

Agreement reached on blank media levy for smartphones

An agreement on copyright levies for smartphones has been reached between manufacturers and importers of smartphones, consumer organisations and the Swiss collecting societies. The solution, which has been accepted by all parties, is initially valid until the end of 2016. It will ensure that artists are compensated for copies of their work on smartphones while allowing consumers to listen to copied music on their mobiles in future. This agreement establishes legal certainty for device manufacturers and telecommunications service providers.

Zurich, 28 January 2015 – After several years of negotiations, the interest groups for smartphone manufacturers and importers SWICO, DUN and Swissstream, and the consumer organisations and collecting societies SSA, ProLitteris, SWISSPERFORM, SUISSIMAGE and SUISA have agreed a tariff for the use of music copied onto smartphones for private consumption. Under the new agreement, manufacturers and importers of music-capable mobile phones will pay a levy for the use of music, films and similar digital media stored on their devices. The proceeds will go to the creators of copyright-protected works.

New tariff from 2015

The agreement is valid for 2010 to 2016; the negotiating parties have reached a settlement for the period up to and including 2014. A new tariff applies for two years as of 1 January 2015 and will be renegotiated for 2017 onwards. The tariff is as follows, based on the storage capacity per gigabyte (GB):

	Copyright	Neighbouring rights	Total
Up to and including 4 GB	CHF 0.091	CHF 0.029	CHF 0.12
Up to and including 8 GB	CHF 0.076	CHF 0.024	CHF 0.10
Up to and including 16 GB	CHF 0.061	CHF 0.019	CHF 0.08
Up to and including 32 GB	CHF 0.053	CHF 0.017	CHF 0.07
Up to and including 64 GB	CHF 0.046	CHF 0.014	CHF 0.06

A manufacturer or importer of smartphones will therefore pay CHF 3.84 for a device with 64 GB of storage. If the storage capacity is greater than 64 GB, the same levy applies as for devices with 64 GB or less, whereby the maximum is 2% of the listed price. The negotiating parties reached an agreement in July this year, and the tariff has now been approved by the Federal Arbitration Commission for the Exploitation of Copyrights and Related Rights (ESchK).

The agreement, which came after several years of negotiations, will ensure that artists are compensated for their work, manufacturers and importers have legal certainty, and consumers can copy and use copyright-protected content on smartphones.

Dachverband der Urheber- und Nachbarrechtsnutzer (DUN, the association for users of copyright and neighbouring rights), Schweizerische Wirtschaftsverband der Anbieter von Informations-, Kommunikations- und Organisationstechnik (Swico, the Swiss association for information, communications and organization technology) and Schweizerische Verband der Streaming Anbieter (Swissstream, the Swiss association of streaming providers) negotiated on behalf of the smartphone manufacturers and importers. The consumers were represented by Associazione Consumatrici della Svizzera Italiana (ACSI, the consumer association of the Italian-speaking part of Switzerland), Fédération Romande des Consommateurs (FRC, the consumer federation of the French-speaking part of Switzerland), the Konsumentenforum (Kf, consumer forum) and Stiftung für Konsumentenschutz, (SKS, consumer protection foundation). The interests of the authors were represented by the five Swiss collecting societies SSA, ProLitteris, SWISSPERFORM, SUISSIMAGE and SUISA.

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