

# ANNUAL REPORT 2018



*Ars longa, vita brevis*

Life is short, art is eternal



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***"ALL SOCIETIES OF AUTHORS AROUND THE WORLD DID A MARVELOUS JOB BUT MOSTLY, MUSICAUTOR IN BULGARIA. IT INVESTED HUGE EFFORTS TO EXPLAIN AND SUCCESSFULLY BRING TO UNDERSTANDING THE DRAMATIC SITUATION THAT BULGARIAN AUTHORS FIND THEMSELVES IN"***

Jean-Michel Jarre  
President of CISAC

In 2018, Musicautor continued its extensive development. The efforts made in recent years, optimised processes and expertise in the society, established partnerships, international support, and especially the power and voice of Bulgarian authors contributed to voting substantial legislative amendments that should significantly improve copyright protection in Bulgaria. In practice, the newly established legal framework poses a positive perspective for the society to increase the revenue of authors and publishers from the use of their work.

In 2018:

- ▶ Musicautor registered **the highest revenue** in its history – it exceeded BGN 7.55 million.
- ▶ The National Assembly, albeit the considerable delay, transposed the European Parliament and Council Directive 2014/26/EC in the Bulgarian Copyright and Related Rights Act. The Parliament adopted the arguments of Musicautor and its partner organisations on the need **of further protection for the rightholders**, and introduced control functions of the municipalities in public performance of music and joint responsibility of the halls in concerts.
- ▶ **The "I have Right" campaign**, aimed at improving the legislative framework in Bulgaria, supported by well-known Bulgarian authors, artists and partner organisations (Artistaauthor and Filmautor) received international recognition as an innovation at the General Meeting of International Confederation of Societies of Authors and Composers – CISAC, held in Warsaw. As a positive example, the campaign was also noted at the International Confederation of Music Publishers (ICMP) annual meeting held in Bucharest.
- ▶ The society took active steps towards adequate regulation private copying (Article 26) in Bulgaria. The inactivity of Bulgarian lawmakers and Ministry of Culture (MC) motivated Musicautor to **lodge an appeal with the European**

**Commission for non-compliance of the Bulgarian legislation with EU Law on private copying** and in particular with Directive 2001/29. The main argument in the appeal is that the state has not created an environment enabling effective application of blank tape levies collection system, provided such a system exists in national law, thereby infringing its obligations as a Member State.

Active and purposeful activities continued to promote the mission and values of Musicautor. Initiatives throughout the year had diverse messages:

- ▶ **Price of Creativity** – a joint project with Bulgarian National Television and its morning show "The Day Begins with Culture", which aimed to bring together all parties with interest in protection of intellectual property, to determine the problems and challenges in different industries, and to support and motivate adoption of National Strategy for Development of Culture in Bulgaria.
- ▶ **Place for BG Music** – an initiative implemented in partnership with "Lyubomir Pipkov" National School of Music and under the patronage of the mayor Sofia city, Mrs. Yordanka Fandakova. The initiative was focused on connecting different generations of authors and musicians. The Flashmob campaign was highly appreciated during the EU presidency of the Republic of Bulgaria.

► Musicautor became part of the GESAC family (The European Grouping of Societies of Authors and Composers). In their efforts to develop a balanced model of copyright use on the Internet, international experts from CISAC and GESAC, visited, with the local support of Musicautor and Filmautor, the Parliament and MC during the Presidency to outline the new online challenges and possible solutions for fair reward for creative work.

► MusicPro was created – a joint service of Musicautor and Prophon for licensing music in tourism establishments and shopping venues. 'One-stop shop' for licensing the use of music hits from around the world and from Bulgaria in an easy and accessible manner – this is the concept that aims to facilitate the owners of such venues in acquiring license for the music they use.

► Musicautor Cultural fund remained as the only instrument for financing the creation of Bulgarian music. 38 projects received funding totalling BGN 152,500. Eleven of them were created by young authors.

► The traditional constructive interaction with University of National and World Economy continued. Besides the internship programme, Musicautor supported for the first time the university in organising a Roundtable on the World Intellectual Property Day – April 26.

► Training of journalists was conducted in Varna for a third consecutive time. The main topic was legislative changes and new control competencies of municipalities.

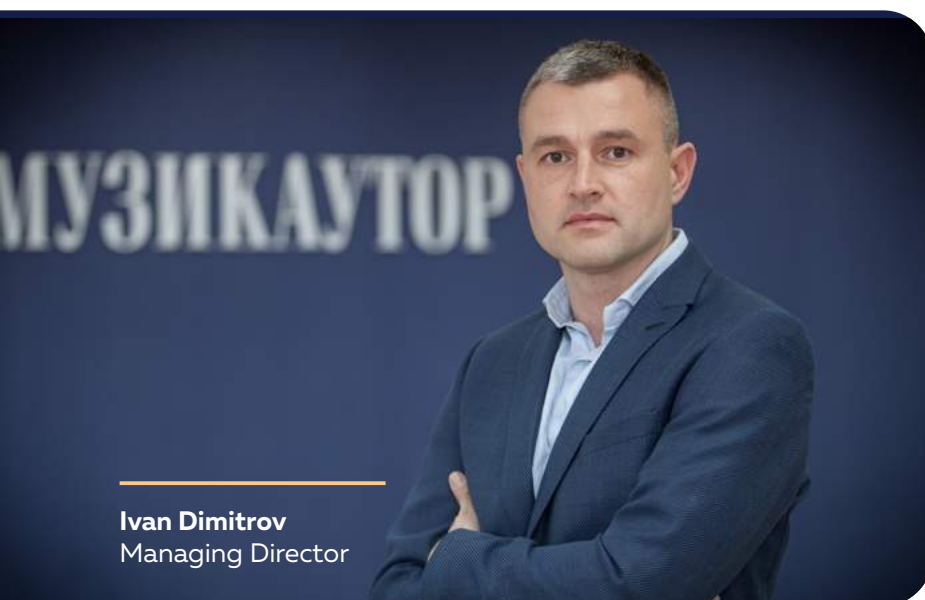
► The society organised the first survey on the role and importance of music in public performance.

► In parallel, numerous campaigns were conducted aiming to increase the authors' knowledge and rights opportunities as part of the process of improving the services provided to the society's members.

Said in three sentences, the mission of Musicautor is the compass which navigated all steps we took in 2018. This makes our policy predictable. This makes us open to partnerships through which we strive to improve the environment and to look for opportunities for those who create art.

Ultimately:

*"Ars longa, vita brevis"*



**Ivan Dimitrov**  
Managing Director

## BNR

The communication with Bulgarian National Radio (BNR) has improved significantly over the past year. This is proven by the meetings held between representatives of Musicautor and BNR regarding the reports sent by the national radio. The discussions were aimed to improve the reports' format used by Musicautor to distribute the royalties received from the radio. The change in the reports' format which would allow the processing of reports with Musicautor's new distribution software was also discussed at the meetings. Regarding the royalties paid, BNR is strictly following the agreed financial parameters.

## The case with BNR in CPC

The appeal lodged by BNR with Commission for Protection of Competition (CPC) took a peculiar course, consistent with the legal environment of our times. Ignoring much of the evidence in the case, including the information provided by the Association of Bulgarian Broadcasters (ABB) on tariff negotiations, the Commission took tendentious and servile decision. However, the decision was signed with reservation by one commission member and was subject to appeal by Musicautor to Supreme Administrative Court. The proceedings are scheduled for April 2019.

# MUSICAUTOR REPRESENTS OVER 95% OF THE WORLD REPERTOIRE FOR BULGARIA

## MUSICAUTOR IS A MEMBER OF



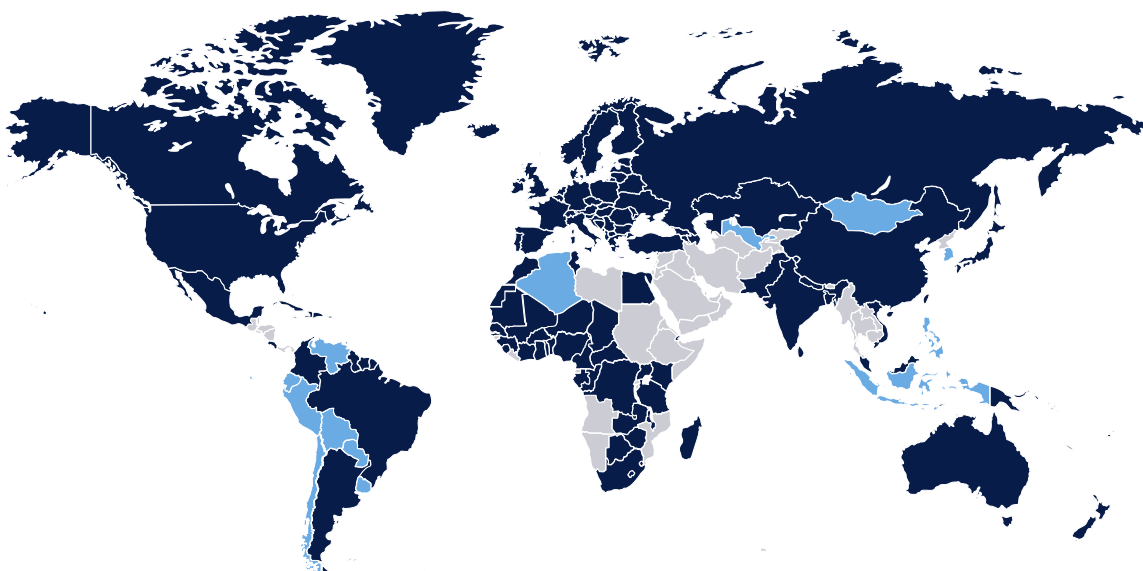
The International  
Confederation of So-  
cieties of Authors and  
Composers



The International Bureau of  
Authors' Societies for Collec-  
tive Management of Mechani-  
cal Rights and Reproduction



The European  
Grouping of Societies  
of Authors and  
Composers



Foreign sister societies which signed  
reciprocal contracts with Musicautor

Foreign sister societies in negotiations with  
Musicautor for signing reciprocal contracts

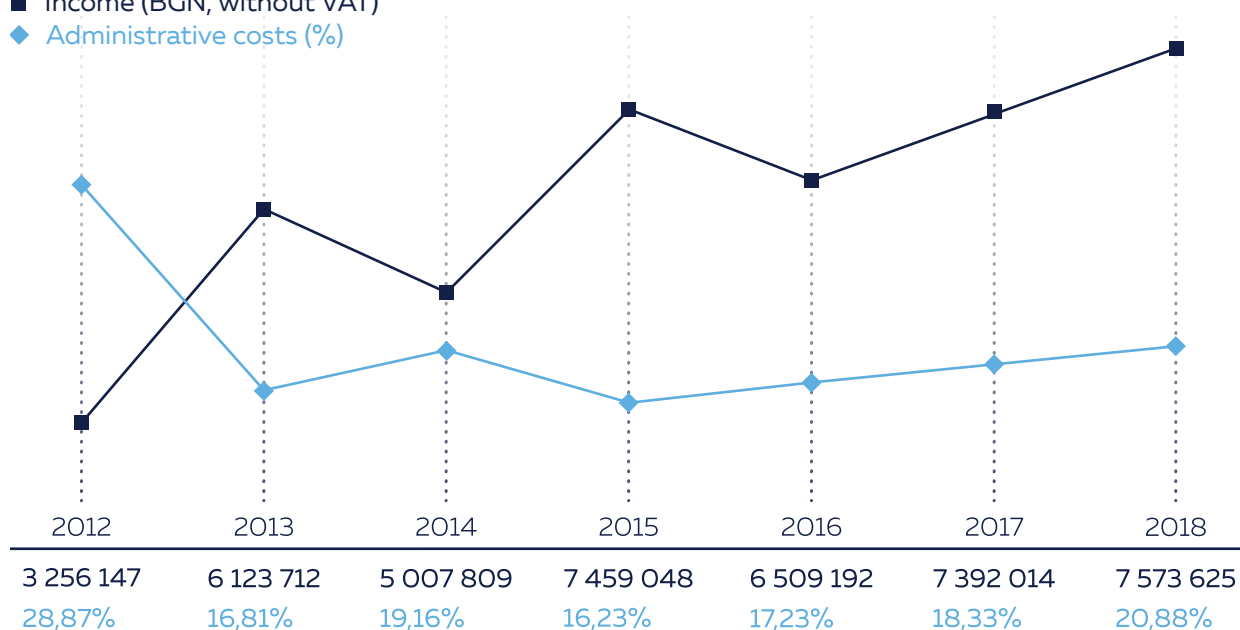
Foreign sister societies which haven't signed  
reciprocal contracts with Musicautor

The society was established in 1992. It is registered in the Register of Ministry of Culture under № 1/ 13.01.1994 and is re-registered by order of the Minister of Culture according to registration certificate № 62-00-0152/ 27.10.2011 and certificate № Y-62/ 05.09.2014. Musicautor has no open and registered branches.

# MUSICAUTOR INCOME

2012 - 2018

- Income (BGN, without VAT)
- ◆ Administrative costs (%)



| Types of users    | Report 2018      | % of the forecast | Royalties        | For agents     | Admin. costs     |
|-------------------|------------------|-------------------|------------------|----------------|------------------|
| Television        | 2 919 881        | 91%               | 2 335 905        |                | 583 976          |
| Radio             | 1 889 260        | 97%               | 1 511 408        |                | 377 852          |
| Retransmission    | 588 239          | 82%               | 529 415          |                | 58 824           |
| HoReCa            | 988 837          | 82%               | 741 628          | 148 326        | 98 884           |
| Digital Rights    | 102 159          | 46%               | 91 943           |                | 10 216           |
| Mechanical Rights | 79 942           | 40%               | 67 951           |                | 11 991           |
| Cinema            | 293 881          | 98%               | 249 799          |                | 44 082           |
| Concerts          | 272 947          | 61%               | 218 358          |                | 54 589           |
| Currency          | 256 868          | 86%               | 231 181          |                | 25 687           |
| <b>Total</b>      | <b>7 392 014</b> | <b>87%</b>        | <b>5 977 587</b> | <b>148 326</b> | <b>1 266 101</b> |

All amounts are in BGN without VAT

# REPORT ON THE AVAILABLE FUNDS, REVENUE AND PROGRAMME EXPENSES OF MUSICAUTOR 2018

| Nº  | Revenue and programme expenses   | 1. Social support for members of the society | 2. Promotion and development of Bulgarian cultural heritage and creativity | Total:  |
|-----|--|--|--|---------|
| I   | Available funds as of 1 Jan 2018   | 79 366                                       | 824 605  | 903 971 |
| II  | <b>Revenue:</b>  |  |  |         |
|     |  | 241 956                                      | 241 956  | 483 912 |
| 1   | From distributions in 2018   |  |  |         |
| II  | <b>Total revenue:</b>  | 241 956                                      | 241 956  | 483 912 |
|     | <b>Expenses:</b>   |  |  |         |
| 1   | Amounts paid to members (anniversaries and social support)   | 13 000                                       |  | 13 000  |
| 2   | Amounts paid to members (retirement age)   | 157 443                                      |  | 157 443 |
| 3   | Amounts paid to members (creation of works)  |  |  | 143 025 |
| 4   | Amounts paid for a commission meeting  |  | 6 833  | 6 833   |
| 5   | Amount paid to BNT - Price of Creativity   |  | 9 109  | 9 109   |
| 6   | Amount paid to Maria Leshkova - Collection of Kosta Kolev songs  |  | 3 500  | 3 500   |
| 7   | Amount paid to Studio Sprint Project Ltd for International Festival for Pop and Rock Music - Sofia 2018          |  | 5 000  | 5 000   |
| 8   | Amount paid for project Place for BG Music   |  | 10 700   | 10 700  |
| 9   | Amount paid to DNK Media Group Ltd. - BG Music Festival  |  | 5 000  | 5 000   |
| 10  | Amount Paid to Mister Rock Music EOOD - The Power of Rock 2018   |  | 5 000  | 5 000   |
| 11  | Amount paid for award - The Power of Rock 2018   |  | 500  | 500     |
| 12  | Amount paid to Connect Me EOOD - Documentary about the Bulgarian hiphop music - Music from the Suburbs           |  | 15 340   | 15 340  |
| 13  | Amount paid to Apollonia Foundation - Apollonia Festival of Arts 2018  |  | 7 500  | 7 500   |
| 14  | Amount paid to Maria Arangelova - Producing a video to the song "The Night Shines" in memory of Andronika Popova |  | 3 300  | 3 300   |
| 15  | Expenses according to 2013 decision of the General Meeting   |  | 151 000  | 151 000 |
| III | <b>Total expenses:</b>   | 170 443                                      | 365 807  | 536 250 |
| IV  | <b>Balance as of 31 Dec 2018 ( I+II+III):</b>  | 150 879                                      | 700 754  | 851 633 |

All amounts are in BGN without VAT



## Ministry of Culture – without National Strategy for Development of Culture – another year of sailing without a compass!

The Bulgarian Culture Development Strategy is a document that will never be completed. The promises given in the media by the political leaders at the ministry and the questions posed to the National Assembly regarding the working stage of the strategy remain with no progress or accountability.

In the context of collective right management, the strategy is expected to outline the philosophy, meaning, links, benefits and importance of the societies for collective management of rights in promoting the development of creative and cultural industries. Given the lack of a macro framework, any attempted change on operational level resembles a revolution, and is often taken for confrontation. In 2018, the working groups that had to analyse the problems in culture and to identify the opportunities and global trends had no meetings, since no one in MC coordinated them. Unofficially, it became clear that after a year of inactivity, MC would develop the strategy on its own. Thus, an initiative which was formally launched in the summer of 2017 and which had to reflect all points of view and all priorities, did not lead to a result in 2018.

MC did not support Musicautor's request to seek assistance from the World Intellectual Property Organisation (WIPO) to develop the strategy. WIPO would usually offer its complimentary support for developing such strategies worldwide.

At operational level, not before overcoming several challenges, positive practices were established and the following issues were raised:

- Exchange of information between Musicautor and MC;
- Communication channels and means that Copyright and Related Rights Directorate (MC) can opt to use with regard to promoting the amendments, the new functions of municipalities and the model of "zero tolerance" in imposing administrative and punitive penalties. The information campaigns conducted by MC strengthen the role of prevention of violations and provide a good basis for further development in future.

On the other hand, the failure of the Ministry to publish the results from the inspections of all registered societies for collective management of rights was not a positive sign. Musicautor insisted on full transparency through disclosure of the results but this was disregarded. The business sector and the people had the right to know the truth in the context of the case of a private company for collective management of music rights which was investigated for huge amounts of payments unreasonably collected over the years which did not reach the rightholders. Each inspection reveals the omissions, but also validates the successful models in terms of business practices and legality. The example of the case with this private company, even though negative for authors and users, is to motivate the adoption of rules and to ensure that such models will not multiply. In this sense, the principled policy of Musicautor to achieve transparency is predictable.

## Council for Electronic Media – Power without Will

Lack of feedback and double standards. This is how we can briefly describe the interaction between Musicautor and Council for Electronic Media (CEM) in 2018. Alerts on broadcasting of music on the TV channels owned by Rosenfeld and Co. AD and BTC AD were submitted to the regulator. Upon that and instead of imposing a sanction, as is usually the case with the smaller companies, CEM merely established lack of license and gave mandatory instructions. These formal actions did not, of course, lead to a result. Subsequently, on appeal, the instructions with respect to one of the channels were rejected and the instructions to the other became effective, but a contract with Musicautor had never been concluded. The implied message sent by the institution to all those concerned with the protection of copyright in the context of Radio and Television Act was about double standards. The time, expertise and efforts of CEM administration were wasted due to lack of will of the regulator's members. The inefficient use of public resources damages the lawful business, society, rightholders and taxpayers.

## International Cooperation Interaction with Sister Societies

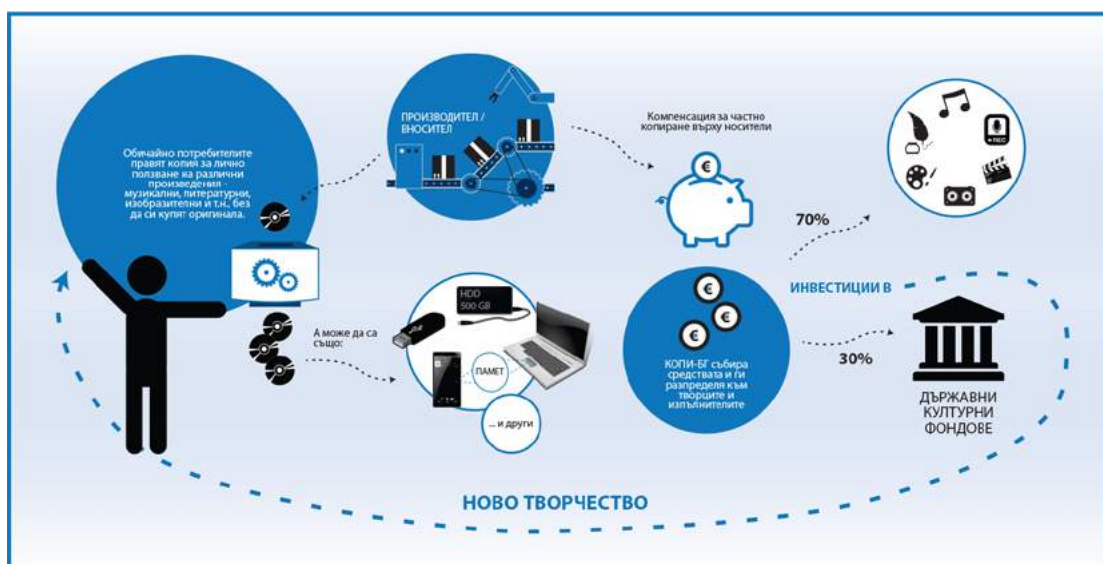
Musicautor maintains excellent partnership relations with foreign sister societies. This year the society traditionally took part in the annual international forums organised by the International Confederation of Authors and Composers (CISAC) and in the international studies on collective copyright management.

The protection of copyrights and interests of rightholders in European context and the lawmaking motivates Musicautor to take actions and to become a full member of GESAC, an organisation created by societies from EU member states. The main objective of GESAC is to keep track of the trends in international and European law and to support authors and publishers, including by communicating proposals for amendments at expert or political level with representatives of individual states in the European Parliament.





# Private Copying in Bulgaria – subject to Appeal to the European Commission



There are no proceeds in the area of private copying in Bulgaria, although they are due according to the law. The reason for this is the corrupt legal framework which is contrary to the European Union law.

The mechanism for collection of blank tape levies applicable to private copying creates a legal opportunity for individuals to make copies of works for their private use without authorisation of the rightholders, but against payment of compensation thereof by manufacturers and importers of recording devices. The lack of such framework would make every user an offender. Compensations for private copying have existed for decades in Europe, and its meaning, account and significance have been proven.

As a result of the application of intelligent legislation in other European countries, the societies for collective management of rights in Europe have collected € 342 million from private copying in 2017. In Bulgaria, however, there is no will to quickly and effectively overcome the gaps in the legislation. Although 30% of the collected levies will be allocated to National Culture Fund, the state takes no actions and is disinterested, thereby opposing the interests of the artists and blocking the potential of cultural and creative industries.

In 2018, Musicautor worked actively to focus public attention on private copying:

- The activity of COPY-BG, which is responsible for collection of compensations for private copying in Bulgaria, was brought in line with the new requirements of Copyright and Related Rights Act (CRRRA). New bodies of the society were elected, with the Executive Director of Musicautor being elected as co-chairperson of COPY-BG management board.

- Musicautor submitted to MC updated proposals for CRRRA amendments. These will allow putting into use the mechanism for collection of blank tape levies.

- The society launched a media campaign to support private copying: video clips with Bulgarian artists were published; a petition signed by 400 Bulgarian authors was submitted, creative and, at the same time, provocative form was used to synthesize successful practices from all over the world, objectified as postcards.

- In an international context, during the Bulgarian Presidency of the European Union, at a Conference on copyright, international experience in the area of private copying was presented, where CISAC also presented its position on the topic.

- In addition, international support was also employed. In April 2018, the European Committee of CISAC adopted a resolution expressing its concern about the lack of effective private copying system in Bulgaria and the inconsistency of Bulgarian legislation with the European one. In 2016, CISAC also adopted a resolution on private copying, which was neglected by the Bulgarian institutions involved in the formation and implementation of state policy in the area of culture and copyright.

- At the end of 2018, Musicautor lodged an appeal with the European Commission for non-compliance of the Bulgarian legislation with EU Law on private copying and in particular with Directive 2001/29. The appeal states that the State has not created an environment enabling effective application of blank tape levies collection system, provided such a system exists in national law, thereby infringing its obligations as a Member State.

*"Ars alit artificem"*  
Art feeds the creator

## I have Right

2018 was a colourful and intense year in the context of Musicautor's campaigns.

Focused on resolving long-term problems in the sector, in the society's history these campaigns are pioneers in terms of focus, intensity, partnership and effect.



The almost five-year efforts of Musicautor for much needed amendments culminated in the "I have Right" campaign. In partnership with Artistautor and Filmautor, Bulgarian artists of all generations called on, through a video, the members of parliament not to abdicate culture and protect creativity.

With messages such as "I have Right" and "You are letting the Merchants in the Temple", they objected to the unfavourable amendments in Copyright and Related Rights Act, which, in their original version, opened way for pressure on artists and culture. Vasil Naydenov, Kiril Marichkov, Dobrin Vekilov - Donny, Joanna Bukovska, Vladimir Penev, Polly Genova, Atanas Penev, Victoria Terziyska, Deyan Kamenov and Ivan Lechev focused the attention of politicians and experts from MC and National Assembly, which led to publicity of arguments, statistics and international practices which Musicautor advocated. This campaign had reflection at international level presented as a good and successful example of the voice of the authors at CISAC General Meeting in Warsaw and at ICMP Annual Conference in Bucharest.



To protect the rights of Bulgarian authors, CISAC General Director Gadi Oron arrived in Sofia in March, along with Veronik De-bros, General Manager of GESAC, the European Grouping of Societies of Authors and Composers, and Cecile Despinger, Executive Director of SAA, Brussels, the Society of Audiovisual Authors.

During their visit, series of meetings were held with the participation of the chairperson of Musicautor management board, Mr. Yasen Kozhev, and the Executive Director of the company, Ivan Dimitrov.

The CISAC delegation met with Minister of Culture Boil Banov, members of the Committee on Culture and Media and Parliament's Committee on Legal Affairs.

The Director-General of CISAC pointed out that much more royalties can be collected in Bulgaria and that the situation here was unlike those in all neighbouring countries.

"A Bulgarian author would have received five times more for the use of his work in Romania compared to Bulgaria", said Gadi Oron. CISAC Director for Europe Mitko Chatalbashev, who also participated in the meetings, said that in non-EU Serbia almost three times higher royalties are paid per capita.

In an interview for Bulgarian National Television, Jean-Michel Jarre, President of CISAC, expressed his support for our mission and efforts, stating that:

"All authors' companies around the world have done a great job, and in particular Musicautor from Bulgaria, which works hard to explain, introduce and clarify the dramatic situation of Bulgarian authors".

"All societies of authors around the world did a marvelous job but mostly, MUSICAUTOR in Bulgaria. It invested huge efforts to explain and successfully bring to understanding the dramatic situation that Bulgarian authors find themselves in."



## Private Copying – Art. 26

More than 400 Bulgarian authors supported the request for legal amendments for a working private copying mechanism. With regard to that, Musicautor relaunched the campaign "We Share MUSIC, EMOTION... CULTURE". Video messages and good practices in the form of postcards from all over the world featured the advantages of effective regulations on compensations for private copying. Artists from Artistaauthor and Filmautor also supported the campaign.



## Training for Journalists



In 2018, the traditional training for journalists was held in Varna. This time the focus was placed on the adopted amendments to CRRA and its first results in HORECA and Concerts sector.

The news of the tightened control was covered by all national televisions and fell into central news.

## Conference on the World Intellectual Property Day in University of National and World Economy - 26 April

For the first time Musicautor was a partner at the traditional roundtable organised annually by UNWE on the occasion of the World Intellectual Property Day - 26 April. The trust to Musicautor was an extremely important attestation of the extent and potential for interaction.

The leading experts in digital licensing of Musicautor Gergana Gaydazhieva and Romyana Koleva explained the current legislation with regard to the copyright responsibility of digital platforms. They made a presentation on the

topic "Digital Imbalance. Underestimation of the Author's Work Online". Rosina Petrova, Concerts licensing manager in the society, presented the new amendments in the concerts sector. During the forum, the Executive Director of Musicautor commented on the negative consequences for creative and cultural industries arising from the lack of National Strategy for Development of Culture in Bulgaria.

### Internship programme

Once again this year Musicautor opened its doors to young people who decided to realise their potential in the area of copyright. The internship programme launched in 2013 in partnership with the University for National and World Economy is extremely useful both for the students who have chosen this speciality, and for the society. The partnership between the educational institution and Musicautor gives a perspective and helps young people with talent and motivation to develop.





## "Vires unitae agunt"

The strong people act together!

## Price of Creativity

For four months, BNT programme The Day starts with Culture has become a scene on which all representatives who protect copyright in all its aspects have been able to express their arguments and to focus public attention on the work of artists from all areas and on protection of their intellectual property.

The commentary, which began thanks to the efforts of Musicautor, focused on the fact that the protection of these rights is a condition for stimulating the cultural and creative industries and innovations, and hence the cultural and economic development and improvement of the well-being of society.

Each episode of the series was devoted to a different type of work – music, dance, literature, fine arts, cinema, theatre, journalism, radio and television, software, inventions, design, photography, and architecture. Visions of the major challenges and the role of the State, in particular Ministry of Culture, were outlined in all areas. These points of view and perspectives can be a part of the aspired strategy for development of culture in Bulgaria.

Respect is the result of labour, labour is the result of respect.



Musicautor received a Best Partnership award from Bulgarian Hotel and Restaurant Association (BHRA) at its traditional annual awards ceremony.

## Awards

For the second consecutive year, Musicautor supported the International Guitar Festival in the town of Pleven, which set this year a record with the participation of 250 artists from 24 countries on three continents. The selection of artists was serious and brought together a world elite of guitarists from Europe, Asia and South America. The award of Musicautor was presented by the Deputy Chairperson of Management Board Stoyan Mihalev for Best Bulgarian song in the Guitar and Voice category.



## "Fructus honos oneris, fructus honoris onus"

Respect is the  
result of work,  
work is the result  
of respect

Musicautor supported financially as well as with a special award the Eighth Edition of the youth festival "Power of Rock". Vasil Rusev – a member of the Management board – participated in the jury of the competition and personally presented the special award of Musicautor to the winners.



## Place for BG Music

In a unique campaign, conducted in partnership with National School of Music Lyubomir Pipkov and under the patronage of the mayor of Sofia city, Mrs. Yordanka Fandakova during the Bulgarian presidency of the European Union, an announcement was made: on the power of Bulgarian music and on generational renewal. This increased the feeling of a cultural phenomenon in the capital.



The main objective of the campaign was to build a bridge between Bulgarian artists from different generations. During the entire month of May, Bulgarian musicians, including Mitko Shterev, Mihail Belchev, Haygashod Agasyan, P.I.F., Kalin Velyov, Mastilo and ETNOTIX, in various places in Sofia, supported the initiative for more Bulgarian music.

As part of the campaign, video business cards of Bulgarian authors and their works were displayed for a period of one month in the Metropolitan. Their messages reached hundreds of thousands of Bulgarians.

Three pianos were located in key locations in Sofia - Serdika Metro Station, "Nezavisimost" square and



Национална музикална школа  
"Любимир Пипков"

Sofia Airport. They attracted the interest of dozens of music lovers who sat behind the white keys to play their favourite songs.

The videoclips taken at the flashmobs reached hundreds of thousands of Bulgarians in the social networks who shared them, giving their positive feedback on Musicautor's initiative.



"Non vi, sed arte"

Not with force, but with art



Musicautor Cultural Fund supported once again the creation of new Bulgarian music. In 2018, by decision of the society's General Meeting, the allocated funds of over BGN 150,000 were distributed for the first time in different categories of projects – by genre. The total number of applications submitted in 2018 session was 129, with 38 of the projects receiving funding. They were supported by grants ranging from BGN 1,500 to BGN 5,000, depending on the type of submitted project.

In addition, for the first time in the Cultural Fund history, the focus was placed on the young authors, and their projects received funding of BGN 30,000 from the allocated funds.

The musical forums and initiatives supported by the fund included Apollonia Festival of Arts, Place for BG Music campaign, the joint project of Musicautor and BNT Price of Creativity, Festival for Pop and Rock Music – Sofia, and the 8th edition of the "Power of Rock" festival aimed at young musicians.

## КУЛТУРЕН ФОНД СЕСИЯ 2018

## The first study on the impact of music in public places

To justify the significance of legal music in public places, Musicautor conducted a study of the people's attitudes and how musical environment improves their mood.

The figures are indisputable: 90% of the active Bulgarians want to listen to music in public institutions. From the 180 respondents – adult Bulgarian citizens – 40% of the people admit that music gives them a positive charge; 27% – that it makes their day more beautiful and almost as many think that music calms them down. Only 5% of the people say that music has no influence on them.

Bulgarian and world pop hits are preferred by the most – 55% of Bulgarians choose them, and 18% listen to famous classical works. Only 15% of people say that quality is not of importance, as long as music sounds.

And more than half of the people believe that more Bulgarian songs should sound in the media, with 20% of them being convinced that the media should be legally bound by introducing certain quota for Bulgarian music in law.

MusicPro is a joint service of Musicautor and Prophon for legalising music in tourism establishments and shopping venues. 'One-stop shop' for licensing the use of music hits from around the world and from Bulgaria in an easy and accessible manner.

The joint platform is designed to facilitate the conclusion of contracts with users, prompting them to quickly and easily license the music which they use in their venues.

In the process creating a new brand, an entirely new vision of the service was created, with a new website and information materials.

Another part of the brand and service promotion was related to holding an informative and training campaign to familiarise mayors and municipal officials with the new requirements and with the opportunities arising from the amendments for removing corrupt practices, strengthening the competitive environment, stimulating the business and implementation of more regional cultural projects.

As part of the entire project, a campaign for recruiting and training of new agents has begun who would support the work of the MusicPro team of professionals.

## Promotion of MusicPro

The promotional materials for MusicPro consist of several elements:

- A grid of 48 small portraits of various artists, arranged in 4 rows and 12 columns.
- Text in Bulgarian: "СВОБОДАТА ДА ИЗБИРАШ" (The freedom to choose).
- Text in Bulgarian: "Творчеството в подкрепа на общините" (Creativity in support of municipalities).
- Text in Bulgarian: "Да си законен не е трудно" (It is not difficult to be legal).
- Text in Bulgarian: "Промени в Закона за авторското право и сродните му права дават нови правомощия на местната власт, насърчавайки културата" (Changes in the Copyright Law give new powers to the local authority, encouraging culture).

## BG music quota

Musicautor stood firmly behind the proposal for introduction of binding quotas for Bulgarian music in Radio and Television Act. The society's position was presented in the parliament, following a request from the Commission on interaction with non-governmental organisations and appeals of citizens in the National Assembly.

The introduction of binding quotas for national music with law is a tool for preserving national identity, as emphasised in the position of Musicautor. This practice is widespread in many countries and Bulgaria should benefit from it.

Being an organisation for collective rights management, Musicautor is not entitled to prefer one musical work over

another work, regardless of its author's nationality. Copyright protection is a principle of law that lies at the core of the society's activities.

The promotion of Bulgarian language, however, is subject to state policy. An analysis of the practices of 21 countries in the European Union made by Musicautor shows that many of them have established quotas for national content. For this reason, Musicautor supported legislative changes that will establish rules which preserve Bulgarian identity in national, European and global context.

## Rising the authors awareness campaigns

During the year, Musicautor launched several campaigns to stimulate a more serious activity of the authors who are members of the society.

Special membership cards that contain information on the authors' accounts and unique IPI number which can be used as identification with the sister societies worldwide were created.

In the new membership cards everyone can understand, short and clearly, his rights as a member of Musicautor and his membership benefits, including support from the society's Cultural and Social Funds, and personal accounts for uploading phonograms to monitor the use of each author's works.



## BMAT

**The number of authors registered with the BMAT monitoring system doubled.**

The number of authors who had registration in BMAT system doubled. The campaign aimed to encourage the authors to create an account in the additional monitoring system which can identify repertoire in over 3000 music sources in the world with an accuracy of 99.99%.

This is done through a unique fingerprint (a code that marks each registered audio file) and allows it to be compared to a database of millions of phonograms.

Musicautor additional monitoring enables its members' repertoire to be recognised in films, commercials, background music, and even in other forms where music is mixed with speech. Thus, the society strives to compensate for the inaccurate reports provided by some media.



In support of the authors' awareness, Musicautor created a new section on its website, named MA Tips.

MA Tips is about to become a real assistant to the creators, giving them topical advice on basic questions. The society's experts respond to important questions on how copyrights can be managed successfully, in short and meaningful videos uploaded to the website.

The section MA Tips gives answers to the main questions that each artist asks, helping him to discover new opportunities to protect the works created by him and to raise his income from them.

## Article 13



The debate of Article 13 of Directive on copyright in the digital single market was not ignored in Bulgaria. After more than 17 years, EU proceeded to update the copyright framework to stay abreast of the digital era and to ensure for the creators fair income from copyrights. These changes are essential to the creators so that they can live and create freely. After the amendments, users will still be able to share on the online platforms music, videos and images, but, now with the changes, it will be legal.

Bulgarian authors also joined the European campaign to support the directive. Thus the voice of the artists in our country has gained European and even international significance. Their activity was highly appreciated by GESAC: "We are very impressed by the strong and effective mobilisation of Musicautor regarding the video messages of Bulgarian authors, which led to a positive vote on the part of Bulgarian MEPs, - 70% of them supported the changes," said Veronik Debros, General Manager of GESAC, in an acknowledgement letter to Musicautor.

