

Annual Report

*for Year
2017*

LITA, Society of Authors, Basic Information

LITA, Society of Authors, is a civil association of authors and other rights holders registered by Ministry of Interior of the Slovak Republic under No. VVS/1-900/90-7923, consisting of 561 members as at 31.12.2017. It operates in accordance with and under the Statutes approved by the LITA General Assembly, as well as Authorisation on the execution of collective management of rights granted by the Ministry of Culture under No.: MK-1587/2016-232/10421 on August 18, 2016.

<http://www.lita.sk/zakladne-dokumenty/>

” *As at 31.12.2017, LITA represented 3 072 rights holders based on representation agreements concluded with these rights holders.*

As a collective management of rights organisation LITA operates in accordance with Part Five – Management of Rights of the Act 185/2015 Coll. on authors’ rights and rights related to authors’ rights (hereinafter referred to as “Copyright Act”).

LITA represents authors of literary, dramatic, music-dramatic, choreographic, pantomi-

mic, audio-visual works (with the exception of authors of music created for or used in an audio-visual work), works of photography and visual arts, architectural works and works of applied arts.

As at 31.12.2017, LITA represented 3 072 rights holders based on representation agreements concluded with these rights holders.

Based on reciprocal representation agreements with foreign collective management organisations and mandates, LITA represents rights holders from all over the world when their works are used within the territory of the Slovak Republic.

<http://www.lita.sk/zahranicna-spolupraca>

In accordance with the provision of Sec. 146 of Copyright Act on mandatory collective management of rights and provisions of Sec. 79 and Sec. 80 of Copyright Act on extended mass licence agreement, LITA exercises rights of all rights holders mentioned above (third paragraph), distributes and pays out royalties and remuneration to them in areas of use of protected works according to the information available at the official website of the Ministry of Culture

<http://www.culture.gov.sk/posobnost-ministerstva/media-audiovizia-a-autorske-pravo-/autorske-pravo/kolektivna-sprava-prav-d3.html>

Bodies of LITA and Executive

1. General Assembly

On June 8, 2017, LITA General Assembly took place where the attendants approved:

- LITA annual report and financial statements for year 2016,
- the annual report on the activity of Board of LITA since the last LITA General Assembly meeting,
- rules on collective valorisation of revenue from collective management of rights and rules on risk management,
- amendment of the Statutes of LITA, Society of Authors.

At the same time, the General Assembly took note of the information on individual annual written declarations of members of the regulatory body and supervisory body, their relationship to LITA as a member or rights holder and of all remuneration and payments received in the previous calendar year based on this relationship.

2. Board

According to art. VI of the Statutes of LITA, Board of LITA is the supreme regulatory body.

In 2017, Board of LITA consisted of:

Ondrej Šulaj – Chairman, **Marián Puobiš** – Vice-Chairman, **Miroslava Brezovská** – Vice-Chairwoman, **Judita Csáderová**, **Dušan Dušek**, **Elena Flašková**, **Martin Kellenberger**, **Daniel Kollár**, **Dušan Trančík** - members.

During the whole period, the Board fulfilled its competencies resulting from the Statutes of LITA. It convened eight times in course of 2017.

3. Director

In 2017, **Magdaléna Debnárová** served as Director of LITA.

4. Executive

In 2017, 22 employees worked in LITA in the following departments:

- Directorate,
- Collective Management of Rights and International Relations Department,
- Licencing Department,
- Documentation and Repartition Department,
- Economic Department.

More details at [http://www.lita.sk/oddele-
nia/](http://www.lita.sk/oddele-
nia/).

Activity of LITA, Society of Authors

A. Core activity

COLLECTIVE MANAGEMENT OF RIGHTS

In accordance with Authorisation for the exercise of collective management of rights granted by the Ministry of Culture of the Slovak Republic, LITA performs collective management of rights in the following areas:

- a) collection of remuneration for private copying of literary, dramatic, music-dramatic, choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts,
- b) collection of remuneration for making copies of literary, dramatic works, works of photography or visual arts by means of reprographic equipment,
- c) collection of royalties for resale of an original work of visual arts,
- d) use of literary, dramatic, music-dramatic, choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts by their public disclosure by cable retransmission,
- e) making copies of literary, dramatic, music-dramatic, choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts,
- f) public distribution of an original or copy of literary, dramatic, music-dramatic, choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts by means of transfer of title,
- g) public distribution of an original or copy of literary, dramatic, music-dramatic, choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts by means of rental,
- h) public distribution of an original or copy of literary, dramatic, music-dramatic, choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts by means of lending,
- i) disclosure of literary, dramatic, music-dramatic, choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts to the public by means of public exhibition,
- j) disclosure of literary, dramatic, music-dramatic, choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts to the public by means of public performance in form of live performance,
- k) disclosure of literary, dramatic, music-dramatic, choreographic, theatre, audiovisual works, works of photography and visual arts, architectural works and works of applied arts to the public by means of public performance in form of technical performance,

l) use of literary, dramatic, music-dramatic, choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts by public disclosure by broadcasting,

m) use of literary, dramatic, music-dramatic, choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts by public disclosure by retransmission,

n) use of literary, dramatic, music-dramatic, choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts by public disclosure by making available to the public,

o) use of literary, dramatic, music-dramatic,

choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts by public disclosure by other means of communication to the public,

p) use of literary, dramatic, music-dramatic, choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts by alteration, including into database or merging with another subject of protection,

q) collection of equitable remuneration for use of literary, dramatic, music-dramatic, choreographic, audiovisual works, works of photography and visual arts, architectural works and works of applied arts by public distribution by rental.



More details at <http://www.lita.sk/co-je-kolektivna-sprava>.

LITA performed its core activity by conducting negotiations on terms and conditions of granting licences, by concluding licence agreements, mass and collective licence agreements and extended mass licence agreements.

” *In 2017, LITA distributed royalties to local as well as foreign authors and paid the royalties within deadlines and under conditions set forth in the Distribution Rules.*

In cases of illegal use of works resolved by conciliation, LITA concluded 112 settlement agreements with users. In 2017, LITA had 249 lawsuits on claim of unjust enrichment due to illegal use of works.

LITA monitors use of work of authors repre-

sented by LITA, and in case of mandatory collective management of rights, it also monitors use of work of authors not represented by LITA based on representation agreements. In 2017, LITA distributed royalties to local as well as foreign authors and paid the royalties within deadlines and under conditions set forth in the Distribution Rules.

B. Ancillary activity

DEPOSIT OF WORKS

This LITA service related to the protection of authors' rights was requested by authors themselves. In case of a dispute, the deposit serves to demonstrate that a person handled a work as at certain date, which is particularly important in case a work is used illegally (without author's consent), or some other person passes it for his/her work. Yearly, LITA deposits an average of 90 objects and concludes deposit agreements with depositors.

More details at <http://www.lita.sk/uschova-autorskych-diel/>.

Other Activities of LITA

A. International activities:

LITA is a member of several international organizations associating collective management organisations that represent the same or similar repertoire. It is a member of

- CISAC (Confédération Internationale des Sociétés d'Auteurs et Compositeurs - International Confederation of Societies of Authors and Composers)
 - IFRRO (International Federation of Reproduction Rights)
 - SAA (Society of Audiovisual Authors)
- an observer within

- EVA (European Visual Artists)

LITA concluded reciprocal representation agreements and mandates for different uses of different types of copyrighted works with individual foreign collective management organisations and other organisations associating rights holders. Their list can be found at <http://www.lita.sk/zahranicna-spolupraca/>.

In 2017, LITA attended various international conferences and meetings of associations of collective management organisations of which it is a member. LITA representatives actively participated in these meetings, discussed multilateral and bilateral relations between collective management organisations, exchanged information on crucial problems



CISAC Media Technical Committee meeting, October 10 -11, 2017



Debate at the Bratislava Book Festival (BRaK), June 3, 2017

in exercise of authors' rights in various areas of use of works, impact of the European case-law on practice, and discussed other important issues related to the collective management of authors' rights.

FOREIGN BUSINESS TRIPS:

1. *CISAC meeting of European Group*, 5.-6.4.2017 *Moscow, Russia*,
2. *IFRRO of European Group and working groups*, 30.-31.5.2017, *Helsinki, Finland*,
3. *PLR International*, 25.-27.9.2017, *Paris, France*
4. *CISAC meeting of Media Technical Committee*, 10.-11.10.2017, *Budapest, Hungary*
5. *W&DW (Writers&Directors Worldwide)*, an-

nual meeting, 15.-16.11.2017, *Venice, Italy*

6. *CISAC annual seminar*, 16.-17.11.2017, *Budapest, Hungary*

B. LITA partnerships

In 2017, LITA was a partner to

- Slovak Film and Television Academy in organising the Slovak Film Week that took place from April 3 to 9, 2017. Member of Board of LITA Dušan Trančík presented Outstanding Contribution to Slovak Cinema Award to director Rudolf Urc,

- BRaK, civil association, in organising the Bratislava Book Festival 2017; a debate entitled "How a book is made" took place as part of the festival with writer Monika Kompaniková, publisher Ján Gregor and LITA employee

Martina Stašíková as participants and Oliver Reháč from Denník N as a host,

- Slovak Union of Visual Arts in organising workshops for artists focusing on copyright; on May 20, 2017, a debate entitled “Informal meeting with artists and public” with Pavol Kráľ and LITA employee Martina Stašíková took place in Umelka on Right to remuneration for resale of an original work of visual arts,

- Faculty of Arts of the Constantine Philosopher University in Nitra in organising an expert workshop Summer School of Audio-visual Translation; on June 20, 2017, LITA employees Lucia Miklasová and Paulína Hovančáková gave a lecture on authors, rights as part of the workshop,

- Film and Television Faculty of the Academy of Performing Arts in Bratislava in organising the Student Film Festival Áčko 2017 from

October 18 till October 21, 2017; Ms Elena Flašková, member of Board of LITA, presented Michal Blaško with the Best Director Award for the movie “Atlantída” (2003) at the award ceremony.

(more details at: <http://www.lita.sk/magazin/cena-lita-za-najlepiu-reziu-2017>),

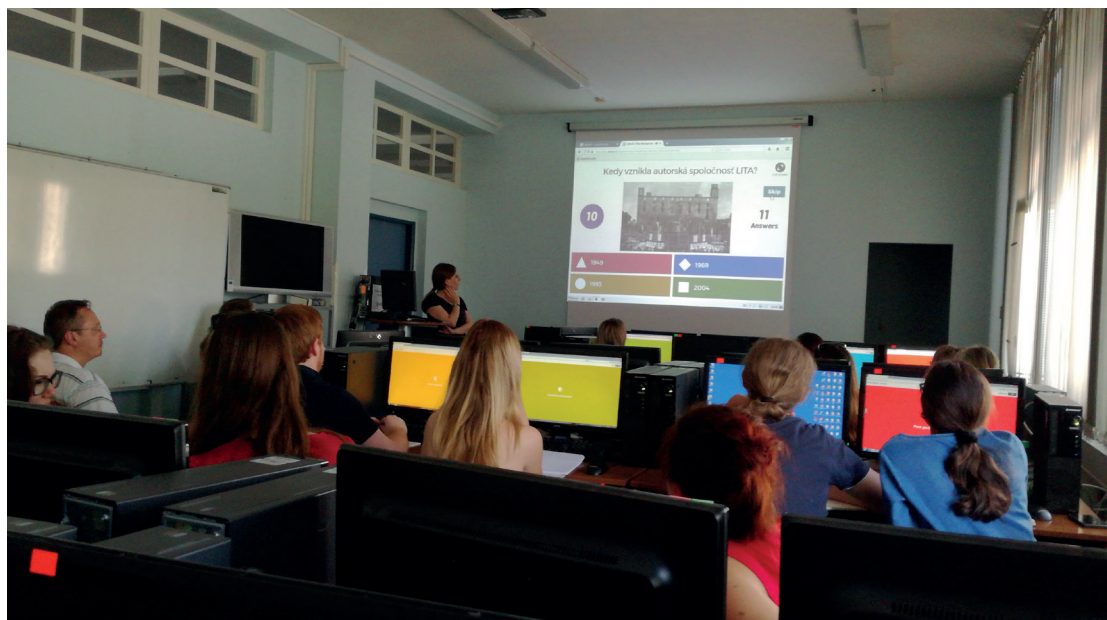
-civil association literarnyklub.sk in production of programme cycles of the literarnyklub.sk project: Literary club, LQ – literary coefficient, Literary calendar, Art debut,

- ASIL – Slovak Illustrators Association, civil association, in executing a project of a wall decoration within the premises of Children’s Hospital at Kramáre, Bratislava; the project was unveiled on December 13, 2017.

(more details at: <http://www.lita.sk/magazin/za-dverami-detskej-nemocnice-sa-skryva-necakane-vela-umenia>)



Debate at the Slovak Union of Visual Arts on „Right to remuneration for resale of an original work of visual arts“, May 20, 2017



Lecture on copyright at the expert workshop Summer School of Audiovisual Translation, Faculty of Arts of the Constantine Philosopher University in Nitra



Waiting room at the Radiology Clinic, Kramáre Children's Hospital, the ASIL project



Best Director Award for Michal Blaško presented by Elena Flašková, member of the Board of LITA, at the Student Film Festival Áčko 2017

LITA also supported the IATC (International Association of Theatre Critics) Slovak Centre in its project for the 2016/2017 theatre season – play reviews.

LITA employees actively participated in other events such as

- lecture on copyright at the Department of Cultural Studies of the Faculty of Arts of the Constantine Philosopher University in Nitra on November 29, 2017,

- lecture on copyright at the Department of Translation Studies of the Faculty of Arts of the Constantine Philosopher University in Nitra on December 5, 2017

(more details at: <http://www.lita.sk/magazin/navstivili-sme-studentov>),

- interactive debate with students as part of the RE:kreácia festival aimed at explaining to children how a book is made, organised by Ružinov City Library on October 9, 2017; LITA employee Martina Stašíková participated in the debate together with author Vanda Rýmanová.



Lecture on copyright at the Department of Cultural Studies of the Faculty of Arts of the Constantine Philosopher University in Nitra, November 29, 2017

LITA Economic Results

A. Collected royalties and remuneration (cash collection) and their structure

A.1 MANDATORY COLLECTIVE MANAGEMENT OF RIGHTS			
collected royalties and remuneration	2016	2017	increase/decrease (%)
cable retransmission	335 032	527 912	+57,57%
private copying	462 068	1 045 667	+126,30%
reprographic reproduction	751 469	777 004	+3,39%
resale of an original work of visual arts	84 553	74 813	-11,52%
total	1 633 122	2 425 396	+48,51%

A.2 VOLUNTARY COLLECTIVE MANAGEMENT OF RIGHTS			
collected royalties	2016	2017	increase/decrease (%)
television broadcasting	457 961	332 320	-27,43 %
radio broadcasting	69 240	108 423	+56,59 %
public performance	497 056	501 435	+0,88 %
sale of copies of a work	52 492	48 507	-7,6 %
making available to the public	941	0	
total	1 077 690	990 685	-8,07 %

A.3 EXTENDED MASS LICENCE AGREEMENT			
received royalties	2016	2017	increase/decrease (%)
public lending	306 204	313 879	+2,51 %
communication to the public by means of technical devices	329 492	345 798	+4,95 %
total	635 696	659 677	+3,77%
total received royalties and remuneration	2016	2017	total increase (%)
	3 346 508	4 075 758	+21,79 %

B. LITA Financial Management

costs

material consumption.....	5 043,89
energy consumption.....	4 993,89
repairs and property maintenance	5 169,41
travel expenses	7 981,79
representation expenses	110,39
other services	58 803,29
labour costs.....	408 062,93
statutory social and health insurance	124 020,65
statutory social expenses.....	13 788,16
motor vehicle tax	117,86
immovable property tax	1 316,73
other taxes and fees.....	5 733,99
exchange losses.....	10,95
other costs	8 389,54
depreciation.....	18 393,24
international organisations – membership fees.....	6 041,48
total costs.....	667 978,19

income

use of works	655 525,01
interest.....	22 545,18
membership contributions	3 867,96
other income	2 730,92
total income.....	684 669,07

Economic result for 2017 was positive in the amount of € **16.690,88**. The average overhead expense of LITA from collected and distributed royalties and remuneration was **16,14%** in 2017.

Other information pursuant to Sec. 182 (1) of Copyright Act

F)

Total remuneration paid to members of management body and members of supervisory body is in the amount of € 65.461,07.

G)

Total revenue from the exercise of collective management of rights according to individual areas of collective management of rights:

cable retransmission	127 607,94
private copying	84 596,23
resale of an original work of visual arts	11 799,03
public lending.....	77 089,57
public performance.....	55 833,35
communication to the public.....	45 439,78
communication to the public by means of technical devices	82.977,52
reprographic reproduction	160 632,64
sale of copies of a work.....	9 548,95
total	655 525,01

H)

Valorisation of revenue from collective management of rights, use of income:

LITA used income from collective management of rights as effectively as possible. As at 31.12.2017, LITA achieved a surplus in the

amount of € 16.690,88. After the annual report is approved by the General Assembly, the surplus shall be accounted to the LITA bridge account.

I)

1. COSTS OF PROVIDING OF SERVICES OF COLLECTIVE MANAGEMENT OF RIGHTS ACCORDING TO INDIVIDUAL AREAS:

area of collective management of rights	out costs of total costs (%)
cable retransmission	16,48
private copying	14,29
resale of an original work of visual arts	6,20
public lending	8,45
public performance	14,04
communication to the public	9,70
communication to the public by means of technical devices	14,21
reprographic reproduction	13,33
sale of copies of a work	3,30

2. PERCENTAGE OF THE COSTS OF COLLECTIVE MANAGEMENT OF RIGHTS AND OTHER SERVICES

costs	out of total costs (%)
costs of management of rights	99,7
other costs	0,3

balance as at 31.12.2016			funds allocated from resources in 2017			
S	C	E		S	C	E
78.892,67	122.188,95	77.823,74	D	4.172,47	8.344,93	4.172,46
			UR	13.503,19	27.006,38	13.503,19
funds distributed in 2017			balance as at 31.12.2017			
S		8.500,00	S		88.068,33	
C		33.800,00	C		124.240,26	
E		0,00	E		95.499,39	

Key: S – social benefits, C- cultural purposes, E – educational purposes, D – deductions from royalties of foreign authors, UR – unidentified royalties

3. AND 4. SOCIAL, CULTURAL AND EDUCATIONAL FUND, EXPLANATION ON PURPOSE OF THE FUND, ALLOCATIONS TO THE FUND AND DISTRIBUTION ACCORDING TO THE RESPECTIVE PURPOSES OF ITS USE:

On May 26, 2016, LITA General Assembly approved statute of the LITA Social, Cultural and Educational Fund. The resources of the LITA Social and Cultural Fund were transferred to the LITA Social, Cultural and Educational Fund.

More details at <http://www.lita.sk/fond-lita/>.

5. REVENUE FROM THE EXERCISE OF COLLECTIVE MANAGEMENT OF RIGHTS AND OTHER INCOME (INTEREST, MEMBERSHIP CONTRIBUTIONS AND OTHER REVENUE) WERE USED TO COVER THE COSTS.

J)

Amounts distributed to rights holders according to particular areas of collective management of rights:

area of collective management of rights amount distributed

cable retransmission	512 293
private copying	442 088
resale of original of work of visual arts....	74 812
public lending	238 878
public performance	489 990
communication to the public.....	369 653
communication to the public through technical devices	254 966
reprographic reproduction.....	541 898
sale of copies of a work	48 506
total	2 973 084

K)

Royalties paid to rights holders according to individual areas of collective management of rights:

area of collective management of rights.....	amount paid
cable retransmission.....	382 715
private copying	349 157

resale of an original work of visual arts	70 718
public lending	184 057
public performance	505 317
communication to the public	454 285
communication to the public through technical devices	129 547
reprographic reproduction	420 004
sale of copies of a work	50 105
total	2,545.905

The respective amounts were paid to authors within deadlines set forth in the Distribution Rules. Royalties were paid out by 30.9. of the respective calendar year at latest, and they were royalties distributed from the previous year.

Royalties paid out to local authors:	
.....	1,753.085,31 €
Royalties paid out to foreign authors:	
.....	792.819,50 €

M)

The amount of unidentified royalties and information on their use:

In 2017, the total amount of unidentified royalties was € 289,351,30. The resources shall be used according to art. V of the LITA Distribution Rules.

N)

1. AMOUNTS RECEIVED FROM OTHER COLLECTIVE MANAGEMENT ORGANISATIONS ACCORDING TO PARTICULAR AREAS:

Costs and other deductions for services provided are applied pursuant to reciprocal agreements between organisations.

All royalties received from other organisations were distributed and paid out to the rights holders.

CABLE RETRANSMISSION:

ZAPA	2.667,96 €
Suissimage	2.354,84 €
Bild -Kunst	9.137,22 €
SACD	256,14 €
VGWort	1.029,37 €
Filmjus	383,35 €
ALCS	292,09 €
DILIA	1.119,96 €

REPROGRAPHIC REPRODUCTION:

Bild-Kunst	4.681,31 €
------------------	------------

PUBLIC LENDING:

DILIA	7.713,00 €
-------------	------------

RESALE OF AN ORIGINAL WORK OF VISUAL ARTS:

Bild-Kunst	1.375,15 €
GESTOR	11.352,62 €

COMMUNICATION TO THE PUBLIC:

DILIA	2.500,00 €
AAS	200,0 €

COMMUNICATION TO THE PUBLIC BY MEANS OF TECHNICAL DEVICES:

DILIA	6.870,48 €
-------------	------------

PUBLIC PERFORMANCE:

DILIA	11.229,00 €
ZAIS	1.718,00 €

SALE OF COPIES OF A WORK:

ARS	602,00 €
Hungart	32,40 €

1. AMOUNTS PAID OUT TO OTHER COLLECTIVE MANAGEMENT ORGANISATIONS

CABLE RETRANSMISSION:

ALCS	8.251,34 €
CSCS	1.188,11 €
DRCS	1.406,83 €
Directors Uk Limited.....	10.226,27 €
VDFS	519,09 €
SIAE	10.373,79 €
ZAPA.....	4.788,23 €
AGICOA.....	45.661,09 €
Literar mechana.....	731,15 €
VG Wort	6.630,04 €
Bild- Kunst.....	7.934,56 €
Filmjus	3.390,70 €
Dacin Sara	90,16 €
ASDACS	86,43 €
SOGEM	2.836,24 €
LIRA.....	44,45 €
SABAM	592,73 €
Copysvede	526,77 €
WGA	21.473,16 €
DGA.....	24.362,96 €
DILIA.....	20.571,72 €
SACD.....	12.450,04 €
SGAE.....	111,41 €
AWGACS	55,43 €
SGE Mexico.....	873,17 €
OOA-S.....	37,64 €

PRIVATE COPYING:

ALCS	7.564,89 €
CSCS.....	3.622,76 €
DRCS.....	4.151,48 €
VDFS	397,07 €
SIAE.....	10.737,66 €
ZAPA.....	3.623,36 €
AGICOA.....	4.467,46 €
Literar mechana.....	959,58 €
VG Wort	9.139,31 €
Bild- Kunst.....	11.361,31 €
Filmjus	227,97 €
Dacin Sara	93,09 €
ASDACS	160,05 €
SOGEM	6.153,50 €
OOA S	37,58 €
LIRA.....	73,62 €
SABAM	385,03 €
Copysvede	477,00 €
WGA	34.240,61 €
DGA.....	39.176,45 €
DILIA.....	17.559,75 €
SACD.....	11.906,05 €
SGAE.....	135,14 €
AWGACS	116,97 €
SGE Mexico.....	6.964,98 €
FINTAGE.....	277,81 €
MPA.....	38.948,00 €

COMMUNICATION TO THE PUBLIC BY MEANS OF TECHNICAL DEVICES:

ALCS	7.565,89 €
DRCS.....	785,36 €
VDFS	225,62 €
ZAPA.....	2.779,75 €
AGICOA.....	23.602,64 €
Literar mechana.....	322,08 €
VG Wort	3.740,20 €
Bild- Kunst.....	4.490,80 €

ARS	15,21 €
ASDACS	46,40 €
SOGEM	310,10 €
LIRA	23,83 €
SABAM	338,35 €
Copysvede	305,25 €
WGA	11.096,59 €
DGA	12.678,17 €
DILIA	7.785,60 €
SACD	7.157,31 €
SGAE	60,61 €
AWGACS	29,72 €
OOA-S	21,81 €

COMMUNICATION TO THE PUBLIC:

Nordiska APS	500,00 €
SIA	600,00 €
SACD	400,00 €
SIAE	1.200,00 €
Diogenes Verlag	500,00 €

PUBLIC PERFORMANCE:

AURAPONT	27.301,35 €
DILIA	26.338,38 €
SACD	33.664,03 €
SGAE	1.154,93 €

SIAE	2.255,59 €
UACRR	520,38 €
ZAIS	21.274,98 €
Nordiska	500,00 €

RESALE OF AN ORIGINAL WORK OF VISUAL ARTS:

OOA-S	131,75 €
Bildupphovsrätt	164,40 €
Gestor	878,88 €
ADAGP	122,50 €
HUNGART	3.398,20 €

SALE OF COPIES OF A WORK:

ARS	405,80 €
Bild-Kunst	36,84 €
ADAGP	6.096,00 €
OOA-S	14.175,00 €

Costs and other deductions for services provided to individual organisations are applied pursuant to reciprocal agreements between societies.

All royalties received from other organisations were distributed and paid out to the rights holders.