

YEAR 2019 PRODUCTS AND SERVICES REMUNERATION AND FUNDING ENCOUNTERS WE ARE KOPIOSTO



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A YEAR MARKED BY SUCCESS

2019 was marked by a solution to the remuneration dispute over online recording services, promise to renew the compensation system, and passage of the new copyright directive.

2019 was a good year for Kopiosto. We achieved our financial targets, and our administrative expenses stayed within the budget. Overall, the picture for the year was bright.

The only blemish in the year was the Market Court's ruling: transmitting programmes broadcast on domestic TV channels in cable networks is not retransmission as defined in the Finnish Copyright Act. We have made an application for leave to appeal and then an appeal with the Supreme Court; we will learn the outcome in 2020.

DOMESTIC AUDIOVISUAL REMUNERATIONS DISTRIBUTED

The dispute over the division of remunerations from domestic audiovisual productions in online recording services had been going on for years between Kopiosto and APFI, representing audiovisual producers. Arbitration brought a solution to this.

According to the arbitrator, authors and performers get 60% of the renumerations gathered from online recording services, which operators provide for consumers, and producers get 40%. We distributed these remunerations for the first time in the autumn.

COMPENSATION FOR PRIVATE COPYING IN THE GOVERNMENT PROGRAMME

We have been successful in our influencing work. We managed to get an entry in the new Government Programme about the renewal of the compensation system for private copying, and we are very happy about this.

This entry is important for the remunerations to Kopiosto's beneficiaries and the promotion of the audiovisual sector

through AVEK. In addition to personal remunerations to audiovisual authors, it is essential to safeguard the promotion of the industry and to know how much financing AVEK will get from which sources.

We managed to keep the compensation at its former level at 11 million euros per year, even though there was pressure to reduce it in the government's annual budget negotiations.

DIRECTIVE NOW INCLUDES EXTENDED COLLECTIVE LICENSING

Our other objectives – making it easier to use creative works and securing exclusive rights – will largely be achieved through the Digital Single Market directive (DSM) on copyright and related rights passed in the European Union.

The directive was carried in April, and it needs to be implemented in the Finnish legislation by the summer of 2021.

For the first time, the directive confirms that the extended collective licence used in Finland since the 1980s is a sound and practical way of managing copyrights, so the new directive will strengthen the Finnish system.

INFLUENCING TOGETHER

From Kopiosto's perspective, the new directive should be implemented in the Finnish legislation mainly as it is. Therefore, we focus on being able to communicate this goal as well as the benefits of our extended collective licensing clearly to political decision-makers in 2020.

What makes this work particularly important is the fact that the Parliament and its Education and Culture Committee have many new MPs, and the majority of them have no experience in copyright issues.



We are not alone in this work but collaborate with our member organisations and other copyright organisations. The more uniform our copyright message to decision-makers is, the better are our chances of success. Keeping the level of compensation for private copying unchanged in 2018–2019 is a good example of this.

SUPPORTING CREATIVE WORK

The spirit of cooperation characterises Kopiosto's employees. The pulse surveys we conducted during the year showed that we have a good atmosphere.

For this, we can thank our motivated people who want to improve the position of authors and copyright holders. Copyrights are important to us, and here at Kopiosto we can work in line with our values.

Valtteri Niiranen CEO

YEAR 2019 IN BRIEF

Directive unified legislation

The new EU directive on copyrights and related rights in the Digital Single Market (DSM) was passed on the 15th of April 2019. Among other things, it unifies copyrights, improves the position of copyright holders online, and guarantees a level playing field within the EU. Member states have two years to implement the directive in their national legislation.

Matti Pikkujämsä is **Illustrator of the Year**

Our copyright remunerations are used to fund several cultural prizes; the newest of these is the Illustrator of the Year presented by the Finnish Illustration Association. Matti Pikkujämsä was the first to receive the award of 10.000 euros.



The best thing in my work is the freedom of being a freelancer and the diversity of the work.

Licences to early childhood education

The agreement made with the Finnish National Agency for Education on licences to use copyrighted materials in teaching was extended in 2019 to cover early childhood education for the first time. The licences enable e.g. copying publications and showing TV programmes.

Copyright cartoons

During the Media Literacy Week, we arranged a cartoon competition for children and the young on copyrights, providing an opportunity to teach and learn copyright topics in a fun way. The competitors got tips from the Kopiraittila school and a video with cartoonists Jarkko Vehniäinen and Marja Lappalainen, creators of Kamala Luonto (Bad Nature) cartoon.





Kopiosto elected to SAA's Board of Directors

In March, Kopiosto was elected to the Board of Directors of the Society of Audiovisual Authors (SAA). SAA is the umbrella organisation for European audiovisual copyright organisations, promoting objectives that are important to audiovisual authors in the EU. Our representative on the Board is Director **Arto Tamminen**

Licences and remunerations

based on research

Five researches were carried out on how works are used in teaching. Copying studies were conducted in folk high schools, universities,

basic education in the arts, basic education, and upper secondary education. The results are utilised in e.g. the pricing of our licences and setting the remunerations paid to authors and publishers.

Creative knowhow and knowing creativity

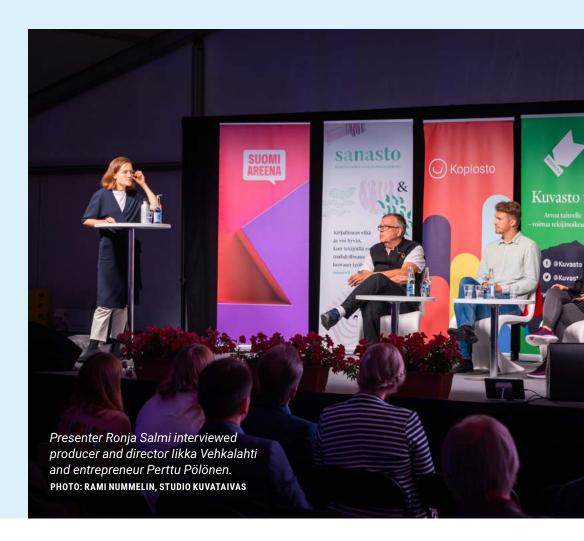
At SuomiAreena, we had a debate on the future of creative industries, content business, and training. The event was arranged together with other copyright organisations in July.

Remunerations through arbitration

Arbitration brought a solution to the division of remunerations gathered from online recording services between Finnish audiovisual authors and producers. In November, we distributed a total of 6.8 million euros to the authors and performers of domestic programmes broadcast in 2015-2018.

Great year for media art

Media artworks realised with AVEK's support were highlighted during the year. March saw the premiere of Juhana Moisander's work Ethology of a Man, which was made with the support of AVEK and EMMA, Espoo Museum of Modern Art. In the Venice Biennale, the Finnish pavilion exhibition was realised by the Miracle Workers collective, whose work The Killing of Čáhcerávga was premiered there.



Jarkko Vehniäinen and Marja Lappalainen gave kids their tips on how to make cartoons. PHOTO: HANNU KORPELA,

FOCUS ON EDUCATIONAL INSTITUTIONS AND ARTIFICIAL INTELLIGENCE

Kopiosto's operating environment stayed stable in 2019, and there are no upheavals in sight in the near future. In the long term, digitalisation and artificial intelligence are likely to change the copyright licence market.

In 2019, there were no major changes in Kopiosto's operating environment.

The licences for secondary use of works cover comprehensively the digital use of materials, and no clear drop in photocopying has been seen in the latest research carried out in universities, universities of applied sciences, and public administration.

Streaming of TV series and films is growing, but this does not affect the secondary licence market we are operating on directly, at least yet. However, we follow closely the effect on e.g. online recording services.

In the years to come, the new DSM directive and the changes it brings to the Finnish copyright law may have an effect on the secondary market operations, too.

In 2018–2019, we have paid special attention to the future of digital learning materials in educational institutions and possibilities of employing artificial intelligence in our own operations and the creative industry as a whole.

LEARNING MATERIALS MARKET IS CHANGING

Digitalisation will lower the threshold for publishing learning materials, so there will be more producers of them – some of them private individuals. This expansion can affect both licensing and allocation of remunerations to authors.

Direct licensing of learning materials and the presence of international companies on the Finnish market may change the position of domestic learning materials and their publishers.

Teaching will be fragmented, to be arranged by different parties. This may generate new possibilities for cooperation between publishers and other parties and create a need for developing a joint digital licence.

Due to changes in the field of education, our goal is to assess the possibilities of developing licences in cooperation with publishing companies. The most natural role for us is to make clearer the interfaces between direct licensing and licensing the secondary use of works. Moreover, we can, when necessary, complement direct licenses granted by publishers by making secondary use licences available to users more flexibly.

ARTIFICIAL INTELLIGENCE ENHANCES ROUTINES

Artificial intelligence (AI) learns from experience, recognises repeated patterns, and draws logical conclusions. Even the most advanced AI applications are not creative as such, but they will change the environment for both creative authors and those managing copyrights.

In an organisation like Kopiosto, AI could possibly be used to enhance business processes, increase productivity of work,



Digitalisation will lower the threshold for publishing learning materials, so there will be more producers.

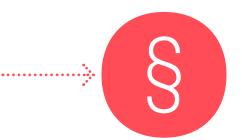
and reduce costs by automating routines. Implementing and using Al would require, among other things, a change in operating culture, solving privacy-related issues, and developing process management.

The implementation of automation will be considered by Kopiosto in the near future according to the guidelines and principles defined in the data strategy to be drawn up.

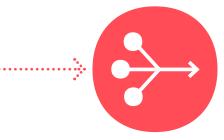
DIRECTIVE ON COPYRIGHT AND RELATED RIGHTS IN THE DIGITAL SINGLE MARKETS

Kopiosto's view on national implementation





The bulk of the directive literally into Finnish legislation



Directive's extended collective licence article into force – improving the current system



When there is a possibility to choose, take collective licensing over exceptions to copyrights

Directive

- Protects copyrights without constraining freedom of expression or other basic rights
- Enhances users' possibilities to utilise works in e.g. teaching or data mining
- Facilitates licensing practices and so improves users' possibilities to utilise materials

Timeline

EU approval on 15 April 2019 Working group of the Ministry of Education and Culture is preparing the national implementation

Draft of government proposal ready by summer 2020

Integrated into Finnish legislation by 6 July 2021 **8 KOPIOSTO IN 2019** © CONTENTS YEAR 2019 *PRODUCTS AND SERVICES* REMUNERATION AND FUNDING ENCOUNTERS WE ARE KOPIOSTO



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KOPIOSTO IN 2019 © CONTENTS YEAR 2019 *Products and Services* remuneration and funding encounters we are kopiosto

LICENCE PRODUCTS WITH IMPACT ON SOCIETY

Using Kopiosto's products, creative works can be used legally in different organisations.

With its licence products, Kopiosto serves educational institutions, the state administration, municipalities, religious communities as well as businesses and other organisations. With the licences we grant, our clients can use audiovisual works in different ways and copy publications protected with copyrights.

The comprehensive licence agreements we have with e.g. online recording services, educational institutions, or municipalities are also important to the society.

For example, the agreement made with the Finnish National Agency for Education covers all Finnish schools from early childhood education to upper secondary and vocational education. Hence, it is possible to copy and use literal, visual and audiovisual materials in the same way all over the country. This guarantees the pupils' fair and equal possibilities to receive a high-quality education.

RESEARCHERS GAIN ACCESS TO DIGITISED MEDIA

A good example of an economically minor but socially major agreement is the deal made in the Tutkain project.

The agreement makes it possible to use all digitised Finnish newspapers and magazines in the National Library's collection for research purposes in 15 higher education institutions involved. The materials are from 1930–2018.

Newspaper materials are used extensively in different types of research. The new service increases further the impact these materials have on research and gives researchers around Finland access to them.

LEGISLATION NEEDS TO BE RENEWED

Our licence products meet fairly well our clients' needs, but there are challenges in certain areas.

For an extended collective licence organisation like Kopiosto, it would be important to have the copyright act updated to meet current demands.

For example, we can now grant businesses licences to photocopy and scan articles for internal informational purposes, but only in a very limited scope to copy materials from the internet. The legislation would require updating so that at least the law could enable our licences to cover the use of online materials more widely.

This and the gaps in the licences of audiovisual materials – e.g. in the public performance of works – should no doubt be covered in the national implementation of the new DSM directive.

When the legislation has been renewed, Kopiosto can quickly develop current licences and create new products.

Even with the current product portfolio, the prospects for 2020 are good. According to research, the use of works under licences has grown especially in universities and universities of applied sciences.

Kopiosto's licence products



Copying material and works in teaching, companies, and public administration



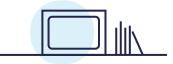
Licensing of online recording services



Retransmission of TV channels



Using TV programmes in teaching

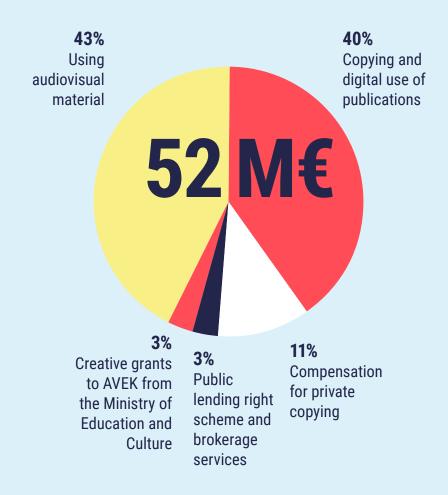


Library and institutional use of recorded TV and radio programmes



Using old newspaper materials

Distribution of remunerations in 2019



(C) Kopiosto

KOPIRAITTILA IS GROWING AND EVOLVING

In 2019, new tools and more information was added to Kopiraittila to support the teaching of copyright topics. In a year, the number of users has doubled.

Kopiraittila teaches copyright topics in a gamelike manner to students of all ages, from primary education to higher education institutions and teacher training.

The website was opened for elementary and middle schools in 2016, has since expanded to upper secondary and vocational education and at the beginning of 2019 to higher education institutions. Its growth has been rapid.

"We can be proud of this development. In 2018, Kopiraittila had about 300-400 users on school days. In the autumn of 2019, the number had risen to 700-800, so in a year, it had doubled," says Licensing Manager Kirsi Salmela.

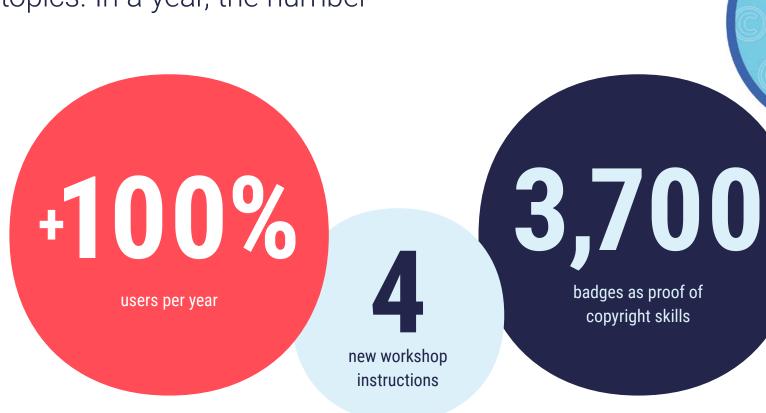
LEARNING COPYRIGHTS IN PROJECTS

In 2019, Kopiraittila was supplemented with four workshop instructions for projects to be carried out in primary or secondary education.

The website has instructions for teachers on how to make cartoons and book trailers. In the trailers, pupils can tell about a book they have read and how they experienced it as well as try to attract other readers to take up the book.

To promote international cooperation, Kopiraittila has two models for projects to be done together with one or more schools from the EU area. One covers the environment around us and the other art, music, and literature.

"In all instructions, the idea is that the students learn about copyrights while working on their own projects. They learn, for instance, how to use references, how to use works made by others while respecting their copyrights, and what kinds of copyrights they will have on the work they have done," says Salmela.



a digital Open Badge as proof of their skills. The badge can be, for example, linked to one's resume or shared in LinkedIn or other social media.

badges as proof of

copyright skills

The Copyright Expert badge is available to higher education students, the Copyright Wizard badge to students in upper secondary education or teacher training or teachers. So far, over 3,700 badge applications have been made, most of them from teacher training or vocational education.

 (\rightarrow) Get to know Kopiraittila

ONE COPYRIGHT WEBSITE HAS IT ALL

At the beginning of 2019, the contents of the Kopiraitti.fi website was transferred to Kopiraittila.

Now, the site contains everything any teacher or student needs to teach and learn copyright topics. Kopiraittila contains both a copyright guide and gamelike and other pedagogical materials to learn copyright skills.

PROOF OF COPYRIGHT KNOWHOW

Students in upper secondary or higher education and teachers, who have used Kopiraittila to learn about copyrights, can also do tests on the website; after passing them they can apply for

©-INFO PROVIDES INFORMATION ABOUT **AUTHORS AND** RIGHTS OF USE

The @-info icon makes it easier to use website contents. The icon shows information about the authors and how others can use the contents.

It is often difficult or even impossible to find information about the authors of website contents or their rights of use. At the same time, many users are unsure how the contents can be utilised.

As a solution to this problem, we have developed the @-info icon to be uploaded on websites, showing the authors of the website contents and information about rights of use. This way, we want to improve the accessibility of this information and improve the functionality of the copyright system.

EVERYBODY BENEFITS

©-info and accessibility of copyrights is beneficial to all parties. Authors and copyright holders can make their own author details visible. Users can easily find information about how they can use the contents and for what they possibly need a permission, so they can use contents legally and respect copyrights.

Content producers also benefit, as websites contain materials protected by copyrights. Through the icon, the website owner can tell others how they can use the contents of the website.

The @-info icon has been available since the end of November 2019. The end of the year was dedicated to further development, and the icon's actual introduction and marketing started at the beginning of 2020. Naturally, the first to start using the icon was Kopiosto and its website.

The goal is to have the icon appear on all the most copied websites in Finland. The content of the icon complies with the Finnish copyright legislation for the time being, but in principle, it could be used in other countries. At the moment, the icon is available in Finnish, Swedish, and English.

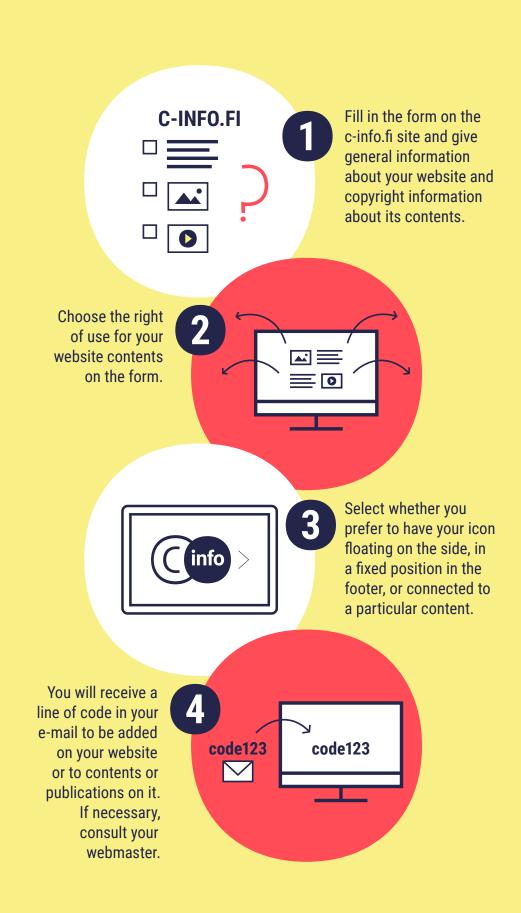
ICON ORDERED FROM C-INFO.FI SITE

Once the icon has been installed on the website, visitors can click it and see who has made and produced the contents of the site: pictures, articles, videos, and other materials. The information also shows whether the contents and materials of the site can be used in or copied for e.g. teaching or other work-related purposes.

The feedback we have received indicates that teachers, in particular, require clear instructions on how to use online contents in teaching.



How do I start using ©-info?



SUPPORTING COPYRIGHT OWNERS

We have dedicated recent years to renewing our services to rightsholders. An online service for authorisation management is the next one to be taken into use.

Kopiosto represents a large group of creative professionals and makes sure they get appropriate remuneration for the use of their works.

In Rightsholder Services, we manage the authorisations from authors and pay copyright remunerations. In addition, we provide advice to copyright owners, coordinate negotiations over remuneration distributions, and develop services for both copyright holders and our member organisations.

REMUNERATIONS FROM ONLINE RECORDINGS PAID

One of the year's highlight was the first payment of remunerations from domestic audiovisual productions gathered from online recording services for 2015–2018.

Since 2015, negotiations have been going on with APFI, representing audiovisual producers. The negotiations have put a strain on both audiovisual author organisations and Kopiosto, without producing any result. A solution to the prolonged dispute over division of remunerations was finally reached in arbitration.

According to the arbitrator's decision, authors and performers get 60% and producers 40% of the remunerations accruing from online recording services. In all, 6.8 million euros were paid in remunerations in the autumn.

AUTHORISATION INFORMATION FROM ONE PLACE

Another theme for the year was the construction of an online service for authorisation management. In the service, to be deployed in 2020, copyright owners can simply and conveniently give their authorisations to Kopiosto. They can also easily check the authorisations given earlier and update their own information.

The online service can also be used by Kopiosto's member organisation to keep track of the authorisations given to them.

The new service will make authorisation giving, monitoring, and maintenance more convenient. Comprehensive authorisations are the basis for Kopiosto's operation and the whole collective licensing system. Through them, Kopiosto can agree on copying licenses and grant them on behalf of authors and publishers.

NEW SERVICES A PART OF EVERYDAY WORK

In a short time, we have carried out the changes required by the Act on Collective Management of Copyright, which came into force at the beginning of 2017. The reforms have affected authorisations, cooperation agreements between Kopiosto and its member organisations, general division principles, and remuneration instructions to member organisations.

Over the past years, we have modernised our Rightsholder Services operations. We have, for example, built many new systems and services, such as a new distribution system, an extranet for audiovisual authors, and a public lending right scheme service for visual artists. Kopiosto's new reporting system to production companies was completed at the beginning of 2020.

There are no major reforms on the horizon now; we focus on making the latest reforms a part of everyday life. Moreover, we develop our communication to member organisations and copyright holders to become even more approachable.

Authors authorise -Kopiosto remunerates AUTHORISATIONS FROM THE CREATIVE AUTHORS Copyright Grant of Grant of agreement for Rights for Rights to audiovisual audiovisual Kopiosto authors authors Kopiosto's Rightsholder Services **REMUNERATIONS TO CREATIVE AUTHORS** Member Authors & organisations performers **Authors &** publishers



REMUNERATION AND FUNDING

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46 MILLION EUROS TO CREATIVE AUTHORS

In 2019, we distributed a total of almost 46 million euros in copyright remunerations to authors, performing artists, and publishers.



Copyright remunerations are gathered from the copying and using licences of works granted to educational institutions, public administration, and businesses. Kopiosto also distributes compensation for private copying from the state's budget to audiovisual authors and public lending remunerations to visual artists.

The remunerations for photocopying and digital use are paid to our member organisations representing domestic authors and publishers and through reciprocal agreements to our foreign sister organisations.

The organisations distribute the remunerations they receive from us as grants or direct remunerations, or they arrange services that otherwise benefit creative authors and publishers. Member organisations finance many creative industry prizes with the copying compensation, too.

We pay remuneration for audiovisual works as personal remunerations as well as to domestic and foreign organisations representing copyright owners.

AVEK'S SUPPORT TO DOMESTIC AUDIOVISUAL CULTURE

The Promotion Centre for Audiovisual Culture AVEK, operating as a part of us, distributed 3.7 million euros to domestic audiovisual culture in 2019. AVEK's funds come primarily from the compensation for private copying. AVEK also promotes the development of creative businesses by distributing CreaDemo, CreMa, and DigiDemo grants from the Ministry of Education and Culture's special allocation; in 2019, the grants amounted to 1.4 million euros.





remuneration to the

authors, performers,

producers, and

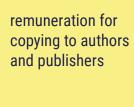
broadcasters of

private copying)

audiovisual works

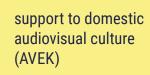
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1.3

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public lending right scheme remuneration for visual artists remuneration for copying to foreign reciprocal partners

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SUSTAINABILITY HIGHLIGHTED IN AUDIOVISUAL PRODUCTIONS

In 2019, AVEK focused on the promotion of sustainability and media art. New people joining the organisation provided an opportunity to reassess its operation.



PHOTO: JUHANA MOISANDER

In the spring, **Ulla Simonen** became the new director of the Promotion Centre for Audiovisual Culture (AVEK) after **Juha Samola**, the long-standing Secretary General, retired. Thus, the time was ripe to review our operations and communications and to build the basis for reforms to be done in 2020.

Our basic operation has been steady throughout the year, and the reforms will have minimal effect on applicants – we only want to make our operations more transparent and our guidelines clearer.

The current government's programme is favourable to culture, and we managed to get an entry in it about reforming the compensation for private copying, which is important to our operation.

TOWARDS SUSTAINABLE PRODUCTIONS

The most noticeable development in 2019 was our statement that we will take sustainability into consideration in our support decisions. This principle was included in our written guidelines at the beginning of 2020.

How ecological productions are is one decision criterion from now on, so we hope productions will consider sustainability more than before. In trainings, we prioritise courses taking place in Finland as well as e-training.

To promote sustainability and help authors, we also supported *Ekosetti* guide by **Kaisa Astikainen** and **Anne Puolanne**. As first of its kind, it provides the audiovisual industry concrete advice on how to take sustainability principles into consideration in audiovisual productions, behind the camera and in the contents.

ACTIVE ON INTERNATIONAL FORUMS

In 2019, AVEK has been more active in international operations, as per its action plan. We have, for example, supported co-productions and authors becoming more international, participated in the improvement of working conditions for artists working in Finland, and been involved in arranging workshops. At the Nordisk Panorama Festival, we sponsored the New Nordic Voice Prize, and we gave our support to the Baltic Short Film Forum.

Creating and maintaining direct contacts is ever more important to support authors in the changes taking place in the international distribution of audiovisual works.

LAST YEAR FOR MEDIARATA?

There was a lot happening in media art during the year. AVEK's role as its supporter was particularly strong, and the same will continue in the future.

A good example of our support to media art is **Juhana Moisander's** *Ethology of a Man* work, implemented in cooperation with EMMA, Espoo Museum of Modern Art.

2019 was the third and last year of the experimental Mediarata project, financed with a special grant from the Ministry of Education and Culture. The project has aimed at improving the operating conditions for media art producers, bolstering the structures of the field, and promoting international co-productions.

In 2019, eight production companies received a total of 192,000 euros in Mediarata support. Its impact on the development and internationalisation of media art production companies have even at this stage proved significant. This is why we are striving to secure further funding for it.

FINANCES

REMUNERATION OF 52 MILLION EUROS

In 2019, Kopiosto's remunerations amounted to 52.5 million euros, 3.9% more than the previous year.

The remunerations came primarily from the use of audiovisual works and from photocopying and digital use of publications. In addition to these, the remunerations include the compensation for private copying and public lending right scheme as well as creative grants to AVEK from the Ministry of Education and Culture.

The expenses of our operations were 6.3 million euros in total. The previous year, expenses were 5.6 million euros. The unusual growth in expenses was caused by the Market Court's processing of the dispute over retransmission of domestic television channels.

Remuneration funds are invested according to the investment policy approved by Kopiosto's Board of Directors for the period between collecting licensing revenue and paying our remunerations. In 2019, the returns of investments and financing were in all 1.0 million euros, when the previous year the corresponding figure was 0.2 million euros.

Transfer to funds distributable to copyright holders was 47.0 million euros in total, 4.8% more than the previous year. In 2019, remunerations and grants paid amounted to a total of 43.7 million euros.

Revenue and expenses

THOUSAND EUROS	2019	2018	CHANGE %	
REVENUE				
Use of audiovisual works	22,612	22,287	1.5	\bigcirc
Photocopying and digital use	20,726	19,456	6.5	\bigcirc
Compensation for private copying	5,612	5,115	9.7	\bigcirc
Public lending right scheme and brokerage services	1,644	1,704	0.5	\bigcirc
Creative grants to AVEK from the Ministry of Education and Culture	1,554	1,635	-8.8	\bigcirc
Service revenue	85	61	39.6	\bigcirc
TOTAL REVENUE	52,231	50,258	3.9	\bigcirc
EVDENCE				
EXPENSES Development averages	2.070	2.201	0.4	
Personnel expenses	3,278	3,201	2.4	
Depreciation	396	385	2.9	\bigcirc
Other expenses	2,578	1,987	29.7	\bigcirc
TOTAL EXPENSES	6,252	5,573	12.2	\bigcirc
OTHER REVENUES				
Financial income and returns from investments	1 037	185	460.7	\bigcirc
Membership fees	3	3	0.0	\bigcirc
TOTAL OTHER REVENUES	1 040	188	454.1	\bigcirc
TRANSFER TO DISTRIBUTABLE FUNDS	47.040	44.070	4.0	
TRANSFER TO DISTRIBUTABLE FUNDS	47,019	44,873	4.8	\bigcirc

Revenue from licences

THOUSAND EUROS	2019	2018	CHANGE %	
PHOTOCOPYING AND DIGITAL USE				
Educational institutions	13,858	13,134	5.5	
Businesses	2,825	2,698	4.7	
Municipalities	2,438	2,242	8.7	
State administration	959	671	43.0	
Church administration	436	430	1.4	
Revenue from abroad	120	216	-44.6	
Other revenue	91	65	39.2	
TOTAL	20,726	19,456	6.5	

USE OF AUDIOVISUAL WORKS	2019	2018		
Online recording services	16,127	15,210	6.0	\bigcirc
Educational use	3,526	4,067	-13.3	
Retransmission	2,134	2,436	-9.0	
Remunerations from abroad	786	508	54.8	\bigcirc
Other revenue	38	156	-75.6	\bigcirc
TOTAL	22,612	22,287	1.5	\bigcirc

Remuneration and funding paid

THOUSAND EUROS	2019 2018		CHANGE %	
Remunerations for photocopying and digital use to member organisations	16,011	14,629	9.4	\bigcirc
Remuneration for the copying of foreign works paid to sister organisations abroad	1,287	1,617	-20.4	\bigcirc
Remuneration for the use of the Elektra service for the authors and publishers of scholarly articles	45	45	-0.6	
Public lending right scheme remuneration for visual artists	866	910	-4.8	
Remuneration for the educational use of audiovisual works and online recording services as well as compensation for private copying for creators	11,354	5,286	114.8	lack
Remuneration for the educational use of audiovisual works as grants and rewards through the KOURA educational fund	567	442	28.5	\bigcirc
Online recording service remunerations for Gramex, Teosto, and APFI	8,091	5,372	50.6	\bigcirc
Remuneration for the retransmission of foreign TV channels, paid to sister organisations abroad, producers, and broadcasting companies	2,087	2,189	-4.7	
Funding awarded by AVEK from the compensation for private copying and from creative culture funds	3,402	3,824	-11.0	
TOTAL	43,711	34,313	27.4	\bigcirc



ENCOUNTERS

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Authors get their income after the work is finished

"Expressing myself through writing allows me to understand the world, other people, and myself better," says author Salla Simukka

Salla Simukka has written numerous books for children and young readers. She is best known for her Snow White trilogy; its translation rights have been sold to over 50 countries. In 2012, she received the Topelius Prize, awarded by the Finnish Union of Authors Writing for Children and Youth.

In addition to writing, Simukka does many school visits and writes different commissioned texts for magazines, for example. "Working in the creative industry is at the same time wonderfully free and horribly insecure," she ponders.

For Simukka, copyrights mean a possibility to work as a free writer. In the creative industry, the way artists earn their income is very different from many other industries. "Writers, like many other artists, often earn their living only after the work has been done."

She thinks copyright organisations play an important role. Nowadays, there is a lot of to and froing about copyrights: for instance, when is something a quote or a loan, and when does it become a completely new work of art.

"It is really important that authors do not have to be fighting for the copyrights all the time, or we would not have time for creative work," says Simukka.



If authors had to fight for their copyrights all the time, we would not have time for creative work.

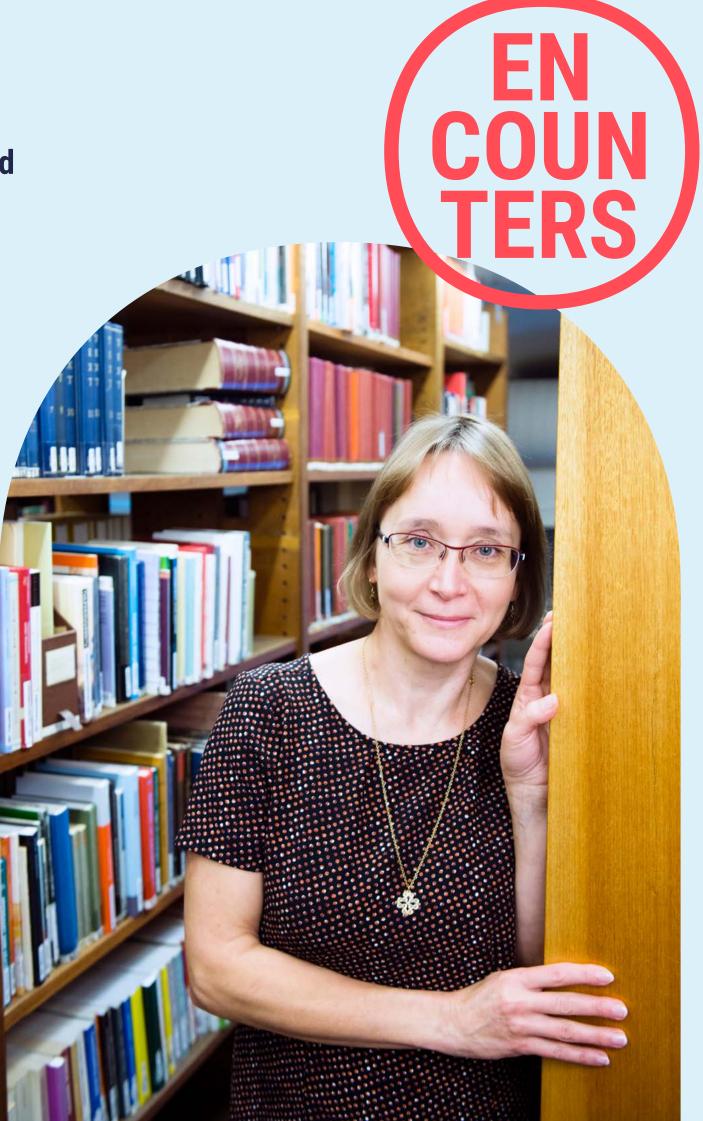
- Salla Simukka, author





People across Finland will have easier and fairer access to the materials online.

– Johanna Lilja, service director of the National Library's Research Library



Researchers get access to old newspapers and magazines

As part of the Tutkain project, the National Library of Finland can now make digital materials of Finnish newspapers and magazines available to researchers. This was enabled through the agreement between Kopiosto and the National Library of Finland.

"We are very happy that we managed to get this project started," says **Johanna Lilja**, service director of the National Library's Research Library.

15 domestic universities are involved in the pilot project; they can give users access for research purposes through the HAKA authentication system to the National Library's digital newspaper and magazine materials, published in 1930–2018. The agreement also allows machine-based browsing, searching, investigation, and analysis of the materials.

Using old materials in research is made easier by their digitalisation, which the National Library does a lot.

"Digitalised materials enable completely new possibilities in research compared to analogue ones. Digital methods are utilised in linguistics and history, for example. One can mine huge text masses, which is not possible with the traditional method of reading articles," Lilja describes.

"Furthermore, people across Finland will have easier and fairer access to the materials online."

What kind of research can you do with old materials? "Hannu Salmi, Professor of Cultural History in Turku, and his team have researched, for example, how the news about Nikolay Bobrikov's murder in 1904 spread around the world. This study has used copyright-free materials so far, but with the Tutkain project, they will be able to utilise later publications," says Lilja.

AVEK Award was a great and surprising tribute

Reija Meriläinen, working with videos, sculptures, and installations, received the AVEK Award, worth 15,000 euros in recognition of her creative work in September 2019. The jury thanked Meriläinen's sharp and original point of view.

"The AVEK Award was a great and surprising tribute, and I am proud of it. Earlier, I had received a project grant from AVEK for the production of my *Survivor* artwork and game, and it helped me a lot in getting the work done," says Meriläinen.

Survivor reflects everyday social situations and their positions of power; it was a part of Kiasma's ARS17 exhibition in 2017–2018. The gamelike artwork is a good example of Meriläinen's versatile work, combining physical and digital expression. Another example is the *Crush* video, showing hands and feet made of ballistic gel being crushed in a hydraulic press. Physical and material sensations are linked to social tensions and power structures.

"Working in the creative field is free and spontaneous, but insecure," Meriläinen sums up.

Planning your finances, drawing up budgets, and applying for grants are a major part of an artist's work. On the other hand, freedom and spontaneity mean, for example, that you do not need to work with things that are in conflict with your own values.

Being an artist is a natural way for Meriläinen to express herself and communicate with others.

"Through my work, I can immerse myself in things that truly interest me. I learn something new all the time, and it is inspiring."

Working in the creative field is free and spontaneous, but insecure.

- Reija Meriläinen,





Easier copying with collective licenses

The Association of Finnish Local and Regional Authorities negotiates the copying licences of municipalities collectively with Kopiosto. The licence makes it possible to copy different works partly and digitalise and use printed media articles for internal use in municipal administration.

"We negotiate copyright agreements between our Association and three copyright organisations, i.e. Kopiosto, Teosto, and Gramex. We have these negotiations every third year in early autumn," says **Joonas Jännäri**, lawyer at the Association of Finnish Local and Regional Authorities.

There is plenty to copy in municipal administration. Municipalities print, copy, and scan a lot of copyrighted printed materials and contents downloaded from the internet.

"These are very important agreements. Municipalities have been happy with collective negotiations and agreements. It saves time for both parties, and it is more cost-efficient than making one-on-one agreements," says Jännäri.

The agreement defines the price of remunerations and possible changes in the terms of licenses, such as when the conditions of use are to be expanded. Kopiosto and the Association of Finnish Local and Regional Authorities have cooperated for about 30 years in licence negotiations.

"If there are any disagreements over interpretation or confusion in the municipalities or otherwise, we try to address these between Kopiosto and the Association, to find a solution in mutual understanding," says Jännäri about the agreement process.

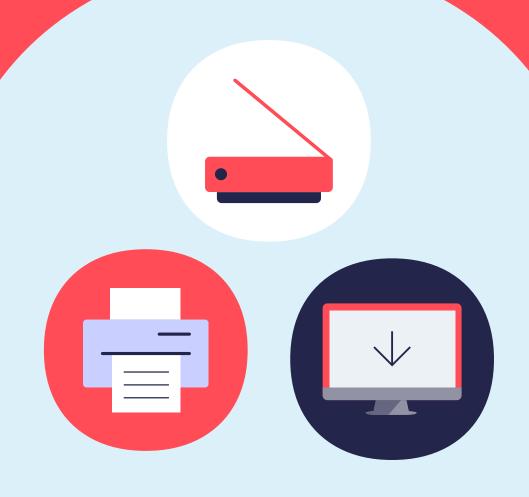
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YEAR 2019

Municipalities have been happy with collective negotiations and agreements.

- Joonas Jännäri, lawyer at the Association of Finnish Local and Regional Authorities





Municipalities print, copy, and scan a lot of copyrighted printed materials and contents downloaded from the internet.

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WE ARE KOPIOSTO

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KOPIOSTO IN BRIEF

We at Kopiosto enable the easy use of copyrighted publications and audiovisual works in educational institutions, businesses, and public administration. We also ensure that professionals in the creative industry receive fair remuneration for the use of their works.

We represent a wide range of creative authors and right owners, such as writers, illustrators, publishers, translators, actors, directors, and journalists. We are the most comprehensive copyright organisation in Finland.

We work according to our values of **openness**, **unity**, and **boldness to promote creative work**.

Promoting creative work



We make sure creative authors, publishers, and performing artists get the remuneration they are entitled to for the use of their works.

50,000
Finnish copyright holders have given their authorisation

46 M€
to be distributed
to creative authors

We enable the use of copyrighted publications and audiovisual works easily and responsibly in educational institutions, businesses, and public administration.



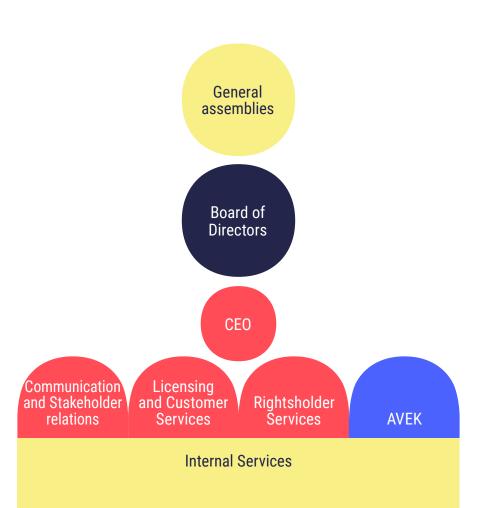


ORGANISATION AND MEMBER ORGANISATIONS

Personnel

In 2019, Kopiosto had 43 employees; 67% were women and 33% men. The average age of personnel was 47 years and the average duration of employment 13 years.

Organisation





Board of Directors 2019

Chairman of the Board **Heikki Jokinen**, free journalist, The Finnish Comics Professionals

Karola Baran

General Secretary, Trade Union for Theatre and Media Finland

Anna-Liisa Haavikko

Journalist, Union of Finnish Radio and TV Journalists

Mikko Hoikka

CEO, Finnish Periodical Publishers' Association

Elina Kuusikko

Managing Director, Union of Finnish Actors

Sakari Laiho

Director, The Finnish Book Publishers Association

Tommi Nilsson

Executive Director, Visual Artists' Copyright Society Kuvasto

Suvi Oinonen

Managing Director, The Union of Finnish Writers

Jukka-Pekka Pietiäinen

Executive Director,

The Association of Finnish Non-fiction Writers

Aku Toivonen

Executive Director,

The Finnish Music Creators' Association

Ahti Vänttinen

Chairman, Finnish Musicians' Union

Not in the picture: Baran, Haavikko, Kuusikko and Vänttinen



Management Group

Valtteri Niiranen, CEO

Sari Ahonen, Senior Vice President, Rightsholder Services

Maria Bregenhøj, Communications Manager

Juha Jukkara, Senior Vice President, Customer Relations

Petri Kauste, CFO

Arto Tamminen, Senior Vice President

Jukka-Pekka Timonen,

Executive Vice President, Legal Affairs and Research Services

Ulla Simonen, Director, AVEK

Member organisations

We represent over 50,000 Finnish copyright holders through our 45 member organisations. Furthermore, we also represent foreign creative authors on the basis of reciprocal agreements with our foreign sister organisations.

COPYRIGHT GLOSSARY

DSM directive

Digital Single Market directive (DSM) on copyright and related rights on the European market came into force in April 2019. It must be implemented in the Finnish legislation no later than the summer of 2021.

Public lending right scheme remuneration

Public lending remuneration is compensation to authors for lending their works from libraries to the public. Kopiosto distributes lending remuneration, paid by the Ministry of Education and Culture, to visual artists.



Copyright holder or copyright owner

A copyright owner is the author, publisher, or performer of a work or publication. A copyright owner can be either a natural person or a legal person who holds a copyright, a related right, or a right to a share of copyright remunerations based on an agreement or law concerning the utilisation of rights.

Online recording service

Online recording services are web-based TV programme recording services provided by operators to their clients. Kopiosto, together with Teosto, APFI, and Gramex, grants licences for online recording services of Finnish TV channels.

Retransmission

Retransmission of TV programmes means their distribution in cable or other networks at the same time and with the same content as it is transmitted by antenna network. Retransmission requires authorisation from the authors of the programmes.

Licence

Licence means that authors or parties authorised by them grant rights to use their works under certain conditions. Direct licensing applies to situations where the authors grant permission to use the work directly to the user.

Extended collective licence

An extended collective licence refers to a rights management system defined in the Finnish Copyright Act. An extended collective licence allows for a licence issued by an organisation that represents copyright holders to be extended to cover copyright holders not represented by the organisation.

Private use

When a work has been made public, anyone can make a limited number of copies of it for private use, i.e. for the user and their immediate family or close circle of acquaintances. Private copying is, for example, recording a TV programme with a digital box or copying a newspaper page for one's own use. Copies for private use may not be used for other purposes.

Public performance

Public performance refers to situations where a work is presented to the audience present, for example, showing TV programmes in a gym, restaurant, or waiting room.





Related rights or neighbouring rights

Related rights are close to copyrights.
They protect performers and their performances, phonogram and film producers, catalogue and database producers, radio and TV companies, and photographers.

Authorisation

Creative authors can join
Kopiosto by giving it their
authorisation; this gives
Kopiosto the right to grant licences
on their behalf to use their works.
Kopiosto has been authorised by about
50,000 creative authors, performers,
and publishers.

Compensation for private copying



The compensation for private copying is a legally established monetary compensation to creative authors for the citizens' right to copy legitimate works for their own use. The funds for the compensation for private copying come from the state budget, and they are forwarded to creative authors through e.g. Kopiosto and AVEK.

