

## **Sky submission to consultation on Copyright and Innovation June 2012**

Sky is pleased to respond to the Copyright and Innovation consultation paper prepared by the Copyright Review Committee. The Intellectual Property regimes in both the UK and Ireland are vitally important to Sky given our investment in the creative and digital economies in both countries of over €2.5 bn each year in audio-visual content.

As a major media and communications business employing over 23,000 people directly across the UK and Ireland, Sky's interest in this area is multi-faceted. We are:

- a significant licensee of rights from entertainment and sports rights-holders
- one of the major licensees of music collection societies
- a copyright owner in our own right
- a significant aggregator and retailer of content

Sky has earned a reputation as a relentless innovator, for example, in our role in the development of whole new sectors of the digital economy such as High Definition television. Through innovations like Sky+, Sky helped people to take control and define their own TV experiences - watching what they want, when they want. None of this would have been possible without the protections and opportunities offered by an effective IP regime. These developments are testament that **the regime is working**. We are encouraged therefore by page 35 of the consultation document which suggests that in the absence of

“compelling evidence either way ... we see no reason at this point to recommend any change to the basic structures of Irish copyright law”.

A thriving creative and digital industry has a vital role to play in building a country's economic success. Investment in creative content and digital technology will play a central role in driving future economic performance and maximising the benefits for consumers and for society as a whole. We believe that **the existing copyright framework has served the creative industries very well in both Ireland and the UK** and ensured that they are well positioned to deliver growth internally and in export markets.

With this in mind, we do not propose to respond specifically to the questions raised in the consultation. In last year's consultation on the review of the Copyright and Related Rights Act 2000, we focused on a couple of specific areas such as licencing and enforcement which may benefit from some reform. And certain draft proposals contained in the current consultation document appear to offer effective solutions and are going in the right direction.

We note the consultation document suggests on page 89 that in the context of the Hargreaves Report in the UK, the UK Government recognises that the existing copyright

law “overregulates to the detriment of the UK” and therefore Ireland’s similar copyright law must similarly overregulate to the detriment of Ireland”. However, we do not believe that changes to the IP regime should be viewed through the lens of a deregulatory agenda. Intellectual Property Rights are a vital cornerstone of a modern economy, and are critical in incentivising innovation and creativity. It is widely recognised that in order to protect the ideas of creators, their rights need to be protected thus allowing them to earn a fair return. By encouraging creativity, the IP regime underpins economic growth in the sector and is vital for a balanced economy. It also acts as an important balance between the interests of creators and the users of rights. While altering that balance may reduce the cost to rights-users, it equally may come at the expense of the creative industries. For this reason it is vital that impact assessments include consideration of the costs and benefits in relation to creativity, innovation, investment and ultimately economic growth.

We recognise that the consultation document has sought evidence to support ‘assertions’ contained in the various submissions. We believe that the onus is on those proposing significant changes to the current copyright regime to adduce such evidence. This would ensure that any **policy changes are evidence based**. In addition, once adduced, we would welcome a robust cost benefit analysis for each proposal that fully takes into account the impact of changes on incentives to invest in creative content in Ireland.

**Sky Ireland**

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