Property to keep in its records before permitting the collecting societies to begin their operation. Such records will be available to the public to access and check which collecting society is authorized to collect royalty fee of each particular song.
To solve the problem of collective management, the Department of Intellectual Property, Ministry of Commerce (DIP) has introduced several methods, for example:

**Song Database** - DIP creates the song database comprising data of songs provided by copyright owners and music businesses so that people who would like to use copyrighted songs can check and ask for a license from actual copyright owners.

**IP Enforcement Representative** - DIP also provides a system of registration of IP enforcement representatives. In particular, persons authorized by a copyright owner to take legal actions against copyright infringers may register as an IP enforcement representative with the DIP. After registering, they will receive the IP enforcement representative card that is a prima facie evidence showing that they are an authorized representative of copyright owners.
Challenges and future perspectives on collective management system
Challenges

- Overlap of fee Collections
- Unauthorized Collection
- Uncontrolled Price
- Too many CMOs
DIP measures

• The DIP has been putting best efforts to educate people

• To prevent the bad faith royalty collection

• The DIP also coordinates with the police and the CMOs
Future plans
Future plans

The DIP is considering taking the notification measure under the Department of Internal Trade’s charge to be controlled by the DIP.

The draft amendment to the Copyright Act for the CMOs regime was proposed several years ago. It was abandoned due to the disagreement among the music companies, the political conflict and the dissolve of the parliament. But the DIP keeps on studying and developing the solution for CMO system.
Future plans

Legislation

Cooperation