

COLLECTING SOCIETIES - CODE OF CONDUCT REVIEW

AUSTRALIAN SCREEN DIRECTORS AUTHORSHIP COLLECTING SOCIETY (ASDACS) REPORT OF COMPLIANCE 1 July 2021 - 30 June 2022

General Section

The Australian Screen Directors Authorship Collecting Society Ltd (ASDACS) was incorporated in 1995. ASDACS' collects and distributes secondary royalty income for audio-visual directors, which arise from the screening of their work both internationally and domestically.

Compliance Section

Legal Framework (Code, Clause 2.1)

ASDACS' change to its financial period from a calendar year to an Australian financial year took effect 1 July 2021.

During the reporting period, ASDACS undertook a review of its Articles of Association and Memorandum (written in 1995) with aim to update its constitution in line with modern governance standards. Any changes will be circulated the membership and tabled at the next ASDACS Annual General Meeting in November 2022.

ASDACS Privacy Policy, 2020 Annual Accounts and Articles of Association and Memorandum are made available on the ASDACS website <https://asdacs.com.au/about>.

ASDACS consists of three staff members and one casual staff member. The staff list is available on the ASDACS website <https://asdacs.com.au/about#our-staff>.

ASDACS is not a declared society under the *Copyright Act 1968*, and is therefore not required to comply with the Attorney General's Guidelines for Collecting Societies. Nevertheless, ASDACS constitutional rules are largely modelled on these guidelines.

Members (Code, Clause 2.2)

By the end of the period under review, the membership had grown to 1428 [2021: 1343], an increase of 6 %. 1114 members were Australian, 198 New Zealander and 116 were international residents.

As noted previously, ASDACS changed its' Articles of Association and Memorandum in 2020 to make membership conditional upon directors assigning their retransmission rights to ASDACS. Members were notified throughout the process and have been provided with an 'Assignment of Copyright' form to sign, cover letter, information sheet and notification to provide to contracting parties. The roll out continues with an educational webinar for members on the new membership model planned during the 2022-2023 financial year.

As previously reported, in addition to its constitution, the ASDACS website features a FAQ section with information sheets aimed to provide members with access to information and resources, available at: <https://asdacs.com.au/faqs>.

ASDACS Code of Conduct Compliance 2021-22

All staff are trained to readily respond to members queries and complaints, in accordance with ASDACS complaints policy located here: <https://asdacs.com.au/about#policies>.

Licensees (Code, Clause 2.3)

ASDACS does not grant licences to use copyright works.

Distribution of Remuneration and Licences (Code, Clause 2.4)

ASDACS does not collect licence revenue, but instead collects royalties generated from secondary rights. Secondary royalty income for the 2021-2022 financial year period totalled \$1,668,069. This includes domestic retransmission royalty revenue totalling \$44,951 (gross) received from Screenrights.

A total of \$2,431 bank interest earned on ASDACS income over the 2021 - 2022 financial year will be distributed evenly to its members in accordance with its constitutional rules.

ASDACS distributes domestic and international income collected the prior financial year to members on an annual basis. During the year under review, \$1,375,021 of secondary royalties collected in the 2020 year were distributed to the members.

Due to the transition from a calendar year to an Australian financial year, ASDACS will make a special one off distribution of income received over an 18mth period (1 January 2021 – July 2022) instead of the usual 12 month period. The membership have been notified and we expect the next distribution to commence November 2022.

In accordance with ASDACS' constitutional rules, after four years, undistributed funds are transferred into a development fund and put toward the benefit of the members. During the year, \$46,959 of expired distributions were allocated to the development fund. \$7,421 was used on database development, \$21,030 was allocated to governance development (\$6,030 on training and strategy, \$15,000 on legal costs toward a constitutional review) and \$3,685 was paid out to members during the year from previously closed funds. The remaining balance in the development fund at 30 June 2022 is \$48,702.

As reported previously, the ASDACS distribution rules and practices were updated in June 2019 to include requirements as per the Code of Conduct changes introduced 1 July 2019. In particular, the guideline maintains that the membership will be consulted prior to making any substantive changes to its distribution rules and practises and affirms that a detailed report on undistributed funds will be made available to its members. A plain English distribution rules and practices guideline is also available on the ASDACS website: <https://asdacs.com.au/faqs>.

Collecting Society Expenses (Code, Clause 2.5)

During the period under review, ASDACS' members received the full amount of gross royalties that ASDACS has received from reciprocal collecting societies internationally for their works, less the following amounts:

1. **Administrative fee:** administrative fee of 16 per cent, which covers ASDACS' operational expenses.
2. **Membership fee:** membership fee of 10 per cent, waived for members of the Australian Directors' Guild (ADG), the Directors and Editors Guild of New Zealand (DEGNZ), beneficiaries and retirees.

ASDACS Code of Conduct Compliance 2021-22

- 3. Cultural and Charitable Purposes Fund:** cultural and charitable purposes fund fee of 4 per cent. In 2021 – 2022 , \$66,849 was transferred to the fund (adding to an existing \$71,402). \$70,000 was granted to the Australian Directors Guild (ADG) for the ADG Awards and ADG National Industry Development Program, \$5,000 was granted to the Directors and Editors Guild of New Zealand (DEGNZ) for a Director Masterclass, \$12,000 was donated to the Motion Picture Industry Benevolent Society to support industry professionals in need and \$1,000 was donated to the CISAC Ukrainian War Fund to support displaced collecting societies and creators.

Governance and Accountability (Code, Clause 2.6)

At its Annual General Meeting, seven members were appointed to the ASDACS' Board in accordance with its' constitutional rules. The list of the board members appointed is available at: <https://asdacs.com.au/about#our-board>.

The 2021 – 2022 audited ASDACS Annual Accounts will be made available on the ASDACS website at <https://asdacs.com.au/about#governance>. The annual report includes detail on collections, administration expenses, distributed funds and undistributed funds.

ASDACS is also a member of CISAC (the International Confederation of Societies of Authors and Composers) and abides by CISAC professional rules and standards, including the submission of an annual financial declaration, completion of a professional rules questionnaire and Asia-Pacific Committee Territory/Society Reports.

Staff Training (Code, Clause 2.7)

During the period, all staff were made aware of the code and gave further training on ASDACS' complaints handling procedure, as outlined in the ASDACS complaints policy available at <https://asdacs.com.au/about#policies>.

Education and Awareness (Code, Clause 2.8)

The ASDACS website www.asdacs.com.au continues to promote the importance of copyright and makes detailed reference to the nature of copyright as administered by societies in Australia and overseas, addressing the functions and policies of ASDACS in particular.

ASDACS continued to send a quarterly e-news and Social media (Twitter, Facebook and LinkedIn) to keep members informed and aware of its work and progress.

ASDACS also continues to promote fair remuneration for screen directors. This is in alignment with the broader international Writers and Directors Worldwide 'Audio-visual campaign', which is aimed at gaining an unassignable and un-waivable right to remuneration for audio-visual authors across the globe.

ASDACS is also a member of the Asia-Pacific Audio-visual Alliance for Writers and Directors, aimed as a platform for audio - visual creators to share, connect and communicate, advocate for stronger copyright protections and further their interests in Asia-Pacific.

Plain English distribution rules and practices guidelines, as well as information sheets on retransmission rights, undistributed funds and distribution practices are available to members on the ASDACS website. ASDACS also makes its documents available on the new Code of Conduct for Copyright Collecting Societies website introduced 1 July 2019.

Reporting by Declared Collecting Societies (Code, Clause 2.9)

As previously noted, ASDACS is not a declared Collecting Society under the Act.

Complaints and Disputes (Code, Clause 3)

The July 2021 to June 2022 reporting period covers the distribution of 2020 royalty income. During this time, no formal complaints were lodged.

In accordance with the recommendations of the Code Reviewer in the Report of Review of Copyright Collecting Societies Compliance with their Code of Conduct for the Year 1 July 2012 to 30 June 2012, ASDACS changed its process for the recording of complaints. Therefore, any complaints received by ASDACS during the Review Period are identified in a specific Complaints Register, separate to other general interactions with members.

Publicity and Reporting (Code, Clause 4)

ASDACS publicises the Code and its adherence to it, on its website and in all relevant information documents are provided to members and potential members.

The Code is posted on the ASDACS website at <https://asdacs.com.au/about#governance>, where interested observers can find the latest Report on Compliance, the Triennial Review of the Operations of the Code and the 2022 Call for Submissions. Members can download these documents or request hard copies from the office.

As noted previously, ASDACS also makes its documents available on the Code of Conduct for Copyright Collecting Societies website at: <https://www.copyrightcodeofconduct.org.au/collecting-societies> (introduced 1 July 2019).

Annual Compliance Monitoring and reporting (Code, Clause 5.2)

As previously reported, in order to improve the capture and exploitation of data to achieve better business practices, ASDACS has upgraded its database to allow the transfer of its repertoire of members works to the International Documentation on Audio-visual Works (IDA) database: <https://www.ida-net.org>. IDA is a non-profit international audio-visual rights management system, owned by CISAC, that Authors Societies consult to get accurate information on audio-visual works and rights owners. ASDACS continues to update and add new works to IDA on a regular basis.