

**Annual Transparency Report
2018 – 2019**

Irish Copyright Licensing Agency CLG

This report has been compiled in accordance with the terms of the European Union (Collective Rights Management) (Directive 2014/26/EU) Regulations 2016.

Message from the Chairman

As I write this report in July 2020 it is hard to remember what the future looked like in August 2019.

The accounts as presented for financial year-end, August 2019 show a remarkable similarity to the previous year. Income of just under €2m; distributions of just over €1.5m, costs of the organisation under €400k and therefore a cost/income ratio of less than 20%. While always looking to tighten the organisation's efficiency, defend and grow its income, while improving the speed and accuracy of its distributions, this performance is strong.

This time last year, I reported that the ongoing legislative changes were stalled, we hoped for good, or at least for long enough for there to be an election. This was not to be. Instead the Copyright & Other Intellectual Property Amendment Act was rushed through in June, and commenced in its entirety in December, leaving the ICLA with a critically short timeframe to consult and develop new licences for certification. And then came COVID 19.

Sam, along with Linda Scales, Georgina Bentliff and myself, lobbied the IPU hard, effected truncated consultation with the schools sectors, through some tense roundtable discussions and awkward zoom calls in the hope that an agreed position could be presented to the Minister of Enterprise. In the end, the caretaker government fell in favour of the current coalition, and we still wait for notice of our application for certification of the new licences.

In the new COVID world, the licences the ICLA has offered for certification provide a much-improved tool for the three education sectors that we license. Distance and blended learning are likely to form an ever larger part of the methodologies employed in learning environments from primary through to third level. Our licences, adhering to changes at European level, are broader, more flexible and easier to use than ever before. They are intrinsically more valuable, and the fee structure submitted by the ICLA to the Minister therefore reflects this reality, even if only by seeking to achieve, finally, the fees certified by the Minister in 2002. Sam will keep the Board informed of any developments regarding certification as they arise.

Meanwhile, plans are in place to prepare the office for a stepped return to work. Income for the current year looks gratifyingly robust and should exceed budget. Costs have been mitigated by COVID wage supports and travel reduction. Distributions have been successfully achieved remotely and the show goes on. Foreign income, especially from the UK, is down partly due to COVID but an ugly Brexit could have further negative impact.

Internationally, success in halting the momentum of two countries previously heading towards unremunerated education exceptions is positive with both South Africa and Canada fighting hard to defend the future of their licence income.

The finalising of a 5-year Strategy Paper for the ICLA has been confounded by events but will continue once the immediate crisis has settled into whatever new normal follows.

My thanks to Sam and her team for their continued efforts and effectiveness during these unprecedented times.

Jonathan
July 2020

Annual Summary by the CEO

2019 has been one of the most challenging years faced by the organisation. The consultations around the drafting of the Digital Single Market Directive and the parallel progress of the Copyright & Other Intellectual Property Provisions Act through the parliamentary process was quickly followed by a national consultation on transposition of the DSM directive. ICLA supported a number of stakeholders during the consultation stage in drafting responses.

At the same time, a new educational licence has been developed and put forward for certification for the academic year commencing in September 2020. The new licence gives more flexibility and is fit for purpose in the current teaching and learning environment. We look forward to working with licensees in rolling this out during the second half of 2020.

We look forward to working with the Cultural Heritage Institutions during 2020 as part of the transposition of the Out of Commerce Works section of the DSM Directive.

We will continue to meet these challenges and make the most of the opportunity to build stronger customer relationships and create better awareness of copyright and licensing which in turn ensures the viability of writing and publishing in Ireland. We are also delighted to continue our agreements with PLR in the UK and Ireland to distribute payments to authors and Playography for the download of dramatic works.

As we look towards our 30th anniversary in 2022, we are in the process of developing a strategic plan. I would like to thank the ICLA board for their guidance and oversight, particularly at a time of technological development and change in business practice.

I would also like to thank the ICLA team for their dedication and support. They have shown remarkable resilience and flexibility during the long months of working remotely and we look forward to coming back together, at least somewhat, as a team from September in our COVID-proofed space. I also want to thank Linda Scales, Georgina Bentliff and Jonathan Saint – we have proved that successful teamwork doesn't have to be in person!

Samantha Holman, CEO

About ICLA

We are the Irish Copyright Licensing Agency and we were set up by copyright owners to facilitate legal access for content users to a wide range of published content whilst ensuring that the content owners are appropriately remunerated.

For nearly 30 years we have been providing rights and licenses to educational institutions and corporate customers. Our blanket licences allow customers to copy and share extracts from published content without having to seek permission from the copyright owners each time. We are seeking new partnerships to facilitate easy access to relevant content in these sectors.

We are a not-for-profit organisation so our revenue is paid out to copyright owners, such as authors, publishers, visual artists, photographers and playwrights.

Legal & Governance Structure

ICLA is a collective management organisation (CMO) established by the Irish Writers Union and the Irish Publishers Association, Publishing Ireland. Members are nominated by the IWU and PI to represent the different categories of rightsholders and the members elect a board of directors. ICLA is a company limited by guarantee and governed by a Board of Directors.

From May 2017 there have been seven board members, three author directors and three publisher directors with an independent chair. Up to May 2017 there were four author directors and four publisher directors with a rotating chair.

Authority is received through individual mandates from authors and publishers and through representation agreements with visual artists and CMOs.

Membership of Other Bodies

During this financial period ICLA has been a member of or affiliated to the following bodies:

- International Federation of Reproduction Rights Organisations (IFRRO)
- International Authors Forum (IAF)
- International Publishers Association Educational Publishing Forum (IPA)
- International Standard Name Identifier (ISNI, Member)

Relationship with Other CMOs

We have contractual relationships with other CMOs whereby we act in two particular capacities:

1. **Representation Agreements with overseas CMOs**

We have reciprocal agreements with overseas CMOs which enable us to include their repertoire in ICLA licences sold in the Republic of Ireland and for our repertoire to be included in licences sold in their territories overseas. We also have a number of unilateral agreements with overseas CMOs which permit us to distribute money collected overseas under statutory or extended collective licence schemes for Irish copyright owners where such schemes do not exist under Irish legislation.

2. **Agency Licensing Agreements with CMOs in Ireland and the UK**

We also act as agents for other CMOs in selling their repertoire in a joint licence where we have an established presence in a market and well developed relationships. In 2018/2019 we represented:

- a. Newspaper Licensing Ireland (NLI) in the field of Education and Overseas;
- b. NLA Media Access Ltd (NLA) in the field of Education;
- c. PMSL (sheet music publishers) in the field of Education

Deductions for Social, Cultural and Educational Services

ICLA, as per the Distribution Policy, maintains support for writers, affiliated organisations and charities following criteria put forward by the Board and agreed by the General Assembly. In the financial year 2018/2019 we have supported the Dublin Book Festival, Children's Books Ireland Reading Campaign, The Robert Dunbar Memorial Library and The Zebbie Awards.

Activities separate to normal collective rights management activities

ICLA did not undertake any activities other than collective rights management.

Information on refusals to grant a licence

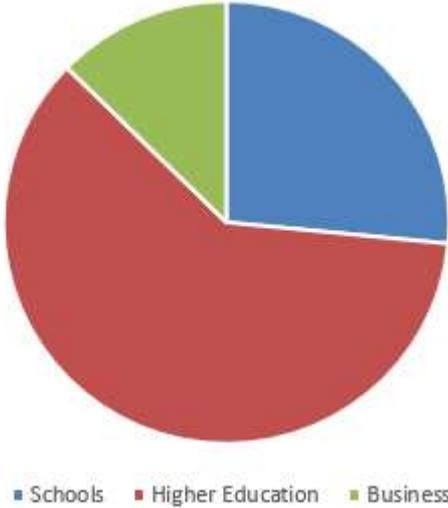
We have not refused to grant any licences in the period of this report.

Financial Statements

The financial statements for the financial year 2018/2019 are also published on our website and available in the Companies Registration Office.

A summary of financial activities for the financial year is set out below:

Domestic Reprographic Income by Source



DOMESTIC INCOME SOURCE

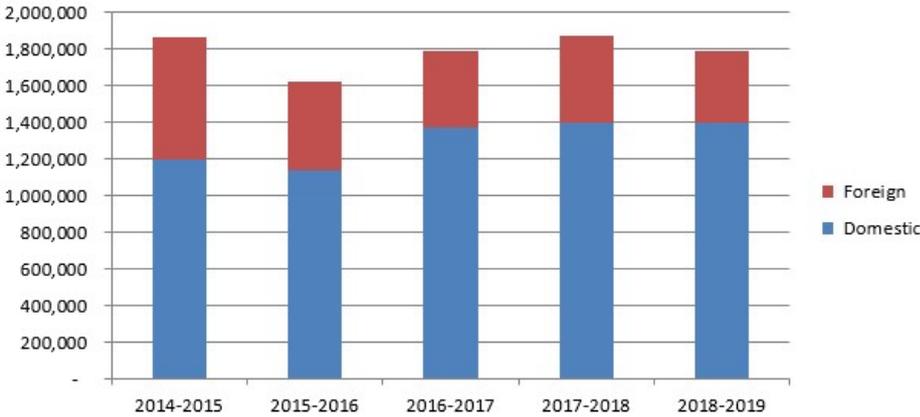
Schools - 26.5%

Higher Education – 61%

Business – 12.6%

Total Income: €1,399,508

Total Reprographic Income



Percentage of Domestic vs Foreign Income

YE 2015	64%	36%
YE 2016	70%	30%
YE 2017	77%	23%
YE 2018	75%	25%
YE 2019	78%	22%

Financial Information on Rights Revenue

Sector	Income YE August 2019	Available for Distribution*	Admin Cost YE August 2019	Allocated	Distributed	Unallocated
Schools	371,394	283,399	87,995	283,399	260,589	-
HE	850,645	649,148	201,651	584,230	585,678**	64,918
Other	177,469	135,431	42,038	135,431	132,713	-
PLR	153,197	153,197	-	153,197	153,197	-
International	388,704	341,946	46,758	341,946	314,823	14,917
Total 2018-19	1,941,409	1,563,121	378,442	1,498,203	1,447,000	79,835

CMOs	Income from CMOs	Distributed to CMOs
Ireland	72,696	86,471
Europe	307,608	359,402
Rest of the World	80,390	146,825
Total 2018-19	460,694	592,698

*Money available for distribution is based on income in the previous financial year (YE August 2018)

** Includes some undistributed from previous FY.

Remuneration of Chief Executive Officer and Board of Directors

	2019	2018
Directors at year end	7	7
CEO		
Emoluments and other remuneration	€62,600	€62,600

There are no fees paid to non-Executive Directors.



The Irish Copyright Licensing Agency CLG

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