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Protection of IP works and of their participants: two "contradictory" sides of the same coin

Finos Film, one of the oldest film production companies in Greece recently opted out from its collaboration with Youtube and Google. The company had made available through its own channel on Youtube its classic Greek movies, in an effort to efficiently and cost-effectively stop and prevent the piracy of such films.

However, the potentially advantageous and multi-audience appeal of the YouTube resource finally became an unfortunate disadvantage for Finos, when the collecting societies of the IP rights of the performers and producers participating in such films claimed the respective remuneration for the on-line broadcasting of the films.

According to Finos, the remuneration claimed by the collecting societies was high and without consideration neither of the economic reality nor of the specificities of the Web as means of broadcasting; such remuneration was therefore more than what Finos could afford and in any case disproportionate in relation to Finos' expected and actually generated proceeds.

As provided for by the applicable legal provisions (Law 2121/1993 on Intellectual Property), the performers whose performance is carried out in a fixation and the producers of the recordings are entitled to an equitable remuneration corresponding to the broadcasting of the fixations/recordings and such remuneration is obligatorily negotiated by and payable to the respective collecting societies. In the event of dispute, the rate of such reasonable remuneration and the terms of payment shall be determined by the competent Greek court pursuant to the injunctive relief procedure.

The high remuneration rate claimed by collective societies, the avoidance of potentially time and cost consuming court proceedings and the decision of Finos to interrupt the on-line broadcasting of its films magnified a problem detected already at the beginning of the Internet Era: the protection of IP works against piracy clashes with the protection of the IP rights of the participants of such works, given that the low speed information and vigilance methods regarding the internet related legal issues and the fixation of remuneration rates do not keep up with the high speed internet evolution.