

## **Hector MacQueen & Charlotte Waelde (2003)**

### **Audio visual performers' rights**

#### **UK National report**

*Audio-Visual Performers' Rights in the UK* (World Intellectual Property Organisation, Geneva, 2003)

Historically performers have not been well protected in the UK. It was only in 1925 in the Dramatic and Musical Performers' Protection Act 1923 that criminal sanctions were provided in respect of the making of recordings of dramatic and musical performances without consent.

The law was consolidated and extended over the years, notably to encompass literary dramatic musical and artistic works in 1963 (Performers Protection Act) and in 1972 when the Performers Protection Act extended the penalties available. These Acts appeared to give rise to criminal liability only, but not to any civil cause of action either for the performer or for those with recording contracts. Despite this in 1988 in *Rickless v United Artists Corp* [1988] 1 QB 40 a civil cause of action was accorded to performers. In that case, United Artists Corp. made a film using take-outs from previous films in the Pink Panther series, starring the late Peter Sellers. Rickless, as owner of rights of Peter Sellers services as an actor, sued for infringement of s2 of the Dramatic and Musical and Performers' Protection Act 1958 because United Artists Corp had failed to obtain permission. The Court of Appeal upheld the lower courts ruling that the Acts did give civil remedies to a performer whose performance had been exploited without consent. This was in addition to the criminal penalties under the Act. However, in *RCA v Pollard* [1983] Ch 135, CA. the Court of Appeal had found that the Acts did not give rise to civil remedies for recording companies with whom performers had exclusive recording contracts.

The approach in the Rome Convention for the protection of Performers, Producers of Phonograms and Broadcasting Organisations 1961 only gave to performers the possibility of preventing a list of acts, and did not give a right to authorise and prohibit.<sup>1</sup> Thus, it was argued the approach through the criminal law could continue.<sup>2</sup>

In considering reforms to the regime for performers the Whitford Committee<sup>3</sup> in 1977 had recommended that performers should be given a civil right of action for injunction and damages, but that this should not amount to copyright. As a result the Copyright Designs and Patents 1988 (CDPA) introduced two rights for performers in their performances. One right was a personal non-assignable right, and the other for their exclusive recording contractors which could be assigned. Cornish 13.31 argues that this in effect gave performers no entitlement to their own distinct from that of their recording company except in relation to bootlegging.

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<sup>1</sup> Articles 7, 10 and 13.

<sup>2</sup> Cornish & Llewellyn *Intellectual Property* Sweet & Maxwell 5<sup>th</sup> ed para 13.30 (Cornish).

<sup>3</sup> Cmnd 6732,

As a result of EC Directives, this position has now changed. The EC Directive on Rental and Related Rights (and the Satellite and Cable Directive which applies these requirements to satellite broadcasting) the Duration Directive and the Infosoc Directive all affect the position of Performers and have resulted in amendments to the CDPA.

The current law is to be found in the Copyright Designs and Patents Act 1988 Part II, as amended by the Duration of Copyright and Rights in Performances Regulations 1995 SI 1995/3297, the Copyright and Related Rights Regulations 1996 SI 1996/2967 and the Copyright and Related Rights Regulations 2003 SI 2003/2498 (which will come into force on 31 October 2003).

Alternative causes of action for Performers.

The UK has no general law of personality or publicity as is to be found in other jurisdictions. Rather to the extent that such interests are protected it is through an amalgam of copyright (in fixed elements such as a film), defamation, ETC

### **General Note:**

The CDPA contains two main categories of performers' rights: performers' property rights, and performers' non-property rights. That there are these categories makes it difficult to fall into economic rights etc. Therefore the property and non-property rights will be distinguished.

Perhaps best illustrated by way of diagram

Performers' rights in respect of live performances

Non-property rights

Consent required for

Recording, broadcasting, live performance s 182      use of recording – show, play in public s173      importing possessing or dealing s184

Property rights

Reproduction 182A      distribution 182B      rental (Equitable remuneration)  
and lending right s 182C      Making available right s18CA

## **1. Nature and existence of audiovisual performers' rights.**

### **A. Characterisation of Audiovisual Performers' Rights.**

1. **Does your national law characterise the contribution of audiovisual performers as coming within the scope of:**
  - a. **copyright**
  - b. **neighbouring rights (explain what in your country ‘neighbouring rights’ means)**
  - c. **rights of personality**
  - d. **other (please specify)**

The characterisation of audiovisual performers’ rights within the UK statutory regime is far from clear. One writer is of the opinion that performers’ rights should *not* be considered as falling under the head of copyright<sup>4</sup> although has admitted that since the inclusion of *performers’ property rights* in the legislation those rights have now ‘*inched... close to copyright*’.<sup>5</sup> Others have said that although the performers’ property rights granted by the 1988 Act were not described as copyright, ‘*in effect a new copyright was conferred on performers*’.<sup>6</sup>

Neither is it easy to classify performers’ rights as neighbouring rights as traditionally understood in the UK. Although UK legislation does not distinguish between authorial works and entrepreneurial works or neighbouring rights, that distinction still underlies a good part of the assumptions on which the legal framework is built. In this context ‘authors’ rights are understood to refer to the works created by authors such as books, plays, music and art. By contrast neighbouring or entrepreneurial rights are derivative, and in general it is the investment technical and organisational skill that is being protected, rather than the creative effort. Perhaps in response to this conundrum performers’ non-property rights which are personal and non-assignable right have been described as ‘*a form of neighbouring right to copyright*’.<sup>7</sup> The Act makes it clear that the rights conferred by the CDPA in relation to performers are independent of any copyright in, or moral rights relating to, any work performed or any film or sound recording of, or broadcast including the performance.<sup>8</sup> For these reasons some have referred to performers’ rights as ‘*related rights*’<sup>9</sup> which is perhaps the most suitable terminology to use.

It is also important to note that no distinction is made in the CDPA between audio visual and sound performers. A performance means a dramatic or musical performance, a reading or recitation of a literary work or a performance of a variety act or any similar presentation.<sup>10</sup>

## **B. Scope of Rights Covered.**

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<sup>4</sup> Cornish para 10.02.

<sup>5</sup> Cornish para 13.36.

<sup>6</sup> Copinger and Skone James *Copyright* 14th ed. Sweet & Maxwell, 1999 para 12.01.

<sup>7</sup> Cornish para 13.32.

<sup>8</sup> CDPA s 180(4)(a).

<sup>9</sup> Bently & Sherman *Intellectual property law* Oxford University Press, 2001. Ch 13 (Bently & Sherman).

<sup>10</sup> CDPA s 180(2).

As indicated above, the characterisation of performers' rights in UK legislation is complicated. They are divided into two main categories:

- i. Performers' non-property rights – rights against bootlegging
- ii. performers' property rights – rights in copies

The main distinctions between the non-property and property rights are:

- the non-property rights cannot be assigned although they are transmissible on death whereas the property rights are capable of transfer and assignment;
- infringement of non-property rights are actionable only as a breach of statutory duty whereas infringement of property rights are actionable in the same way as other property rights including copyright.

Although the performers' property rights can be classed as economic rights, the same categorisation is not so obvious for the non-property rights. However, as non-property rights are transmissible on death and infringement is actionable as a breach of statutory duty, and given that a performer may enter into an exclusive recording contract with another person whereby that person is entitled to make a recording of one or more performances with a view to their commercial exploitation (the recording right) and those contractual rights are assignable, therefore, the non-property rights, along with the property rights will be dealt with in this section.

## **1. Do audiovisual performers enjoy exclusive economic rights?**

In all cases, a qualifying performance is one given by a qualifying individual – one who is a citizen or subject of or an individual resident in a qualifying country, and a qualifying country is the UK, another member State of the EEC or a country determined as enjoying reciprocal protection.<sup>11</sup>

### **a. Fixation**

#### **Performers' non-property right**

A performer's rights are infringed by a person who, without consent

- a. makes a recording of the whole or any substantial part of a qualifying performance directly from the live performance;
- b. broadcasts live, or includes in a cable programme service the whole or any part of a qualifying performance
- c. makes a recording of the whole or any substantial part of a qualifying performance directly from a broadcast of, or cable programme including the live performance.<sup>12</sup>

There is, however, no infringement if such a copy was made purely for private or domestic use.<sup>13</sup> Further no damages will be awarded against a defendant who shows

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<sup>11</sup> CDPA s 181, s206 – 210.

<sup>12</sup> CDPA s 182(1).

<sup>13</sup> CDPA s 182(2).

that at the time of the recording he believed on reasonable grounds that consent had been given.<sup>14</sup>

The performer may enter into an exclusive recording contract with another person under which that person is entitled to the exclusion of all other persons (including the performer) to make recording of one or more of his performances with a view to their commercial exploitation.<sup>15</sup> In these circumstances, consent of the person having exclusive recording rights and of the performer is necessary for recording of the performance otherwise than for private or domestic purposes<sup>16</sup>; for showing or playing in public the whole or any substantial part of the performance, including it in a broadcast<sup>17</sup> and imports it into the UK or sells or lets for hire the performance in the course of a business.<sup>18</sup>

## **b. Reproduction**

### **Performers' Property Right**

A performer's rights are infringed if a person, without consent, either directly or indirectly makes a copy of a recording of the whole or any substantial part of a qualifying performance. This does not apply to copies made for private and domestic use.<sup>19</sup>

## **c. Adaptation**

No

## **d. distribution of copies, including by rental**

### **Performers Property Right**

#### Distribution

A performer's rights are infringed by a person who, without consent, issues to the public copies of a recording of the whole or any substantial part of a qualifying performance. The rights are exhausted once copies are placed into circulation within the EEA by or with the consent of the performer (but note consent is still required for rental or lending).<sup>20</sup>

#### Rental and lending

A performer's rights are infringed by a person who, without consent rents or lends to the public copies of a recording of the whole or any substantial part of a qualifying performance.<sup>21</sup>

*Rental* means the making of a copy of a recording available for use, on terms that it will or may be returned for direct or indirect economic or commercial advantage, and *lending* means making a copy of a recording available for use on terms that it will or

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<sup>14</sup> CDPA s 182(3).

<sup>15</sup> CDPA ss 185(1).

<sup>16</sup> CDPA s 186(1).

<sup>17</sup> CDPA s 187(1)(a), (b).

<sup>18</sup> CDPA s 188(1)(a)(b).

<sup>19</sup> CDPA s 182A.

<sup>20</sup> CDPA s 182B.

<sup>21</sup> CDPA s 182C.

may be returned otherwise than for direct or indirect economic or commercial advantage through an establishment which is accessible to the public.<sup>22</sup>

There are other definitions in this section. For example, the terms rental and lending do not include making available for the purpose of public performance, playing or showing in public or broadcasting. In addition, the expression lending does not include making available between establishments which are accessible to the public.<sup>23</sup>

### **Performers' non-property rights**

A performer's non-property rights (or a person having an exclusive recording contract) are infringed where a recording made without consent is imported into the UK otherwise than for private or domestic use, or is exposed for sale or for hire in the course of a business.<sup>24</sup>

#### **e. public performance; communication to the public**

### **Performers' Property Rights**

A performer's rights are infringed by a person who, without consent, makes available to the public a recording of the whole or any substantial part of a qualifying performance by electronic transmission in such a way that members of the public may access the recording from a place and at a time individually chosen by them (the making available right).<sup>25</sup>

### **Performers' non-property rights**

A performer's rights are infringed where a person, without consent, shows or plays in public the whole or any substantial part of a qualifying performance, or broadcasts the whole or any substantial part of a qualifying performance where the person knows or has reason to believe the recording was made without the performers consent.<sup>26</sup>

#### **f. other (please describe)**

### **Restrictions on the scope of performers property and non-property rights**

Schedule 2 to the 1988 Act details various permitted acts in relation to performers property and non-property rights. The permitted acts relate to the question of infringement of the rights

The exceptions largely cover the same ground as those to be found in the 1988 Act as defences to an action of infringement of copyright. There are, however, differences.

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<sup>22</sup> CDPA s 182C(a),(b).

<sup>23</sup> CDPA s 182C(3),(4).

<sup>24</sup> CDPA s1 88(1)(a), (b).

<sup>25</sup> CDPA ss 182CA(1).

<sup>26</sup> CDPA s 183(a), (b).

For example, there is no fair dealing defence relating to research and private study, nor for the private recording of a broadcast for time shifting purposes.

The following are however included and thus a performer's rights are not infringed by:

1. fair dealing with a performance for the purpose of criticism or review of that or another performance or of a work, or for the purpose of reporting current events para 1(2),(3)
2. the incidental inclusion of a performance in a sound recording, film, broadcast or cable programme para 3(1). The defence does not however apply if it is deliberately included para 3(3)
3. the copying of a recording of a performance in the course of preparation for or of instruction in the making of film sound tracks or films provided it is done by the person giving or receiving instruction para 4(1).
4. by copying the recording of a performance for the purposes of setting or answering the questions in an examination or anything done for the purposes of an examination by way of communicating the questions to the candidate para 4(2)
5. playing showing or a sound recording, film or broadcast or cable programme at an educational establishment for the purposes of instruction before an audience consisting of teachers and pupils at the establishment and other persons directly connected with the establishment is not playing or showing in public for Part II rights para 5(1)
6. a recording of a broadcast or cable programme or a copy may be made by or on behalf of an educational establishment for the educational purposes of that establishment without infringing performers' rights in relation to any performance para 6(1)
7. the lending of copies of a recording of a performance by an educational establishment, by a prescribed library or archive (other than a public library) which is not conducted for profit does not infringe Part II rights 6A(1), 6B(1)
8. anything done for the purposes of parliamentary or judicial proceedings or for the purposes of reporting such proceedings para 8(1); or for the purposes of the proceeding of a Royal Commission or statutory enquiry or for the purposes of recording such proceedings held in public para 9(1)
9. material in public records open to public inspection may be copied para 10(1)
10. where a recording of a performance in electronic form has been purchased on terms which, expressly or impliedly or by virtue of any rule of law allow the purchaser to make further recordings in connection with his use of the recording para 12(1) If there are no express terms prohibiting the transfer of the recording by the purchaser, imposing obligations on transfer, prohibiting the assignment of consent or terminating consent on transfer or providing for terms anything which the purchaser could have done may be done by the transferee. Any recording made by the purchaser which is not also transferred is to be treated as an illicit recording after the transfer para 12(2)
11. Where a recording of the reading or recitation of a literary work is made for the purpose of reporting current events or broadcasting or inclusion in a cable

programme service it is not an infringement to use the recording or to copy the recording for that purpose provided:

- a. the recording is a direct recording of the reading or recitation and is not taken from a previous recording or from a broadcast or cable programme
  - b. the making of the recording was not prohibited by or on behalf of the person giving the reading or recitation; and
  - c. the use made of the recording is not of a kind prohibited by or on behalf of that person before the recording was made; and
  - d. the use is by or with the authority of a person who is lawfully in possession of the recording.
12. The Secretary of State may by order provide that in specified cases the lending to the public of copies of films or sound recordings shall be treated as licensed by the performer subject only to the payment of such reasonable royalty or other payment as may be agreed or determined in default of agreement by the copyright tribunal para 14(A)1). No such order shall apply if or to the extent that there is a licensing scheme certified under para 16 of Schedule 2A.
13. the showing or playing in public of a broadcast or cable programme to an audience who have not paid for admission to the place where the broadcast or programme is to be seen or heard does not infringe any Part II rights in relation to a performance included in the broadcast or cable programme para 18(1)
14. note also measures for the purposes of supervision and control of broadcasts and cable programmes para 17; reception and re-transmission of broadcast in cable programme service para 19 sub-titled copies of broadcasts or cable programmes para 20 and the recording of broadcasts or cable programmes for archival purposes para 21(1)

## **2. What is the duration of the performers' exclusive rights?**

Changes to the duration of performers' rights were required by the Duration Directive and have been implemented into UK law by way of the Duration of Copyright and Rights in Performances Regulations.<sup>27</sup> The provisions are now to be found in section 191 of the 1988 Act

The rights conferred in relation to a performance expire at the end of the period of 50 years from the end of the calendar year in which the performance takes place. If a recording of the performance is released during that period the rights expire 50 years from the end of the calendar year in which the recording is released.<sup>28</sup> A recording is released when it is first published, played or shown in public or broadcast. No

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<sup>27</sup> SI 1995/3297.

<sup>28</sup> CDPA s 191(2).



account is to be taken of any unauthorised act.<sup>29</sup> Where a performer is not a national of an EEA state the duration of rights is that to which the performer is entitled in the country of which he is a national provided this does not extend the period to which he would be entitled if he were an EEC national.<sup>30</sup>

There are provisions in the Act that may extend or revive performers' rights as they apply to performances before and after commencement of the provisions and to rights in relation to performances which are extended or revived as a result of the new duration requirements. This is subject to the limitation that no prior act by others can amount to infringement.<sup>31</sup> These transitional measures are to be found in regulations 30-33 of the Regulations.

- 3. Do audiovisual performers enjoy moral rights?**
  - a. attribution (paternity)**
  - b. integrity**
  - c. divulgation**
  - d. other (please describe)**

Performers currently do not benefit from moral rights in UK legislation. In 1999 the Copyright Directorate of the UK Patent Office issued a consultation paper to consider how effect should be given to Article 5 of the WPPT.<sup>32</sup> It was suggested in that paper that some thought might be given to whether moral rights should be included for audio visual performers given that these may have been introduced as a result of further negotiations at WIPO. Predictably those representing performers were keen to see the introduction of such measures of audiovisual performers, while recording organisations and film-makers were not. A report on the consultation process was issued in March 2001, but since then no further progress has been made either on the introduction of moral rights for sound artists, nor on moral rights for performers. It is perhaps unlikely that moral rights for audiovisual performers would be introduced in the absence of an international obligation. A further problem may be that in the absence of international obligations, primary rather than secondary legislation would be necessary to introduce moral rights for audiovisual performers.

- 4. What is the duration of performers' moral rights?**

Not applicable

- 5. Do audiovisual performers' have remuneration rights?**

Two rights to equitable remuneration are present in the 1988 Act, introduced as a result of the Rental and Lending Rights Directive.

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<sup>29</sup> CDPA s 191(3).

<sup>30</sup> CDPA s 191(4).

<sup>31</sup> CDPA s 180(3).

<sup>32</sup> Moral Rights for Performers: A Consultation Paper on Implementation in the UK of the WIPO Performances and Phonograms Treaty Obligations on Performers' Moral Rights and on Further Developments in WIPO on Performers' Moral Rights (1999) (available on the patent office website [www.patent.gov.uk](http://www.patent.gov.uk)).

The first is the right for the performer to claim equitable remuneration where a commercially published sound recording of a performance (but not a film) is played in public or communicated to the public otherwise than by being made available to the public mentioned in s 182CA(1)(above), then the performer is entitled to equitable remuneration from the owner of the copyright in the sound recording.<sup>33</sup>

The second is a right to equitable remuneration where the performer transfers (or is presumed to transfer) her rental right in a film or sound recording to the producer of the film or sound recordings.<sup>34</sup>

### **The playing of a commercially published sound recording in public.**

Where a commercially published sound recording of the whole or any substantial part of a qualifying performance is played in public or included in a broadcast the performer is entitled to equitable remuneration from the owner of the copyright in the sound recording.<sup>35</sup> This right does not apply (as from 31 October 2003) to the making available to the public right in the way mentioned in section 182CA(1). The right may not be assigned except to a collecting society for the purpose of enabling it to enforce the right on the performer's behalf.<sup>36</sup> There is no restriction on the nature of the collecting society (compare s 191G(6) below). The right is transmissible by testamentary disposition or by operation of law, and it may then be further assigned.<sup>37</sup> The amount payable is as agreed by or on behalf of the persons by and to whom it is payable.<sup>38</sup> In default of agreement application may be made to the Copyright Tribunal to determine the amount payable.<sup>39</sup> The Tribunal may order any method of calculation and paying equitable remuneration as it may determine to be reasonable in the circumstances taking into account the importance of the contribution of the performer to the sound recording.<sup>40</sup>

An agreement purporting to exclude or restrict the right to equitable remuneration, or purporting to prevent a person questioning the amount of equitable remuneration or to restrict the powers of the Copyright Tribunal is of no effect.<sup>41</sup> No act done before commencement of the Copyright and Related Rights Regulations (December 1, 1996) gives rise to any remuneration.<sup>42</sup> Any assignment of the making available right made before 31 October 2003 shall cease to apply from 31 October 2003 in so far as it relates to the making available right conferred by s182CA.

### **Rental right. Equitable remuneration where rental right is transferred**

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<sup>33</sup> CDPA s 182D.

<sup>34</sup> CDAP ss 191 F – H.

<sup>35</sup> CDPA s 182D(1).

<sup>36</sup> CDPA s 182D(2).

<sup>37</sup> CDPA s 182D(2).

<sup>38</sup> CDPA s 182D(3).

<sup>39</sup> CDPA s 182D(5).

<sup>40</sup> CDPA s 182D(6).

<sup>41</sup> CDPA s 182D(7).

<sup>42</sup> Copyright and Related Rights Regulations (December 1 1996) reg 26(2).

Where a performer has transferred her rental right concerning a sound recording or a film to the producer of the sound recording or film, she retains the right to equitable remuneration for the rental.<sup>43</sup> Any agreement purporting to exclude or restrict the right to equitable remuneration is of no effect.<sup>44</sup>

The right may not be assigned by the performer except to a collecting society for the purpose of enabling it to enforce the right on his behalf.<sup>45</sup> The collecting society must be an organisation which has as its main object, or one of its main objects, the exercise of the right to equitable remuneration on behalf of more than one performer. The right is transmissible by testamentary disposition or by operation of law, and it may then be further assigned.<sup>46</sup>

The amount payable is as agreed by or on behalf of the persons by and to whom it is payable.<sup>47</sup> In default of such agreement, application may be made to the copyright tribunal to determine the amount payable<sup>48</sup> who may also vary a previous agreement or determination.<sup>49</sup> The tribunal may order any method of calculation and paying equitable remuneration as it may determine to be reasonable in the circumstances, taking into account the importance of the contribution of the performer to the film or sound recording.<sup>50</sup> Remuneration shall not be considered inequitable merely because it was paid by way of a single payment or at the time of the transfer of the rental right.<sup>51</sup>

Where an agreement concerning film production is concluded between a performer and a film producer, the performer shall be presumed, unless the agreement provides to the contrary, to have transferred to the film producer any rental right in relation to the film arising from the inclusion of a recording of his performance in the film.<sup>52</sup> The right to equitable remuneration applies where there is a presumed transfer as in the case of an actual transfer.<sup>53</sup>

#### **a. Are these in lieu of or together with exclusive rights?**

The right to receive equitable remuneration when a commercially published sound recording of the whole or any substantial part of a qualifying performance is played in public does not change the nature of the performers' non-property rights.

The right of a performer to receive equitable remuneration when the rental right is transferred to a film producer (the performer's property right) is in lieu of the

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<sup>43</sup> CDPA s 191G(1).

<sup>44</sup> CDPA s 191G(5).

<sup>45</sup> CDPA s 191G(2),(6).

<sup>46</sup> CDPA s 191G(2).

<sup>47</sup> CDPA s 191G(3),(4).

<sup>48</sup> CDPA s 191H(1).

<sup>49</sup> CDPA s 191H(2).

<sup>50</sup> CDPA s 191H(3).

<sup>51</sup> CDPA s 191H(4).

<sup>52</sup> CDPA s 191F(1).

<sup>53</sup> CDPA s 191F(4).

performer's rental right.

**b. Describe the rights to remuneration that audiovisual performers have.**

As discussed above, a performer has two rights to remuneration. The first is where a sound recording is played in public, and the second where the rental right has been transferred.

**6. Are audiovisual performers' rights subject to mandatory collective management?**

Performers' rights are not subject to mandatory collective management. However, when a performer has the right to receive equitable remuneration in return for the rental right in a film, this right may not be assigned by the performer except to a collecting society for the purpose of enabling it to enforce the right on his behalf.<sup>54</sup>

The right of the performer to receive equitable remuneration where a commercially published sound recording of the whole or any substantial part of a qualifying performance is played in public or included in a broadcast or cable programme service this right may not be assigned except to a collecting society for the purpose of enabling it to enforce the right on the performer's behalf.<sup>55</sup> There is no restriction on the nature of the collecting society.

**a. which rights?**

As indicated above, performers' rights are not subject to mandatory collective management, but may be assigned to collecting societies for the purpose of enabling it to enforce the rights on behalf of the performer.

**b. Which collective management associations; how do they work?**

The collecting society, British Equity Collecting Society (BECS) which deals with rental remuneration payable to performers in respect of the rental of a sound recording or a film by way of the exercised of the rental right or the right to equitable remuneration is explained by Katherine Sand in her '*Study on audiovisual performers' contracts and remuneration practices in Mexico, the United Kingdom and the United States of America*'.<sup>56</sup>

## **II INITIAL OWNERSHIP OF AUDIOVISUAL PERFORMERS' RIGHTS**

### **A. Who is the initial owner?**

**1. In your country, is the performer vested with initial ownership?**

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<sup>54</sup> CDPA s 191G(2),(6).

<sup>55</sup> CDPA s 182D(2).

<sup>56</sup> AVP/IM/03/3A (April 8, 2003) Available on the WIPO website.

Yes, the performer is vested with initial ownership. The one exception is where before commencement of the Copyright and Related Rights Regulations<sup>57</sup> the owner or prospective owner of performers' rights in a performance authorised a person to make a copy of the recording of the performance, any new right created as a result of the 1996 Regulations in relation to that copy vests in that person on commencement.

Note also that where an exclusive recording contract has been entered into between the performer and another person under which that person is entitled to the exclusion of all other persons (including the performer) to make recordings of one or more of the performances with a view to their commercial exploitation then it is the rights of the person who has the exclusive recording rights that are infringed if a recording is made of the whole or a substantial part of the performance<sup>58</sup> or a qualifying performance is shown or played in public,<sup>59</sup> broadcast,<sup>60</sup> imports into the UK,<sup>61</sup> possesses, sells or lets for hire in the course of a business.<sup>62</sup> These rights flow from the consent of the performer to the exclusive recording contract and are based on the contract.

**2. Is the performer's employer/the audiovisual producer so vested?**

No.

**3. Is a collective so vested?**

No.

**4. Anyone else? Please explain**

N/A

**B. What is owned?**

**1. Is the performer the owner of rights in her performance?**

The performer owns the rights in the performance within the scope of rights discussed above. Note that for the performers' non-property rights, this is not ownership of the rights in the performance as such, but rather the right to give consent to fixation, public performance and distribution.

**2. Is she a co-owner of rights in the entire audiovisual work to which her performance contributed?**

No

**3. Other ownership? Please describe.**

N/A

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<sup>57</sup> SI 1996 No. 2967, reg 31(b) (December 1, 1966)

<sup>58</sup> CDPA s 186(1).

<sup>59</sup> CDPA s 187(1)(a).

<sup>60</sup> CDPA s 187(1)(b).

<sup>61</sup> CDPA s 188(1)(a).

<sup>62</sup> CDPA s 188(1)(b).

### III TRANSFER OF AUDIOVISUAL PERFORMERS' RIGHTS

#### A. Legal provisions regarding contracts

**1. Does the copyright/neighbouring rights law, or other relevant legal norm set out rules regarding transfers of rights?**

The rules regarding transfer of rights are as set out in the Copyright Designs and Patents Act 1988 as amended.

British law has certain formal requirements for some categories of contracts relating to performers' rights (for which see below). A distinction is made between formal validity of a contract in the sense of binding the parties, and a conveyance in transferring legal title to property good against the world. It is law in England that a contract relating to an intellectual property right which fails to comply with statutory requirements of form may be valid, effective and enforceable as a contract but that it confers only an equitable interest until the requirements of form have been complied with.<sup>63</sup>

**2. Please indicate if the rule is a rule of general contract law, or is a rule specified in the law of copyright and/or neighbouring rights.**

The specific rules relating to formal validity are set out in the CDPA (see below).

**2. Must the transfer be in writing?**

#### **Performers' property rights.**

A performer's property rights are transmissible by assignment, by testamentary disposition or by operation of law as personal or moveable property.<sup>64</sup> An *assignment* of a performer's property rights is not effective unless it is *in writing* signed by or on behalf of the assignor.<sup>65</sup>

An exclusive licence is one *in writing* signed by or on behalf of the owner of a performer's property rights authorising the licensee to the exclusion of all other persons, including the person granting the licence, to do anything requiring the consent of the rights owner.<sup>66</sup>

An agreement can be made in relation to a future recording of a performance in terms of which the performer purports to assign his performers' property rights wholly or partially to another person. Such an agreement must be signed by or on behalf of the performer<sup>67</sup> but it is not specifically states that such an agreement must be 'in writing'.

<sup>63</sup> *Performing Right Society v London Theatre of Varieties* [1922] 2 KB 433; affd [1924] AC 1.

<sup>64</sup> CDPA s 191B(1).

<sup>65</sup> CDPA s 191B(3).

<sup>66</sup> CDPA s 191D(1).

<sup>67</sup> CDPA s 191C(1).

Nothing is said about non-exclusive licences needing to be in writing and following the general law it would appear that the grant of non-exclusive rights may be oral or inferred by conduct.

### **Performers' non-property rights**

A performer may enter into an exclusive recording contract between the performer and another person under which that person is entitled to the exclusion of all other persons (including the performer) to make recordings of one or more of his performances with a view to their commercial exploitation.<sup>68</sup>

Nothing is said about the need for this exclusive recording contract to be in writing.

### **3. Must the terms of the transfer be set forth in detail, e.g. as to the scope of each right and the remuneration provided?**

### **Performers' Property rights**

An assignment or other transmission of a performer's property rights may be partial, that is limited so as to apply:

- a. to one or more, but not all, of the things requiring the consent of the rights owner;
- b. to part, but not the whole of the period for which the rights are to subsist.<sup>69</sup>

The right of the performer to equitable remuneration in relation to the rental right in a film where that right is conferred to the film producer (whether by presumed or actual transfer) it is for the parties to agree on equitable remuneration.<sup>70</sup> In the absence to agreement as to the amount payable application may be made to the copyright Tribunal to determine the amount.<sup>71</sup> Application may also be made to vary any agreement as to the amount payable or to vary any previous determination of the Tribunal.<sup>72</sup>

### **Performers' non-property rights**

Consent for the purposes of a performer's non-property rights (or by a person having recording rights), may be given in relation to a specific performance a specified description of performances or performances generally, and may relate to past or future performances.<sup>73</sup>

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<sup>68</sup> CDPA s 185(1).

<sup>69</sup> CDPA s 191B(2).

<sup>70</sup> CDPA s 191G(4).

<sup>71</sup> CDPA s 191H(1).

<sup>72</sup> CDPA s 191H(2).

<sup>73</sup> CDPA s 193(1).

A person having recording rights in a performance is bound by any consent given by a person through whom he derives his rights under the exclusive recording contract or licence in question, in the same way as if the consent had been given by him.<sup>74</sup> Where a performer's non-property right passes to another person, any consent binding on the person previously entitled binds the person to whom the right passes in the same way as if the consent had been given by him.<sup>75</sup>

Where a performer has a right to equitable remuneration for exploitation of a sound recording from the owner of the copyright in the sound recording,<sup>76</sup> the amount payable is as agreed by or on behalf of persons by and to whom it is payable.<sup>77</sup> In default of agreement application may be made to the Copyright Tribunal to determine the amount payable.<sup>78</sup> On application the Copyright Tribunal may also vary any agreement as to the amount payable and vary any previous determination of the Tribunal as to that matter.<sup>79</sup>

### **Consent and performers' property and non-property rights**

It is said that in the absence of express consent it seems reasonable to suppose it might be implied.<sup>80</sup> That may also apply to the need to obtain consent if the intended use of a recording of a performance appears to exceed the terms of the original consent. But consent given in relation to a particular use may not necessarily prohibit other uses. Something else may have to be shown such as the new intended use raises an implication that further consent is required.

In *Grower v British Broadcasting Corporation* FSR 595 the BBC made a recording of Hoochie Coochie an by the Jimi Hendrix Experience. For the purpose of broadcasting on a radio programme hosted by Alexis Korner. Korner had, at the invitation of Hendrix, joined the performance. It appeared that Korner had consented to the making of the recording and broadcasting of that performance. When the recording was later licensed to a Californian company under the condition that the Californian company obtained the consent of artists prior to it being broadcast, the executors of Korners estate sued the BBC as joint tortfeasors arguing that the recording had been exploited without consent and that was a breach of the performers' rights under the CDPA. The curt found that the claimant would have to establish that there was an implied term that the BBC either obtain the claimants to exploit the sound recording or that the BBC would guarantee that a licensee or assignee of the copyright in the sound recording would obtain the consent of all the performers. Neither implication was necessary or reasonable in the circumstances.

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<sup>74</sup> CDPA s 193(2).

<sup>75</sup> CDPA s 193(3).

<sup>76</sup> CDPA s 182D(1)(b).

<sup>77</sup> CDPA s 182D(3).

<sup>78</sup> CDPA s 182D(4).

<sup>79</sup> CDPA s 182D(5)(a),(b).

<sup>80</sup> Bainbridge *Intellectual Property* 5th ed .Pitman, 2002 p 263 (Bainbridge).



Although section 193 refers only to a performer's non-property rights and a person having recording rights, it is thought that it also applies to a performer's property rights and the term 'consent' is used in relation to these property rights (eg s182A).

### **Consent by the Copyright Tribunal**

On the issue of consent, the Copyright Tribunal may, on the application of a person wishing to make a copy of a recording of a performance, give consent in a case where the identity or whereabouts of the person entitled to the reproduction right cannot be ascertained by reasonable enquiry.<sup>81</sup> The consent given by the Tribunal has effect as consent of the person entitled to the reproduction right for the purposes of a performer's rights and may be given subject to any conditions specified in the Tribunal's order.<sup>82</sup>

In making an order the Tribunal must take into account whether the original recording was made with the performer's consent and is lawfully in the possession or control of the person proposing to make the further recording<sup>83</sup> and whether the making of the further recording is consistent with the obligations of the parties to the arrangements under which or the purposes for which the original recording was made.<sup>84</sup> The Tribunal may also make such order as it thinks fit as to the payment to be made to that person in consideration of consent being given.<sup>85</sup>

## **4. Must the writing be signed by the performer? By the transferee?**

### **Performers' Property Rights**

An assignment of a performer's property rights is not effective unless it is in writing *signed by or on behalf of the assignor* i.e. the performer or the assignee to whom the performer has transferred his rights.<sup>86</sup>

An exclusive licence is one in writing *signed by or on behalf of the owner of a performer's property rights* authorising the licensee to the exclusion of all other persons, including the person granting the licence, to do anything requiring the consent of the rights owner.<sup>87</sup>

An agreement can be made in relation to the assignation of a future recording of a performance. This must be *signed by or on behalf of the performer*.<sup>88</sup>

No mention is made of a licence needing to be signed by the performer

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<sup>81</sup> CDPA s 190(1).

<sup>82</sup> CDPA ss190(2)(a).

<sup>83</sup> CDPA s 190(5)(a).

<sup>84</sup> CDPA s 190(5)(b).

<sup>85</sup> CDPA s 190(6).

<sup>86</sup> CDPA s 191B(3).

<sup>87</sup> CDPA s 191D(1).

<sup>88</sup> CDPA s 191C.

There is no reference to the transferee needing to sign the document

Where a performer's property rights (or any aspect of them) is owned by more than one person jointly (whether by assignment or operation of law) any requirement of the licence of the rights owner requires the licence of all of them.<sup>89</sup> But again it does not appear that this requires to be signed by or on behalf of the rights owners.

## **B. Transfer by operation of law**

- 1. Are there legal dispositions transferring either the performer's exclusive rights, or a share of the income earned from the exercise of her exclusive rights, or from the receipt of remuneration rights?**

### **Performers' Property Rights**

Where an agreement concerning film production is concluded between a performer and a film producer, the performer is presumed, unless the agreement provides to the contrary, to have transferred to the film producer any rental right in relation to the film arising from the inclusion of a recording of the performance in the film.<sup>90</sup> When there is a presumed transfer under this section then the right to equitable remuneration in s191(G) arises.<sup>91</sup>

The right to equitable remuneration may not be assigned by the performer except to a collecting society for the purpose of enabling it to enforce the right on his behalf<sup>92</sup> and any agreement that purports to exclude or restrict the right to equitable remuneration is of no effect.<sup>93</sup>

Note also the discussion above on the ability of the Copyright Tribunal to give consent to making a copy of a recording of a performance.

### **Performers' non property rights**

In general a performer's non-property rights are not assignable or transmissible<sup>94</sup>

On the death of a performer the non-property rights may pass to whoever indicated in a testamentary disposition s192A(2)(b)

## **2. Expropriation**

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<sup>89</sup> CDPA s 191A(4).

<sup>90</sup> CDPA s 191F(1).

<sup>91</sup> CDPA s 191F(4).

<sup>92</sup> CDPA s 191G(2).

<sup>93</sup> CDPA s 191G(5).

<sup>94</sup> CDPA s 192(A)(1).

A performer's non-property rights would not pass on expropriation as except as otherwise specified in the CDPA they are not transmissible<sup>95</sup>

### **3. Bankruptcy**

A performer's property right are transmissible by operation of law as personal or moveable property<sup>96</sup> and therefore would pass to the trustee in sequestration under the general law of bankruptcy to be distributed in accordance with that law.

A performer's non-property rights would not transmit in the event of bankruptcy as they are not transmissible except to the extent specified in the CDPA.<sup>97</sup>

### **4. Divorce; community property**

The main principle on divorce is equitable sharing of assets between husband and wife. There appears no reason why a performer's property rights should not be considered part of the assets capable of sharing which, in turn, might result in the assignation of the property rights from one spouse to another.

A performer's property rights would not transmit on divorce as they are only transmissible to the extent specified in the CDPA.<sup>98</sup>

There is no concept of community property in England, Wales or Scotland in the sense used here.

### **5. Intestacy**

#### **Performers' Property Rights**

The Act is silent on the devolution of a performer property rights on intestacy. Therefore they will pass to beneficiaries following the normal rules of intestate succession.

#### **Performers' non-property rights**

On the death of a person entitled to a performer's non property rights and to the extent that there is no disposition indicating to whom these should pass, then the rights are exercisable by the performer's personal representatives.<sup>99</sup>

### **6. Other (please explain)**

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<sup>95</sup> CDPA s 192A(1).

<sup>96</sup> CDPA s 191(B)(1).

<sup>97</sup> CDPA s 192A(1).

<sup>98</sup> CDPA s 192A(1).

<sup>99</sup> CDPA s 192(A)(2)(b).

### **Performers' Property Rights**

Where under a *bequest* a person is entitled beneficially or otherwise to any material thing containing an original recording of a performance which was not published before the death of the testator, the bequest shall, unless a contrary intention is indicated, be construed as including any performer's rights in relation to the recording to which the testator was entitled immediately before death.<sup>100</sup> There is no similar presumption in the CDPA where the material thing containing the original recording of a performance passes on intestacy.

### **C. Irrebuttable Presumptions of Transfer**

- 1. Does the employment relationship between the audiovisual performer and the producer give rise to an irrebuttable transfer of the performer's rights?**

No it does not. There is no presumption of transfer of ownership of a performer's rights to the employer where those rights are 'created' during the course of employment. This can be contrasted with the provisions for first ownership of copyright created by an employee during the course of employment.<sup>101</sup>

- 2. What rights does the transfer cover?**

N/A

- 3. If fewer than all rights, please identify and explain which rights are transferred and which are retained.**

N/A

### **D. Rebuttable Presumptions of Transfer**

- 1. Does the employment relationship between the audiovisual performer and the producer give rise to a rebuttable transfer of the performer's right?**

No it does not.

As indicated above, where an agreement concerning film production is concluded between a performer and a film producer the performer shall be presumed, unless the agreement provides to the contrary to have transferred to the film producer any rental right in relation to the film arising from the inclusion of a recording of his performance of the film.<sup>102</sup> This presumption however does not arise from an employment relationship.

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<sup>100</sup> CDPA s 191(E).

<sup>101</sup> CDPA s 11(2).

<sup>102</sup> CDPA ss 191F(1).

**2. What rights does the transfer cover?**

N/A

**3. If fewer than all rights, please identify and explain which rights are transferred and which are retained.**

N/A

**E. Contract Practice**

**1. If the transfer of audiovisual performers' rights is not effected by a legal presumption, are there standard contractual provisions?**

There are a number of collective agreements in the UK which contain clauses dealing with consent and transfer of rights.

**2. Do these provisions appear in collective bargaining contracts?**

Yes they do. Three of the main contracts are:  
Cinema Films Agreement between Producers Alliance for Cinema and Television and Equity of 11 March 2002 (Cinema Films Agreement).  
Television Production Agreement between Producers Alliance for Cinema and Television and Equity of 1 April 2002. (Television Production Agreement).  
Main Agreement and Walk-ons Agreement between the ITV companies and Equity of 1 April 2002. (Main Agreement).

**3. In individually negotiated contracts?**

In certain circumstances individual contracts may be negotiated between the Artist and the Film Producer.

The Cinema Films Agreement only permits certain clauses to be varied. That does not include the 'rights' clause.

We understand that often the Producer will seek further stipulations to be appended to the collective bargaining agreements. These may include assent to uses over and above those stipulated in the collective agreement as well as a broad transfer clauses relating to performers' property rights where such a clause is not present in the collective agreement.

**4. What rights do these provisions transfer? Please describe.**

**Cinema Films Agreement:**

*'The Artist shall grant to the producer all consents required under the Copyright Designs and Patents Act 1988 or any modification or re-enactment thereof to enable the Producer to make the fullest use of the Artist's services and the products thereof*

*in perpetuity. The Artist shall assign to the Producer with full title guarantee free from all third party rights all present and future copyright and performer's property rights in and to the performances and services of the Artist and the products thereof throughout the world for the full period of copyright and thereafter insofar as is possible in perpetuity'.*

This consent/assignment is subject to payments being made for various specified uses of the film.

Note also that the Producer may assign at any time and to any person, firm or company the benefit of the Artist's engagement. Further, if the Producer assigns his right title and interest in the Film to a third party, then the Producer shall use all reasonable endeavours to ensure that the assignee assumes all the rights benefits and obligations of the Producer under the Artist's Form of Engagement.

The Agreement is said to be governed by and to be construed in accordance with the law of England and Wales and the parties (PACT and Equity) submit to the exclusive jurisdiction of the English and Welsh courts.

**Main Agreement:**

*The artist shall: 'Give every consent under the Copyright, Designs and Patents Act 1988 necessary for the purposes of this Agreement in respect of his/her performance'.*

The artist is required to sign an acceptance form which states:

*'I agree to and give every consent necessary under the Copyright Designs and Patents Act 1988 or any amendment to or replacement thereof for the use world-wide of my performance but only as provided for in the Main Agreement and in any other agreement current at the time of such use between the Companies and Equity in relation to any means of distribution now known or hereafter developed'.*

The Company is given the right at any time and to any person assign the whole or any part of the benefit of the artist's engagement provided that the assignee undertakes the obligations of the Company under the agreement and under the artists form of engagement.

**Television Production Agreement**

*The Artist grants all consents under the Copyright Designs and Patents Act 1988 or any statutory modification or re-enactment thereof for the time being in force which the Producer may require for the making and use of the production subject to the restrictions on use of the production contained in the Agreements.*

*Uses of the production shall be paid for in accordance with the fee arrangements as set out in the Agreements*

The Television Production Agreement also contains a clause dealing with 'Rest of the World'. This is 'all media rights excluding all UK and USA uses, world theatric and world video rights'. The Artist is to be paid 35% of their aggregate earnings to cover

the Rest of the World uses for a period of seven years from either the first UK television transmission or the first licensed sale in the Rest of the World, whichever is the earlier.

It is noticeable that of the three Agreements, only the Cinema Film Agreement refers to assignation of performers' property rights. All three refer to consents under the Copyright Designs and Patents Act 1988.

## **F. Limitations on the scope or effect of transfer**

### **1. Does copyright/neighbouring rights law or general contract law limit the scope or effect of transfer? Please indicate which law is the source of the limitation.**

As indicated above, the CDPA places limitations on the ability to transfer performers' non-property rights in that these are only assignable or transmissible to the extent permitted in the Act.

When dealing with a contract the extent of the grant will depend on interpretation of the contract between the parties. For instance in *Grower v British Broadcasting Corporation*<sup>103</sup> the judge was prepared to accept as arguable that a contract which specified certain payments be made to a performer for specified uses of the performance impliedly restricted the use to which the defendant could make of the recording for its own purposes. In *Campbell Connelly v Noble*<sup>104</sup> the court found that an assignment using the words '*as far as it is assignable by law*' in relation to copyright was sufficient, by English law, to assign the renewal term of copyright that arose under US law.

In *Chappell & Co. Ltd v Redwood Music Ltd*<sup>105</sup> the House of Lords considered whether the wording of an American assignment effected in 1948 contained an implied assignment of the reversionary interest in the UK. The relevant section of the Copyright Act 1911 referred to the need for '*express agreement*' and on the wording of the assignation the court found that there was no such express agreement and so the reversionary interest did not pass.

### **2. Do these limitations concern: a. Particular rights, e.g., moral rights**

The CDPA provides that the right to equitable remuneration where rental right is transferred may not be assigned by the *performer* except to a collecting society for the purpose of enabling it to enforce the right on his behalf.<sup>106</sup> Where the right passes on death or by operation of law it may be assigned or further transmitted by any person

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<sup>103</sup> [1990] FSR 595.

<sup>104</sup> [1963] 1 All ER 237.

<sup>105</sup> [198] 2 All ER 817.

<sup>106</sup> CDPA s 191G(2).

into whose hands it passes.<sup>107</sup> Any agreement that purports to exclude or restrict the right to equitable remuneration is of no effect.<sup>108</sup>

The right to equitable remuneration arising from the exploitation of a sound recording may not be assigned by the performer except to a collecting society for the purpose of enabling it to be enforced. The right is however transmissible by testamentary disposition or operation of law and may be assigned or further transmitted by any person into whose hands it passes.<sup>109</sup> Any agreement purporting to exclude or restrict the right to equitable remuneration is of no effect.<sup>110</sup>

**b. Scope of the grant e.g. future exploitation**

**c. Other (please describe)**

**Performers' Property Rights**

Where an agreement is made in relation to a future recording of a performance, and signed by or on behalf of the performer and the performer purports to assign his performer's property rights wholly or partially to another person then, if on the rights coming into existence, the assignee or another person claiming under him would be entitled as against all other persons to be vested in him, they vest in the successor or his assignee.<sup>111</sup> The purpose of this provision is to ensure that an assignee who would be entitled to specific performance of the agreement becomes the legal owner of the rights as soon as the recording is made.

**3. Do audiovisual performers' enjoy a legal right to terminate transfers of rights?**

No, unless agreed by contract.

**a. Is this termination right transferable?**

N/A

**b. Waivable?**

N/A

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<sup>107</sup> CDPA s 191G(2).

<sup>108</sup> CDPA s 191G(5).

<sup>109</sup> CDPA s 182D(2).

<sup>110</sup> CDPA s 182D(7).

<sup>111</sup> CDPA ss 191C(1),(2).



## **Part II**

### **International Private Law Rules for Determining the Law Applicable to Transfer of Audiovisual Performers' Rights.**

#### **I. LAW APPLICABLE TO DETERMINE INITIAL OWNERSHIP OF AUDIOVISUAL PERFORMERS' RIGHTS**

##### **A. What country's (countries) copyright/neighbouring rights law determines whether the granting performer initially owned the rights transferred:**

###### **1. The country of origin of the audiovisual work?**

- a. If so, how does your country's law determine what is the country of origin of the audiovisual work?**
- b. By reference to Berne Convention Art. 5.4?**
- c. By reference to the country having the most significant relationship to the work's creation or dissemination?**
- d. Other? Please describe.**

There have been no cases in the UK that have ruled on which is the applicable law to determine initial ownership of audiovisual performers' rights. Comment can therefore only be made on current thinking as to how the question might be settled.

#### **Qualification rules**

The CDPA contains certain qualification rules that must be met before a performer will receive protection in the UK.

Qualifying Performances.<sup>112</sup> A performance is a qualifying performance for the purposes of the provisions in the CDPA relating to performers' rights if it is given by a qualifying individual (as defined in section 206) or takes place in a qualifying country (as defined in s208).

A qualifying individual means a citizen or subject of, or an individual resident in, a qualifying country<sup>113</sup> and qualifying person means a qualifying individual or body corporate or other body having legal personality with is (a) formed under the law of a part of the UK or another qualifying country; and (b) has in any qualifying country a place of business at which substantial business activity is carried on

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<sup>112</sup> CDPA s 181.

<sup>113</sup> CDPA s 206(1)(c).

A qualifying country means the UK, another members State of the EEC, or a country designated under s 208 as enjoying reciprocal protection. This includes a Convention country<sup>114</sup> or a country which is deemed to have made adequate provision under its law for British performances.<sup>115</sup> Protection under this section can be limited to a corresponding extent to the protection accorded in that other country.<sup>116</sup> The latest Statutory Instrument (SI) to extend protection is the Performances (Reciprocal Protection) Convention Countries) Order 1999.<sup>117</sup> This SI lists countries in two parts in the Schedule. Schedule Part I lists those countries designated as enjoying reciprocal protection and are Rome Convention countries. Their performers receive all of the rights (property and non-property) available under the CDPA even though these go beyond what is required by the Rome Convention. The countries listed in Schedule Part II confers rights on a performer in respect of : a) the making of: (i) a sound recording directly from a live performance of his; (ii) a copy of that sound recording; and b) the broadcast live of a performance of his. These countries are TRIPS members who do not belong to either Rome or the EC

### **The country of origin**

In the area of copyright, commentators have argued that rules on ownership should be determined according to the country of origin. This would facilitate world-wide exploitation through placing reliance on one rule that determines who owns the rights.<sup>118</sup> For copyright it would appear to be assumed that the country of origin is first linked to the author, thereafter to the place of publication if the author is not a national of a signatory state to the Berne Convention. It is not always however clear as to what the link with the author amounts to but would appear to be the nationality of the author. If a similar rule were applied to performers then the ownership would be in accordance with the performer's nationality, so long as a qualifying performer, failing which the link would be through the qualifying country in which the performance took place.

The CDPA provides that for a performer who is not a national of an EEA state the duration of the rights in relation to the performance will last for the length of time for which the performance is entitled in the country of which the performer is a national provided that does not exceed the stated period under the CDPA s191(4).<sup>119</sup> Extending the point to ownership might give support to the argument that ownership should be determined by the country of the performer's nationality so long as the performer was a qualifying individual. In the event that the performer was not a qualifying individual, then the default position would be to look at the ownership rules in the country in which the performance took place so long as that was a qualifying country (the second limb of the qualification rule).

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<sup>114</sup> CDPA s 208(1)(a).

<sup>115</sup> CDPA s 208(1)(b).

<sup>116</sup> CDPA s 208(4).

<sup>117</sup> SI 1999 No. 1752

<sup>118</sup> Fawcett & Torremans *Intellectual Property and Private International Law* (1988) p512 (Fawcett & Torremans).

<sup>119</sup> CDPA s 191(4).

A problem with applying this rule in respect of performers is that there will be many different rules that will need to be applied to determine the rules underlying ownership in respect of any one production. This can be compared with the position under copyright where often, even in collaborative ventures, the number of authors is limited. The numbers of applicable laws would be significantly reduced in the event that the applicable law to determine ownership was the law of the place where the performance took place. Nonetheless for a production where performances take place in many countries, many different laws would still have to be applied to determine ownership of the respective parts of the performances.

The position in the UK is further complicated as only certain countries are designated as qualifying for the purposes of enjoying reciprocal protection and, as indicated above, the performers from some countries only enjoy protection to the extent of performers' non-property rights.

In addition where a performer enters into an exclusive recording contract<sup>120</sup> with another person to make recordings with one or more performances the person with whom the performer enters into the contract must be a qualifying person.<sup>121</sup> In the event that the person who has entered into the exclusive recording contract is not a qualifying person then the person who has recording rights is either the person licensed by the non-qualifying person to make recordings, or the person to whom the benefit of such a licence has been assigned.<sup>122</sup> Thus if US company has an exclusive recording contract with a performer to record a live performance to take place in the UK grants a licence to a company in the UK to make the recording, it will be the UK company that is entitled to the recording right.<sup>123</sup> This is because the US does not enjoy full reciprocal protection as yet under the Performances (Reciprocal Protection) (Convention Countries) Order 1999.<sup>124</sup>

Some have suggested that if a performance was made in a country which qualified under Part 1 of the SI which had the equivalent to a work made for hire doctrine (by a non-qualifying performer) under which the application of the rule that the relevant law in relation to ownership is that of the qualifying country and so ownership of UK performers' property rights may transfer to the employer, then in those circumstances the UK rules on ownership of performers' property rights and the need for consent for exploitation of those and the performers' non-property rights might be considered as mandatory rules of the UK forum and thus be applied (if litigated in the UK) in preference to the ownership rule under the work made for hire doctrine of that other country. Mandatory rules are said to be particularly important to redress unequal bargaining power and to promote the social or economic policies of the state in question. Of these it is said that the first is *'of obvious importance when dealing with mandatory rules affecting ownership of intellectual property rights as between*

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<sup>120</sup> CDPA s 185.

<sup>121</sup> CDPA s 185(2).

<sup>122</sup> CDPA s 185(3).

<sup>123</sup> Bainbridge p266

<sup>124</sup> SI 1999/1752

*employer and employee or the right of the employee to compensation*'<sup>125</sup> (for mandatory rules see below). Given that the UK has implemented a specific regime for ownership of performers' property rights, and has specifically not provided for automatic transfer of those rights except in very limited circumstances, it might be argued that the ownership rules relating to performers' property rights in the UK are mandatory and so would take precedence over an ownership rule from another country. Others are more sceptical that the ownership rule would be regarded as a mandatory rule in a UK forum.

### **The place of exploitation**

An alternative is to look at place of exploitation and apply those ownership rules. In dealing with the assignability of intellectual property rights Dicey & Morris state that the *assignability* of the right itself is governed by the law under which the intellectual property right was created.<sup>126</sup> Others have used the terms the 'proper law of the right': the law of the place where the right can be enforced.<sup>127</sup> Two problems arise in deciding if these rules apply to performers' rights. The first is that the remarks have all been made in relation to *assignability* of an intellectual property right, rather than in arguing for determination of the question of first ownership. The second is that references to the place in which the right was created/the proper law of the right/the *lex situs* lead to the question as to where that place is: where the performance was enacted or where the right in question exists? Applying the latter rule would lead to determination of first ownership being made in each country in which it is sought to exploit the right, as it is only in those countries where the right itself (as opposed to the contract) exists and can be enforced.

Some support for this argument can be gained from looking to the cases of *Campbell Connelly v Noble* and *Redwood Music v Francis Day & Hunter*.<sup>128</sup> In the first of these, *Campbell Connelly*, the court looked to US law in determining that the renewal copyright was distinct from the original copyright and one that required to be separately assigned. The court also found, by referring to US case law (*Fred Fisher Music Co v M. Witmark & Sons* (1943) 318 U.S. 643 S.Ct.) that the right of the author to obtain the renewal copyright could be assigned by him before the expiration of the original copyright term. In *Redwood Music v Francis Day & Hunter*<sup>129</sup> the courts looked to UK law (Copyright Act 1911) to determine that the copyright in certain works reverted to the legal personal representatives of the author 25 years after death notwithstanding any agreement to the contrary, but the reversionary right itself could be assigned by the personal representatives before it vested in possession.

In both cases it was the law of the place where the right existed that was looked to in order to determine whether the right could be assigned, and who could assign the

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<sup>125</sup> Wadlow *Enforcement of intellectual property in European and International Law* Sweet & Maxwell 1998 para 7.93 (Wadlow).

<sup>126</sup> Dicey & Morris *The Conflict of Laws* 13<sup>th</sup> ed. (Sweet & Maxwell) 24-062 (Dicey & Morris). See also Clarkson *Jaffey on the Conflict of Laws* 3<sup>rd</sup> ed. p490 arguing for the *lex situs*.

<sup>127</sup> Fawcett & Torremans p. 489 et seq.

<sup>128</sup> [1978] RPC 429; [1980] 2 All ER 815; [1981] RPC 337, HL.

<sup>129</sup> *Ibid.*

right. In both cases however, it was the law of the contract that determined whether the assignment was essentially valid.

## **2. The country of residence of the performers? In the event of multiple countries of residence, the country in which the majority of featured performers resides?**

As indicated above, the country of residence of the performer is one of the qualification factors for the existence of a performer's property and non-property rights. Even if the country of residence of the performer is taken as (one of) the rule(s) for determining ownership, in the event of multiple countries of residence of featured performers it would not appear possible to apply a blanket rule on ownership because of the individual nature of performers' rights in the UK. For performers in the UK there is nothing in UK law akin to collective ownership, nor any conceptual equivalent of joint authorship in copyright law.

## **3. The country designated by (or localised to) the contract of transfer?**

If the rules of the country designated by (or localised to) the contract of transfer determine first ownership then it is first essential to identify that country. The rules on applicable law and contract are to be found in the Rome Convention on the Law Applicable to Contractual Obligations which was enacted into UK law by the Contracts (Applicable Law) Act 1990. The 1990 Act only applies to contracts made after April 1, 1991. For contracts made before that date the common law rules continue to apply.

The basic principle in the Rome Convention is that of freedom of choice. Therefore if a choice has been made the identification of the relevant country is not difficult. However, if no law has been specified then the court has to identify the system of law with which the contract has the closest connection.<sup>130</sup> The Convention contains a number of presumptions of which the most important is that a contract is assumed to be most closely connected with the country where the party responsible for the performance which is characteristic of the contract has his habitual residence, central administration or place of business.<sup>131</sup> The difficulty lies with the phrase 'the performance which is characteristic of the contract'. It has been said, albeit in relation to other intellectual property rights, that '*academic opinion can be found for almost any a priori rule as to whose is the characteristic performance*'.<sup>132</sup> The same could be said of performers' rights. As there have been no cases in the UK which define the term in relation to performers, any suggestions are pure speculation. These range on the one hand from the characteristic performance being the performance by the performer to, on the other hand, the characteristic performance being the exploitation by the producer or other party. If, in the latter case, the party is a legal person, then

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<sup>130</sup> Rome Convention Article 4.

<sup>131</sup> Rome Convention Article 4(2).

<sup>132</sup> Wadlow p 433 fn 68.

the applicable law will be that of the place where the central administration or place of business is situated.

However it is not thought that the rules determining the applicable law for the purposes of transfer by contract are relevant to determine first ownership of performers' rights. It has been stated that the Rome Convention has no application to proprietary questions as it is limited to contractual obligations. Rights in intellectual property are said to be excluded from the Rome Convention.<sup>133</sup>

#### **4. Each country in which the work is exploited**

See the discussion above where it has been suggested that the courts might look to the place where the work was to be exploited not only to determine the extent of the rights which can be exploited but also to determine who first owned that right.

## **II. LAW APPLICABLE TO TRANSFERS**

### **A. Transfers by operation of law**

#### **1. Does your country's law or case law give local effect to a transfer by operation of a foreign country's law?**

##### **a. by expropriation**

No. In *Novello and Co Ltd v Hinrichsen Edition Ltd*<sup>134</sup> a question arose as to the effectiveness of a decree passed in 1938 by the Nazi Government concerning the forced sale and liquidation of businesses belonging to Jews. The question arose as to the UK ownership of copyright in two musical works. The court found that the decree of 1938 was confiscatory in policy and that the UK courts would not give effect, so far as it concerned assets within this jurisdiction, to the law of a foreign country that was confiscatory in nature. Therefore a sale agreement in respect of the copyright in the musical works was ineffective to pass the English copyright even if the agreement were otherwise valid in English or German law.<sup>135</sup> The same rule applies in Scotland.<sup>136</sup> This was most recently affirmed by the Court of Appeal in *Peer International v Termidor Music Publishers Ltd*.<sup>137</sup>

##### **b. Bankruptcy**

There is nothing in the CDPA on the transfer of performers' property rights in bankruptcy. Therefore it appears as if the general law would apply. Thus it would

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<sup>133</sup> Dicey & Morris para 24-062; Fawcett & Torremans pp 496-497.

<sup>134</sup> [1951] Ch 595.

<sup>135</sup> See also Dicey and Morris Rule 120.

<sup>136</sup> *El Condado* [1939] 63 Ll.L Rep 330 and *Williams and Humbert Ltd v W&H Trade Marks (Jersey) Ltd* [1986 1 AC 368 p. 379 '[The] rules that English law will not enforce foreign laws which purport to have extraterritorial effect... would just as much apply to expropriatory laws which provided for the payment of proper compensation'.

<sup>137</sup> [200] All ER (D) 518.

appear that the question is whether the status of a foreign trustee is so far recognised by English law that he acquires a title to the bankrupts' property in England.<sup>138</sup> English courts have held that all movable property, no matter where situated at the time of assignment by the foreign law passes to the trustee. The trustee can recover movables including choses in action.<sup>139</sup> In Scotland the situation is similar.<sup>140</sup>

A performer's non-property rights will not pass on bankruptcy as they are only transmissible to the extent specified in the CDPA.

**c. divorce; community property**

A foreign decree transferring a performer's non-property rights on divorce would not be effective as the rights are only transmissible to the extent specified in the CDPA.

**There would appear to be no reason why a UK court would not recognise and enforce a foreign decree transferring a performer's property rights after divorce.**

**d. intestacy**

Under English and Scottish law the destination of movables on the death of the owner is governed by the law of his domicile.<sup>141</sup> Therefore neither English nor Scots law would recognise an order by another state dealing with movable property (performers' property rights and non-property rights) in England or Scotland where the deceased was domiciled in England or Scotland but the order was made under a different law. However where the owner was domiciled abroad succession to the movables is governed by the law of the country in which he was domiciled at the date of his death.<sup>142</sup>

**e. other (please explain)**

**B. Transfers effected by contract**

**1. When a contract grants the right to communicate or make an audiovisual work available via a transmission from one country to another (or others); is the substantive copyright or neighbouring rights law underlying the grant determined:**

- a. with reference to the country from which the communication originates?**
- b. Or with reference to the country or countries in which the communication is received?**

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<sup>138</sup> Dicey & Morris Rule 167.

<sup>139</sup> Cheshire & North *Private International Law* 13th ed. Butterworths, 1999.p 913 (Cheshire & North).

<sup>140</sup> Anton with Beaumont *Private international law : a treatise from the standpoint of Scots law* 2nd ed. Green, 1990 p 739. (Anton with Beaumont).

<sup>141</sup> Cheshire & North Ch. 33. Anton with Beaumont p 677

<sup>142</sup> Dicey & Morris Rule 132.

The agreement concluded between PACT and Equity relating to Films discussed above states that it is to be governed by the law of England and Wales. The contract anticipates that performers will carry out performances under the contract in countries outwith the UK, and that exploitation may occur over the Internet. As outlined above the consent and assignment clause states:

*'The Artist shall grant to the producer all consents required under the Copyright Designs and Patents Act 1988 or any modification or re-enactment thereof to enable the Producer to make the fullest use of the Artist's services and the products thereof in perpetuity. The Artist shall assign to the Producer with full title guarantee free from all third party rights all present and future copyright and performer's property rights in and to the performances and services of the Artist and the products thereof throughout the world for the full period of copyright and thereafter insofar as is possible in perpetuity'.*

This clause would appear to anticipate only UK performers' property rights being assigned and interestingly seems to consider that the assignment of the UK performers' property rights under UK law is sufficient to allow for world-wide exploitation. However, it would be for the law of the receiving country to determine the substantive rights of the performer.

## **2. What law governs issues going to the scope and extent of a transfer:**

- a. The (single) law of the contract?**
- b. The substantive copyright/neighbouring rights laws of the countries for which the rights are granted?**

To the extent that the transaction intended by the parties is permitted by the legal system under which the right subsists, it is for the proper law of the contract to decide on the essential validity of the contract and to determine its effects in accordance with the normal rules of interpretation.<sup>143</sup>

It is for the protecting state to define the rights created under its own law and no foreign or domestic court or foreign legal system can confer any different rights on the proprietor within that State. It is also for the law of the protecting state to decide if the right may be assigned in part as to locality, duration or scope. If the right is inherently indivisible then a purported part assignment can only take effect (in England) as an exclusive licence in equity.

## **3. What law governs issues going to the validity of the form of a transfer:**

- a. the (single) law of the contract?**

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<sup>143</sup> *Campbell v Connelly v Noble* [1963] 1 WLR 253; [1963] 1 All ER 237.



**b. The substantive copyright/neighbouring rights laws of the countries for which the rights are granted?**

Material validity of a contract is dealt with in the Rome Convention Article 8: *the existence and validity of a contract, or of any term of a contract, shall be determined by the law which would govern it under this Convention if the contract or term were valid.*

Formal validity is dealt with in Article 9 of the Convention: *a contract concluded between persons who are in the same country is formally valid if it satisfies the formal requirements of the law which governs it under this Convention or of the law of the country where it is concluded.*

*A contract concluded between persons who are in different countries is formally valid if it satisfies the formal requirements of the law which governs it under this Convention of the law of one of those countries.*

Material validity requires that the conditions set under the law governing the contract are met. Thus a contract is materially valid (with exceptions) if it was validly executed according to the applicable law or the law of the place or places where it was made. This is the same as the position at common law.

Formal validity relates to the particular rules that are required for the particular right. As explained above, British law has certain formal requirements for some categories of contracts. A distinction is made between formal validity of a contract in the sense of binding the parties and a conveyance in transferring legal title to property good against the world. As stated above, it is law in England that a contract relating to an intellectual property right which fails to comply with statutory requirements of form may be valid, effective and enforceable as a contract but that it confers only an equitable interest until the requirements of form have been complied with. **In Scotland it is less clear as to the right that will be conferred where a contract is formally valid but has not followed the requirements laid out in the CDPA as Scotland does not recognise equitable interests. HLM???**

**C. The role of Mandatory Rules and Ordre Public**

**1. Do mandatory rules (*lois de police*) automatically apply local law to local exploitations made under a foreign contract?**

As with other countries, the identification of mandatory rules and/or rules of public order with any precision is not an easy task.

Mandatory rules are referred to in the Rome Convention (which applies regardless of whether the contract has any connection with an EC contracting State) and have been incorporated in the UK by way of the Contracts (Applicable Law) Act 1990.

Mandatory rules are defined in Article 3(3) as those which cannot be derogated from by contract. The essence of a mandatory rule is that it is applied because the law of that country requires it to be so applied. Mandatory rules are also referred to in Articles 7(1) and 7(2) of the Convention. Article 7(1) is concerned with the mandatory rules of a foreign country but is not relevant in the UK as s 2(2) of the Contracts (Applicable Law) Act 1990 provides that Article 7(1) shall not have force of law in the UK. Article 7(2) is concerned with the mandatory rules of the forum

Article 7(2) states *'Nothing in this Convention shall restrict the application of the rules of the law of the forum in a situation where they are mandatory irrespective of the law otherwise applicable to the contract'*.

The precise effect of the formulation in Articles 3(3) and 7(1) continues to be debated. Under Article 3(3) the effect given to the mandatory rule under the Convention is to override the parties' freedom to choose the applicable law. Under Article 7(1) the mandatory rule is able to override all of the rules on the applicable law under the Convention including rules designating the applicable law in the absence of choice.<sup>144</sup> Some argue that article 3(3) a mandatory rule is a rule of national law that cannot be derogated from in a contract governed by the same system of law. In other words another choice of applicable law cannot get around the mandatory rule.<sup>145</sup> Most consider the formulation in 7(2) to be narrower but stronger than that in Article 3(3).

## **2. Describe the instances in which mandatory rules apply to transfers of rights by audiovisual performers.**

It has been suggested above (but tentatively) that UK courts might apply UK law on ownership of performers' rights as a mandatory rule.

Others have suggested that the unwaivable right to equitable remuneration would also operate as a mandatory rule. This right cannot be waived by performers and may only be assigned to a collecting society for the purposes of enforcing the right on behalf of the performer.<sup>146</sup>

## **3. Do local court, having initially identified the applicability of the law of the foreign contract, nonetheless apply local law on grounds of public policy/ordre public?**

Article 16 of the Rome Convention deals with ordre public. It provides that the *'application of a rule of the law of any country specified by this Convention may be refused only if such application is manifestly incompatible with the public policy (ordre public) of the forum'*.

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<sup>144</sup> Cheshire & North p. 499.

<sup>145</sup> Wadlow para 7-92.

<sup>146</sup> Wadlow para 7-118.

The text is restrictive. It must be shown that the application of a foreign rule of law is against the forum's public policy. The intention is that article 16 will only be used in exceptional circumstances. When it does apply it provides an exception to all of the choice of law rules contained in the Convention including, probably, the provisions on mandatory rules including those circumstances when a mandatory rule of another forum would be applied.<sup>147</sup> It is, however, said that it is not easy to distinguish internationally mandatory rules (in the sense of Article 7(2)) from rules of public policy.

**4. Describe the instances in which the order public exception applies to invalidate transfers of rights by audiovisual performers.**

There have been no cases in which public policy has been invoked to invalidate transfers of rights by audiovisual performers in the UK.

It is suggested that those circumstances when public policy may be invoked might expand in the light of the European Convention on Human Rights having been implemented in the UK by way of the Human Rights Act 1998.<sup>148</sup> Article 1, Protocol 1 of the Convention protects property rights by specifically conferring a right to the peaceful enjoyment of a person's possessions. Although this is a qualified right, it may be that it could be invoked in the UK in circumstances where the application of a foreign law deprived a UK performer of a performer's property rights in the UK.

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<sup>147</sup> Wadlow para 7-112. Cheshire & North p. 503.

<sup>148</sup> Dicey & Morris 35-109.