

**MINUTES OF THE ANNUAL GENERAL MEETING OF COPYRIGHT AGENCY
LIMITED HELD IN THE WOODSTOCK ROOM, AT THE OFFICE OF GILBERT &
TOBIN, LEVEL 35, TOWER TWO, INTERNATIONAL TOWERS SYDNEY,
BARANGAROO, NSW 2000**

The meeting commenced at 4:00 p.m.

Present

Please refer to Annexure A
for a list of members who were
present at the virtual meeting

In attendance

Kate Harrison (Chair)
Arthur Baker (Director)
Jane Curry (Director)
Jason Eades (Director)
Richard Eccles (Director)
Cath Godfrey (Director)
Anne Maria Nicholson
(Director)
Kirsty Murray (Director)
Dr Oliver Watts (Director)
Leslie Loble (Director)
Matthew Ricketson
(Director)
Josephine Johnston (CEO)
Melissa Willan (Company
Secretary)

Observers

Sam Abraham
Rosie Daniele
Libby Baulch
Johanna Roberts
Virginia Morrison

Rosanna Acriuli
Nicola Evans
Charmain Chan
Sean Byrne
Guy Johnson

Warwick Shanks (KPMG)
Kate Haddock (Banki
Haddock Fiora)
Anna Scruby (ASA)

Introduction and Quorum

The Chair noted that a quorum was present and declared the meeting open.

The Chair introduced herself and gave an acknowledgement of country to the Gadigal People of the Eora Nation. The Chair also noted that this meeting was being streamed live to members who were unable to attend the meeting in person.

The Chair acknowledged and thanked the members of the Board and the management team, for their dedication and the expertise they bring to Copyright Agency. The Chair also introduced and thanked Warwick Shanks, of KPMG, Copyright Agency's independent auditor, and Kate Haddock from Banki Haddock Fiora, Copyright Agency's primary external legal advisers.

The Chair turned to the order of business as set out in the notice convening the meeting.

Business of the Meeting

1. Apologies

Apologies were received from one author member, Meredith Hinchcliffe AM.

2. Proxies

A total of 9 proxies were received as follows:

- The Chairperson held:
 - 6 proxies from author members
 - 1 proxy from a publisher member
 - 1 proxy from a visual artist member
- The Company Secretary held:
 - 1 proxy from an author member

3. Acknowledgement of new directors

The Chair noted that Anne Maria Nicholson has indicated that she needed to resign to pursue other commitments, including a new book launched last week and will step down from the Board. The Chair thanked Anne Maria for her service over the last three years, and particularly the assistance she provided via her wide connections in the arts community.

The Chair noted that Sophie Cunningham will be joining the Board from tomorrow, as a new Author Director nominated by the Australian Society of Authors to take Anne Maria's place. The Chair spoke about Sophie's accomplishments including as an author of six books and an Adjunct Professor at RMIT University, and in 2019 was made a Member of the Order of Australia (AM) for her contributions to literature.

The Chair also acknowledged the service of Adele Ferguson, who stepped down from the Board this year after 6 years. The Chair noted Adele's well known work, having won the highest awards in journalism including the Gold Walkley, the Journalist of the Year at the Kennedy Awards as well as being made a member of the Order of Australia in 2019 for her contribution to print and broadcast media. The Chair, on behalf of the Board thanked Adele for her contributions.

The Chair spoke about the process the Board followed under the Constitution to replace Adele, which was to invite author members to express an interest in the role. In September, Professor Matthew Ricketson joined the Board as a new Author Director in Adele's place. The Chair spoke about the wealth of experience that Matthew brings as a journalist, author and in the higher education sector. Matthew has worked at a number of major mastheads and is currently the Head of the Communications Group at Deakin University.

The Chair noted that in making appointments to the Board, an effort was made to diversify the types of experience around the table and renew the people making up the Board including Leslie Loble with her former senior role in education, as well as Matthew Ricketson, with his current role in the tertiary sector.

The Chair also announced that Cath Godfrey has been re-nominated by the Australian Publishers Association for a further three-year term.

4. Presentation of Accounts and Reports and Questions of the Auditor

The Director's report and audited financial statements for the year ending 30 June 2022 were presented to the meeting, and members were directed to the documents they had received/given access to. Members were invited to put questions to the auditor, Mr Warwick Shanks of KPMG.

There were no questions of the auditor.

5. Chair's address

The Chair addressed the meeting and spoke about the significant changes, both for Copyright Agency and the sector generally, that has taken place this year.

For the Copyright Agency, one of the biggest changes was that the former CEO, Adam Suckling, left Copyright Agency in January this year, after serving six years in the role. The Chair thanked Adam for the enormous contribution that he made to the company and to members in that time. This includes overseeing the successful completion of a business transformation project so that the Copyright Agency was better placed to serve its members and to face the challenges ahead. The Chair noted that Adam led with dedication and skill during a difficult period during which the Copyright Agency had to undertake significant litigation to protect the value of copyright in a digital world.

The Chair continued that the new CEO, Jo Johnston, started in February this year. Together, the Board and Jo as the incoming CEO, wanted to look to enhance the relationships with members, and with the sectors to which Copyright Agency provides licensing services. Particularly given the history of too much litigation with licensees, Copyright Agency wanted to shift the emphasis to try to strengthen relationships wherever possible.

The Chair continued that litigation is unfortunately sometimes necessary for a collecting society to uphold the value of the rights that it manages. However, it is also an unfortunate reality that litigation can be polarising and make it difficult for parties to work together constructively. The Chair noted that the CEO has worked hard to reach out to our stakeholders, with the support of the Board, and continues to work with them to explore ways to improve our relationships and to ensure that we both understand and are listening to their concerns.

The Chair spoke about a number of important developments that have provided valuable opportunities to re-engage in key stakeholder relationships. These include a change of government. The Chair continued that under the last Government, legislation was proposed that had the potential to significantly reduce the revenue payable to the creative sector for the use of its work, particularly in educational institutions, by introducing or expanding a suite of free exceptions. The Chair noted that the current Government appears to be taking a more consultative approach and hopes that stakeholders will be encouraged to work together in a more collaborative, less adversarial way.

The Chair noted that another significant development under the new Government is the proposed new Cultural Policy which the Government has indicated will inform all other Government policies, including areas such as education. The Chair referred to the work that Copyright Agency has undertaken on behalf of its members, including to argue for appropriate levels of support for literature and the visual arts, for an acknowledgement that people involved in educational publishing are part of Australia's creative industries, and acknowledgement of the role of the copyright system as key infrastructure for the creative industries.

The Chair also recognised the pressures on educational publishing in Australia and said that Copyright Agency will continue to support the importance of the production of Australian based educational material at all levels of education.

The Chair also referred to a significant development earlier this year as Copyright Agency reached a long-term agreement with the school sector, starting from 2023, after constructive negotiations. The agreement provides budgeting certainty for the school sector, and stability in the distributions to people in the education publishing industry.

The Chair spoke about universities and the long running matter in the Copyright Tribunal dealing with the fees payable for the use of material by universities in teaching resulted in a Tribunal decision, awarding an increase on the fees last payable, taking them up to \$35.1m for 2019. The Chair continued that the Tribunal found that the value of copyright works in a digital format was higher than in hard copy. The decision of the Tribunal in this matter confirms that the works of our members are a valuable component of the services provided by universities to their students and should be properly compensated. The Chair noted that unfortunately the matter has been appealed by the universities so the funds held in escrow are still not available for distribution. The Chair added that Copyright Agency continues to work to find a way to resolve this matter more quickly than through the Tribunal.

The Chair then spoke about the ongoing success of Reading Australia, which provides curriculum-aligned resources to assist the study of Australian writing. Reading Australia now has 260 teaching resources available online, and 23,000 subscribers.

The Chair also spoke about a key milestone for the artists' resale royalty scheme where by September this year, the scheme had generated \$12m in royalties since its commencement in 2010, benefiting more than 2,400 Australian artists. Aboriginal and Torres Strait Islander artists in particular are benefitting from the scheme, representing 65% of the artists receiving royalties. Of all the artists receiving royalties, 35% reside in the Northern Territory, while another 20% reside in South Australia and Western Australia – mostly in central Australia, demonstrating the regional and remote impact of the scheme. The Chair noted how the scheme remains an important income stream for many artists and continues to meet its objectives.

The Chair spoke about litigation in the commercial licensing area, where the Copyright Tribunal also handed down its decision in the dispute with Isentia and Meltwater over the fees payable by them for their media monitoring services. The decision was disappointing for Copyright Agency and its media members. The Chair indicated that Copyright Agency and some of the news publishers sought a review of the decision. Unfortunately, this was also unsuccessful. However, Copyright Agency has worked constructively with the media monitoring companies to resolve outstanding matters, reaching an agreement with both Stream and Isentia.

The Chair once again gave thanks to the new CEO and mentioned the little time it has taken Jo to established herself, her capabilities and her sense of direction and purpose for the Copyright Agency with the organisation, our members, and the sectors we work in. The Chair also said that Jo has been enabled to do that by a very capable senior management team, and by all the staff, who deserve our recognition and acknowledgement and thanks for all their work this year.

Finally, The Chair thanked her colleagues on the Board for their efforts this year. Their dedication in facing the challenges has been exemplary and I am very grateful for their professional approach to their roles.

The Chair said that Copyright Agency will continue to work on behalf of its members to ensure that the creative sector is properly recognised for the creation of valuable materials and that those materials play a critical role in maintaining the cultural health of Australia.

The Chair invited the CEO to speak to the CEO's report.

6. CEO's report

The CEO began by giving an acknowledgement of country to the Gadigal People of the Eora Nation. The CEO acknowledged the difficult year for Copyright Agency and the creative sector as a result of the impact of Covid and the continued pressure of digital disruption on the sector but also made mention of the positive changes outlined by the Chair, particularly around the focus on rebuilding relationships with stakeholders.

The CEO spoke about distributions to content creators and noted that this year, Copyright Agency we distributed \$95m to more than 22,000 recipients, which will help writers, artists and publishers invest their time and money in new content. These distributions were achieved despite some significant challenges including reduced payments from the university sector (where half of the money paid continues to go into an escrow account until resolution of their appeal from the Tribunal's decision), a reduction in the royalties payable to news media companies as a result of the decision in the media monitoring case, and a cyber attack in November last year that was resolved but temporarily delayed some payments.

In relation to the Cultural Fund, the CEO updated members that in FY22, the Board approved nearly \$1.8 million for 83 projects from the Cultural Fund which has supported an array of income-generating projects and help creators find a way to market for their work. The Cultural Fund again funded Reading Australia, an online resource of materials for teaching students about Australian writing. It now has 260 curriculum-aligned teacher resources, and more than 23,000 subscribers.

Other funding included Fellowships of \$80,000 to writers Robert Drewe and Anna Krien, the Reading Australia teacher Fellowship of \$15,000 to Deputy Principal Jantiena Batt, Create grants of \$20,000 each to five writer and artist recipients, and the first Copyright Agency Partnership (CAP) grant of \$80,000 to 4A Centre for Contemporary Asian Art 2021 (CAP) for TextaQueen's exhibition Bollywouldn't.

The CEO spoke about the stabilization of a number of revenue streams and referred to new long-term deal reached with the schools sector from 2023, which will enable Copyright Agency to focus on working with the school sector and the Copyright Tribunal on new data collection methodologies using modern technologies, that minimise the administrative burden on teachers.

The CEO then spoke about the positive outcome from the Copyright Tribunal in May in relation to the copyright fees payable by the university sector for 2019–22 and the Tribunal's comments about the value of the licence, and in particular about the relatively higher value of digital content.

In relation to the Media Monitoring Organisations (MMOs), the CEO said that Copyright Agency has now mostly finalised the legal proceedings regarding copyright payments from media monitoring organisations is now moving ahead and reaching new agreements with the MMOs.

Moving on to revenue generated and expenses outlaid, the CEO updated members that the overall recognised revenue for 2021 was \$127.4m, which was slightly less than the revenue of \$129m in 2020–21. The recognised revenue takes account of the status of the legal proceedings relating to copyright fees payable by the university sector, and by media monitoring organisations. The CEO mentioned that there are still some uncertainties relating to both these areas, as the legal proceedings have not finally concluded. However, the licence fees from MMOs that we are able to distribute to news media companies will remain significantly lower than they were before the commencement of legal proceedings in 2017.

The CEO indicated that expenses for 2021–22 that were met from deductions from licence fees in FY22 were similar to those in 2020–21: \$18m in FY22 compared to \$19m in FY21. Copyright Agency was pleased to be able to manage costs prudently whilst undertaking additional investment in the security of its systems. Some expenses were met from reserves, and from unpaid allocations ('rollovers'), as we did in prior years. In FY22, \$2.25m of the costs relating to Tribunal proceedings were met from reserves, and \$1.13m of the costs from rollovers. \$2.19m of costs relating to our investment in IT infrastructure were met from rollovers where this investment is for the benefit of all current and future members. From 1 July 2022, Copyright Agency returned to the practice of adding rollovers to distribution pools rather than using the funds to pay expenses, as this is simpler to explain to members. The CEO noted that the Board reviewed the quantum and purpose

of the Future Fund in FY22, as it has undertaken to do so periodically, and has resolved that for the time being it will not add any further money to the fund. It will continue to review its operation as necessary.

Speaking about advocacy for members, the CEO updated members that the new government has shelved draft proposals, circulated late last year, that would have had a significant adverse effect on copyright payments for members. In a recent speech, the Attorney General made several references to the need for cooperation and goodwill in dealing with copyright issues raised by various stakeholders, and the need to avoid processes that result in polarisation of positions that make it difficult to reach sensible outcomes. The CEO added that Copyright Agency is reaching out to stakeholders to offer to work with them to address their copyright concerns.

The CEO also spoke about membership and indicated that in FY22 Copyright Agency welcomed 857 new members making the total membership more than 38,000 direct members, many of whom (such as literary agents and art centres) represent other content creators. The CEO stressed that Copyright Agency's focus is always on serving our members, which includes continually looking for opportunities to do better and always welcome feedback from members.

Finally, the CEO thanked all of the staff at Copyright Agency, especially the senior management team, who have worked so tirelessly this year to support me and all of our members. The CEO also thanked the Chair and the Board of Directors for their unwavering commitment to ensuring that Copyright Agency is doing the best possible job on members' behalf. The CEO also thanked the Chair and the Board for the opportunity to represent members and the important work that you do.

The Chair thanked the CEO and invited members to raise any questions they have. There were no questions from members.

The Chair invited members to contact her or the CEO to raise and discuss any issues they have.

The meeting then closed at 5:00 pm.

Signed as a correct record.



Chair



Date

Annexure A

	First Name	Last Name	Organization
Publishers	Fiona	Hazard	Hachette Australia
	Lauren	Anderson	Australian Society of Authors
	Eileen	Camilleri	Australian Copyright Council
	Michael	Gordon-Smith	Australian Publishers Association
Authors	Wendy	Bean	
	Anne Maria	Nicholson	
	Sophie	Cunningham	
	Matthew	Ricketson	
Visual Artists	Oliver	Watts	