

## JASRAC 80th anniversary ceremony announcement

“Let’s link to the future, and to the world. A declaration of innovation to mark our 80th year.”

### Introduction

JASRAC is celebrating its 80th anniversary.

This is an opportunity to look ahead another 20 years, to the centennial anniversary, and still further: 50 years and 100 years into the future. I would like to talk about what JASRAC has in mind, and our prospects for things to come.

JASRAC has flourished in the eighty years since its foundation on 18th November 1939, and not through our efforts alone.

We owe a debt to so many people. People all over Japan who love and enjoy music in various individual ways, music users, those involved in related fields who have given us so much understanding and cooperation, music creators who have produced wonderful works, and many people in the music industry who have delivered such items to a waiting world. Moreover, another crucial factor is our foundation of a collective management system, with the help of leading groups in Western countries.

According to the International Federation of the Phonographic Industry (IFPI), the music market in Japan in 2018 ranked second in the world, behind only the United States. However, as our population declines, we anticipate a time of economic contraction.

In the meantime, Japanese music has expanded into a global market. Business development with an eye on the world music market is necessary in order to achieve the ultimate objective of JASRAC: “the protection of copyright of musical works, as well as to strive to achieve smooth utilization of musical works, ultimately to contribute to the dissemination and development of culture and the arts.”

For the development of Japanese music market, JASRAC believes it is necessary to support copyright management organizations throughout Asia; we need to ensure a healthy music market in Asia, which is liable to see huge growth in the future, as well as the enhancement of the copyright management business on which we are focused.

### Innovations at JASRAC

JASRAC will invest even more significance in the views of the public at large, as well as users and rights holders, and concentrate our efforts on activities that contribute to the dissemination and development of culture and the arts. JASRAC will transform into a dual-engine organization, adding a new business line that “meets the common objective of the members” in addition to the original engine of “copyright management” that has assisted the cycle of music production.

### Nurture further the cycle of creation using the original engine

In the business of copyright management, JASRAC will accelerate “digital transformation” and “organizational human resources review” to provide added value for the members, and service and satisfaction for both members and users, and to realize transparency and cost-reduction to achieve that goal, which will be completed in the fiscal year 2023.

In a change for copyright owners, we will increase our efforts to improve royalties for members, while we will also offer a system that allows the members to see the management state of their piece of musical work. In addition, over the next three years we will radically review the current commission rate for copyright management involving performing rights, reproduction rights, interactive transmissions and broadcasts, with a new management commission tariff planned for 2022. We will also enhance activities already initiative, such as database ingestion and more detailed royalty statements. Distribution of royalties for performances at live musical venues and restaurants will be shifted from a sampling method to a census calculation, generating payments based on reports of all uses of musical works. Detailed information, such as the nature of use, will also be delivered to members.

In the meantime, there will be further changes for music users to include further convenience in the process of music use. We will have a system that users can be sure royalties will be properly delivered to the rights holders. This program will concurrently heighten user satisfaction.

Use of cutting-edge technologies, including block chain and AI, is crucial for such innovations in copyright management. JASRAC continues to probe various advanced technologies for practical application.

Also, enriching the cycle of creation requires adequate communication of understanding about copyright. We believe it is an urgent responsibility to nurture copyright researchers, such as increasing the number of academics and lawyers who understand the concept that “the primary purpose of copyright laws is to protect the rights of the authors,” which is summary of established copyright and related rights.

Looking back in history, to Paris in 1847, it was at the Café Ambassadeurs on the Avenue des Champs-Élysées, that lyricists and composers saw their works being played without permission, and announced that they would not pay for food and drink unless they were reimbursed for the performance of the music they had created. They sued the restaurateur and won, which led in turn to the establishment of SACEM in 1851, the world’s first music copyright management society. Their act can be seen as the origin of performing rights management. It embodied basic procedures that are still used today by copyright management societies, and will continue to be used in future – assessing music use, investigation of music use, specification of main users, negotiation with main users or judicial remedy in cases of breakdowns in negotiations, and receipt of reimbursement for music use.

Learning from its predecessors, JASRAC will continue to enrich performing rights management, the *raison d’être* of copyright management societies.

JASRAC believes in contributing to further growth in the “cycle of creation”, by trying new things and enhancing existing efforts in order to smoothly connect creators and users. We also believe in the importance of our mission to create an environment in which new music can continue to be fostered, along with maintaining diversity in the music market. This, too, will be reflected in new business development.

## **Adding a new engine to develop culture and the arts**

Using the opportunity of our 80th anniversary, we will add a new engine: “a business to meet the common objective of the members.” This is a new effort to foster culture and the arts.

The common objective of the members, which is also the primary aim of JASRAC, is the dissemination and development of culture and the arts, through the protection of music copyrights and the smooth utilization of musical works.

Details of these projects have yet to be decided. Since such projects will require fairness and transparency in the decision-making process, they will be examined by an external committee of intellectual third-parties. As a result, we cannot say precisely which projects will be initiated in future, but if I give some examples of the wider role expected for JASRAC in future, they are sure to impart a wider understanding in the public about music copyright protection, by spreading the idea of copyrights and offering support for organizations in Asia. The development of a collective management system is necessary in Asia, just as it was once for Japan.

JASRAC's participation in international exchanges started in 1951 when ASCAP entrusted us to manage US music. Within three years, our purview expanded, as various other organizations from Western countries started seconding us to manage their own music. This led to training for JASRAC staff from established organizations in France, Britain, Germany and the US, among others, further contributing to the establishment of JASRAC's management system. To repay the support we received from Western countries in cultivating our management system, we believe that JASRAC should consider offering similar support to similar organizations in Asia.

### **Under an unshaken principle**

Time marches on, society changes, and JASRAC faces new challenges. However, there are some important principles that will never change.

JASRAC stands for the Japanese Society for Rights of Authors, Composers and Publishers. It signifies that we are the organization that protects the rights of copyright owners, such as authors, composers and publishers.

JASRAC's basic principle, the protection of music copyright, is based on the idea that copyright is an inalienable human right. The Western idea of copyright as a human right dates back to before the establishment of SACEM in 1851.

### **“Let's link to the future, and to the world. A declaration of innovation to mark our 80th year.”**

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This is an opportunity for a new resolution: that JASRAC will be reborn as an organization that can make even more contributions to the development of music culture. With our existing engine of “copyright management,” we will further encourage the “cycle of creation” that can smoothly connect creators and users. By adding the new engine of “a business to meet the common objective of the members,” we will develop a new business for disseminating and developing culture and the arts, the ultimate objective of JASRAC.

Despite these new developments, we will continue to adhere to our primary principle, that protecting authors' rights is protecting their human rights, with the understanding that copyright is itself a fundamental human right.

The 80th anniversary is merely a point we pass on the way. To mark this celebration, we have announced innovations linked to music in the next ten, fifty and hundred years into the future, throughout the world.

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Thank you in advance for your continuing support.