

President of the European Commission Ursula von der Leyen By email: <u>ec-president-vdl@ec.europa.eu</u>

26 March 2020

Dear Madame President

## **Performers Receiving No Revenue**

We are writing to you because of the dramatic situation performers have found themselves in as a result of the COVID-19 pandemic.

Already, most performers are receiving no revenue from the streaming services, which are now the main way consumers listen to music. Now, their income from live performance has suddenly stopped.

The COVID-19 pandemic has led governments, quite rightly, to enforce social distancing and ban gatherings outside the home. This means the immediate cancellation of live performances. Musicians who had bookings over the next weeks and months suddenly have no work and no income. Recording sessions have also been cancelled. Their only income is from broadcasting, public performance and other rights administered on their behalf by the Collective Management Organisations (CMOs).

What is incredible and completely unacceptable is that performers receive nothing or very little from the biggest, rapidly growing, and soon maybe the only revenue source for music, the internet, that makes up to 80% of the music industry revenue. Musicians are the music, the basis and the cornerstone of the music industry, and it is completely unbelievable that a vast majority of them have been left out of any streaming incomes, and that their families cannot rely on income from the internet. The pandemic period, controversially, will generate peak revenues to all streaming businesses but not for performers.

We ask you now to help performers in the EU survive this crisis. We note that employees and businesses have been given special help. But the vast majority of performers are freelance, earning revenue from live performances and royalties from use of their recordings. They are not employees. They will not be able to access the support for employees.

Over 500.000 performers and their families are at the moment without any income, so national unions and CMOs are trying to help them by setting up solidarity funds all over EU. However, the problem is so huge that those funds will be only a drop in the ocean.

## **C8** ASSOCIATES

It is really a shame that performers have to ask for social help from their national governments and their organisations, while their well-earned money is collected by intermediaries, that are reporting enormous growth of streaming revenues each financial quarter.

This inequity, and the failure of the current contractual system was recognised by politicians during the debate around the Copyright Directive and Article 18 was adopted to give performers a remuneration right. That will not be implemented until June 2021 (unless Member States transpose the Directive early). In view of the current situation, the Commission should encourage Member States to implement the Directive as soon as possible so that all performers can share in streaming revenues from their recordings and receive appropriate remuneration.

In the meantime, as an absolute need, we ask you to set up a Solidarity Fund for Performers for this emergency. We remain at your service to assist in any way to facilitate this help for performers. We would welcome the opportunity to discuss this with you via video conference. We urge immediate action because the impact on performers from the COVID-19 pandemic has been immediate and dramatic.

With kind regards

Carlo Balzaretti Pianist and Board Director of ITSRIGHT, Italy

Christian Martin Bass guitarist and Chairman of Playright, Belgium

Domantas Razauskas Singer-songwriter and Chairman of AGATA, Lithuania

Erwin Angad-Gaur Musician and Chairman of SENA Performers and Ntb/Kunstenbond, Netherlands

François Nowak Trombonist and President of SPEDIDAM, France

Goran Koncar Violinist and Board Director of HUZIP, Croatia

Grigoris Lamprianidis Pianist, Conductor and President of Apollon, Greece

Jan Drozdowski Guitarist and Chairman of Union of Performing Artists STOART, Poland

Jan Granvik Guitarist and Chairman of SAMI, Sweden

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László Gyimesi Bass Guitarist and President, EJI, Hungary

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