

Abstract

A study on the music royalty for audiovisual work transmission services

- Focusing on OTT platforms and Broadcasting systems -

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It would not be an overstatement that the single most important issue in the field of copyright recently was the controversy relating to the music royalty for OTT services. Though the Ministry of Culture, Sports and Tourism approved the tariff terms for audiovisual work transmission services of the Korea Music Copyright Association in December 2020, the dispute between OTT platforms and music rights holders ensued and it has not been resolved yet. The dispute over royalties between the rights holders and the users are appearing in various fields, and the copyright issues are mixed with technological development adding to the complexity of the matter. It is time to set the tariff divided by the type of service or equity right, separated from the technology. Therefore, this paper examines the causes of the controversy relating to the tariff for audiovisual works transmission service, and remaining issues. For the tariff not to fall into the trap of numbers, both parties should reach an agreement on the range of sales and subscribers, which becomes the basis of the royalty calculation. In addition, the government should guide PROs to revise the existing tariff terms for service providing type, that is, by equity right, to distinguish between transmission royalties and broadcasting royalties of the broadcaster, and to prevent transmission royalties discrimination against other industry fields. The risk for the OTT industry can be

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reduced by promptly discussing the neighboring rights as well. Furthermore, to solve the problems relating to contracting practices such as double collections, the definition of the trust management scope should be reviewed. The OTT and the music industries can co-exist only by balancing the protection of rights holders and the nurturing and development of related industries.

Keywords

music copyright, OTT, music royalty, tariff terms, audiovisual work transmission