

**BALTIC PRESS PUBLISHERS' COLLECTIVE MANAGEMENT ORGANISATION  
TRANSPARENCY REPORT  
2024**

## **1. Introduction**

The transparency report of the Baltic Press Publishers' Collective Management Organisation (BPCMO) has been prepared for the period **1 January 2024 to 31 December 2024**.

The transparency report of the BPCMO has been prepared in accordance with § 79<sup>16</sup> (3) of the Copyright Act and Regulation No 15 of the Minister of Justice of the Republic of Estonia of 21 June 2016 "Information to be provided in the transparency report of a collective representation organisation". The transparency report has been prepared based on the available information and financial data in such a way as to ensure that it complies as far as possible with the conditions established for transparency reports in the aforementioned legislation.

The purpose of the transparency report is to provide press publishers with as much information as possible about the exercise of their economic rights, including financial information. This transparency report contains information the provision of which in the context of a non-profit organisation's regular annual report is not mandatory.

## **2. General description of the legal and governance structure of the BPCMO**

The BPCMO is a non-profit organisation established in the Republic of Estonia, the establishment, operation, and termination of which are subject to the Non-Profit Organisations Act with the exceptions arising from the Copyright Act. The BPCMO was registered on 27 June 2024.

The BPCMO is a collective management organisation within the meaning of § 76 of the Copyright Act. The goal of the BPCMO is to collectively exercise the economic copyrights and related (neighbouring) rights of the press publishers that are its members or that are not members, but have signed a representation agreement with the BPCMO, and to protect and otherwise advance the rights and interests of press publishers.

The BPCMO represents press publishers either on the basis of membership (members) or a representation agreement (the represented). The BPCMO enters into a membership or representation agreement, in writing and for an indefinite period of time, with the press publishers interested in the collective exercise of their rights, specifying the rights to be transferred to the BPCMO for exercise, the territories, and the other rights and obligations of the parties.

Membership of the BPCMO is open to any person who meets the requirements set out in article 2.2 of the Articles of Association of the BPCMO. By a decision of the general meeting of the BPCMO, a press publisher who does not fully comply with the requirements of article 2.2 of the Articles of Association, but whose membership in the BPCMO is deemed important by the general meeting, may also be admitted as a member of the BPCMO.

Pursuant to § 79 (7) of the Copyright Act, the BPCMO also has the right to represent all press publishers without authorisation in the cases of evident violations of their rights. The BPCMO also has the right to enter into extended collective licence agreements with users of rights, in

accordance with the provisions of § 57<sup>1</sup> of the Copyright Act.

The BPCMO collects and distributes licence and other similar fees to press publishers who are members of or represented by the BPCMO and who have assigned their respective economic rights to the BPCMO for collective exercise under a membership or representation agreement entered into with the BPCMO. It also collects and retains, under the conditions set out in the Copyright Act, licence and similar fees for all press publishers that are not represented by the BPCMO, but the licensing of whose rights is covered by (extended collective) licence agreements with rights users.

A list of press publishers represented by the BPCMO is made available on the BPCMO website <https://balticpresspublishers.eu/>

The highest body of the BPCMO is the general meeting of its members where all members of the BPCMO may participate unless otherwise provided for by law. The matters placed within the competence of the general meeting are listed in article 4.3 of the Articles of Association. The general meeting also adopts resolutions on all other management matters of the BPCMO which have not been placed within the competence of other bodies by law or the Articles of Association.

The annual general meeting is held at least once a calendar year. Participation in the general meeting is either on-site or by two-way communication, either partially or fully virtually. The management board decides on the manner of participation and voting at the general meeting and the procedure for conducting the general meeting. Special general meetings are held as necessary in the cases and in accordance with the procedure provided for by law or the Articles of Association, as well as when the interests of the BPCMO so require.

The BPCMO was registered for the first time on 27 June 2024. No general meetings were held during the period covered by the transparency report. Resolutions were adopted in writing without calling a general meeting.

The BPCMO has not entered into any representation or other such agreements with the collective management organisations of other countries.

The management board of the BPCMO is the executive governing body of the BPCMO, elected for a term of five years, and can consist of three to five members. The management board of the BPCMO had four members during the period of the transparency report. The members of the management board of the BPCMO were Erik Heinsaar, Toomas Truuverk, Toomas Tiivel (until 01.08.2024), Argo Virkebau (until 31.12.2024), and Martin Šmutov (from 31.12.2024). Erik Heinsaar was elected the chairman of the management board.

The matters placed within the competence of the management board are listed in article 4.21 of the Articles of Association. The management board also adopts resolutions on all other management matters of the BPCMO which have not been placed within the competence of the general meeting by law or the Articles of Association.

State supervision of the requirements that the BPCMO must comply with in its activities under the Copyright Act was carried out by the Estonian Patent Office.

There were no entities owned or controlled directly or indirectly, in whole or in part, by BPCMO during the reporting period.

### **3. Rights exercised by the BPCMO**

The BPCMO exercises the economic copyrights held by press publishers and press publishers' rights, as well as certain rights to remuneration, in the areas set out below. A press publisher can choose whether to assign the exercise of its rights to the BPCMO in some or all areas.

- 1) Reproduction of a press publication online and making it available through search engines (e.g. Google, Bing, Yahoo!, etc.).
- 2) Reproduction of a press publication online and making it available in services the main or one of the main purposes of which is to communicate and/or exchange, transmit or share content, in particular through social media platforms and/or platforms created by other users for making user-generated content (UGC) available (e.g. Facebook, Instagram, LinkedIn, YouTube, Snapchat, Tiktok, etc.).
- 3) Use of a press publication in services the main or one of the main purposes of which is to make available in aggregated form (i.e. aggregation) various press publications, incl. any parts thereof, such as articles, photographs, musical works and audiovisual works (in an unabridged and/or abridged form), other than the use of paid media content behind a paywall.
- 4) Use of a press publication, including any parts thereof, such as articles, photographs, musical works and audiovisual works (in an unabridged and/or abridged form) in services the main or one of the main purposes of which is to provide various media monitoring services, other than the use of paid media content behind a paywall.
- 5) Collecting a fee for the use for private purposes (blank tape levy) of sound recordings of a work and audiovisual works included in a press publication and protected by the economic copyrights and/or related rights of the publisher represented (e.g. rights of a producer of audiovisual works, producer of phonograms).
- 6) Training artificial intelligence in the areas listed above.
- 7) Text and data mining in the areas listed above.

By signing the membership agreement, the member grants to the BPCMO the exclusive right for the collective representation and exercise of the economic rights held by the press publisher owned by the member, for the use of which the member has the right to receive licence or any other fees, worldwide or in selected territories.

By signing the representation agreement, the press publisher that is not a member grants to the BPCMO the exclusive right for the collective representation and exercise of the economic rights of the press publisher, for the use of which the member has the right to receive licence or any other fees, worldwide or in selected territories.

### **4. Information on refusal to enter into licence or other similar agreements**

During the period covered by the transparency report, the BPCMO has not refused to enter into any licence or similar agreements to license the economic rights held by press publishers.

### **5. Financial information: revenues and expenses**

During the period covered by the transparency report, the BPCMO did not collect any licence

or similar fees for rightholders. The BPCMO did not generate any revenue in the period covered by the transparency report.

In order to finance the establishment and operation of the BPCMO, the founding members granted to the BPCMO a loan in the total amount of €60,000 during the period covered by the transparency report.

The expenses incurred during the period covered by the transparency report, by type of expenses, are set out below.

Various office costs	473	1.69%
Legal assistance	15,923	57.05%
Translations	1,126	4.03%
Accounting	577	2.07%
Other expenses	9,812	35.16%
<b>TOTAL</b>	<b>27,911</b>	<b>100%</b>

All of the above expenses were incurred to carry out the general activities of the BPCMO and for making preparations, not to exercise individual rights by category.

## 6. Collection and distribution of fees

During the period covered by the transparency report, the BPCMO did not yet collect licence or similar fees for press publishers or distribute them to press publishers. The BPCMO made preparations to start negotiations on the licensing of the economic rights of press publishers.

## 7. Information on relations with other organisations

During the period covered by the transparency report, the BPCMO had no contracts with other similar organisations.

## 8. Special report

Pursuant to § 79<sup>16</sup> (3) 4) of the Copyright Act, *a special report must contain information on amounts deducted during the financial year for the purpose of providing social, cultural and educational services.*

In addition, the membership and representation agreement states that after deducting the amount of the management fee and before paying out the fee, the BPCMO has the right to use up to 10% of the fee subject to distribution for the common advancement of the rights and interests of the press and/or press publishers and/or for other similar purposes in accordance with the procedure approved by a resolution of the management board of the BPCMO and the guidelines provided by the general meeting.

During the period covered by the transparency report, the BPCMO did not deduct amounts for the purpose of providing social, cultural, or educational services.