



FOT. MARCELINA FRANKOWSKA

# zaiKS

## ANNUAL REPORT 2020

SOCIETY OF AUTHORS ZAiKS

ZAiKS IS AN ORGANISATION ESTABLISHED IN 1918 BY THE CREATORS AND MANAGED BY THEM. THE SOCIETY IS ONE OF THE OLDEST COLLECTIVE MANAGEMENT ORGANISATIONS IN THE WORLD. FROM THE VERY BEGINNING, ZAiKS HAS BEEN PART OF THE GLOBAL COPYRIGHT PROTECTION SYSTEM.





# WE REBUILD THE COMMUNITY

From the beginning of 2020, the ongoing coronavirus puts tremendous strain reshaping the way we live and work. For this reason ZAiKS aimed at a more efficient and effective functionality, and swift answer to the needs of creators. First and foremost, we have put an effort to dynamically adapt our qualifications to the situation of global crisis, appreciate the potential of digital economy and availability of content online.

We knew that so many creators happened to be in the emergency situation overnight. We thus improved and simplified procedures to apply for the financial support offered by the Society on the general basis. Even when the offices of ZAiKS were closed for security reasons for almost the whole year and

most departments introduced a remote working system, applications for assistance were immediately examined. In 2020 we assigned PLN 90 million in financial aid.

Our actions on the state level were also crucial. We urged the Prime Minister and the Minister of Culture for their quick and specific support for the creative sector. We asked for one-off or in instalments funding for creators. We revoked artistic events, cessation of royalty levies, efficient implementation of the copyright directive in the digital single market and we also aimed to update the private copy levy legal framework. Other collective management organizations cooperated with us on these advocacy actions.

ZAiKS also called for the distribution of Polish music, litera-

ture, drama and films as often as possible, to offset the revenue loss incurred due to cancelled concerts and other cultural events. We are really glad that during the pandemic more and more broadcasting stations give the highest priority to the broadcast of Polish repertoire.

We have over one hundred years of experience in supporting creators under all conditions, even during the most difficult periods in our history. Obviously, due to the pandemic, collection losses are enormous. However I am absolutely convinced that we will be able to catch up and this tough experience will strengthen us in the long run.

**Janusz Fogler**  
Chairman of the Board  
of the Society  
of Authors ZAiKS

FOT. WOJCIECH DRUSZCZ | JACEK BARCZ





# LOOKING TOWARDS THE FUTURE

As we know, the year 2020 was extremely difficult for the entire world and also for the cultural sector. The Covid-19 pandemic and decisions which had to be taken by governments deprived both creators and audiences of cultural events and values, such as the sense of togetherness, connection and authenticity. And even if some artistic activities have been successfully shifted online and accessed via social media and digital platforms, there is no compensation for the loss of close personal relations and the precarious state of creators. From the very beginning of the pandemic, creators and performers have been absent from the stages and, as a result, their wallets are now empty. The negative economic impact and financial instability are to be felt for a very long time.

The focus on the cost saving solutions in a time of crisis caused the necessity to transfer creativity and culture online. New re-

straints in ways to connect with fans and significant loss of revenues for creators should influence the nearest future. However it will not necessarily have a long term and one sided effect. Scholars in the field of culture have already noticed that it will not revert to the former way of progress. Using online technologies to access cultural content becomes deeply rooted habits and the state-of-the-art technology makes it easier than ever before. Conclusions are quite obvious, the unconventional ways of connecting with audiences should be developed, and access to the cultural content facilitated. We should also be looking at more economic and cost saving ways to organize artistic projects. Implementation of these prerequisites will change our perception of various, also those minor and technical, issues of the exploitation of works. It affects creators and managers of culture, including those in charge of the collective management of copyright. To

sum it up, I believe that the most crucial tasks to be performed in the future are the following:

- facilitate formal procedures in relation to both CMO-author and CMO-user, in the most legal and safe ways,
- implement, where possible, modern IT technologies,
- simplify organizational rules of collective management
- influence public policies and introduce strategic allies in advocacy. In order to reestablish an appropriate evaluation of online uses of artistic works we need the full implementation of the Directive on Copyright and Related Rights in the Digital Single Market.

As a result, access to works should be easier and cheaper. But this process requires a parallel fair remuneration for authors. It is actually my wish for all of us, and ZAIKS is committed to work continuously on this.

**Krzysztof Lewandowski**  
Director General  
of the Society  
of Authors ZAIKS

FOT. WOJCIECH DRUSZCZ | JACEK BARCZ



# ZAiKS' MANAGEMENT

## THE ASSEMBLY OF DELEGATES

The Assembly of Delegates is the supreme body of the Society of Authors ZAiKS. The Assembly, which is convened every year, is composed of members of the Management Boards of Sections and delegates elected during election General Meetings of Section Members — in total amounting to at least 200 delegates. The Assembly of Delegates is responsible, inter alia, for the review and approval of the report of the Society's operations for the preceding financial year, granting exoneration to the Management Board of the Society and the Auditing Committee for the performance of their duties, the choice of the expert auditor to assess the financial statements of the Society and election of members of the Management Board of the Society, its Chairperson, and members of the Auditing Committee. The Assembly of Delegates sets the amount of membership fee, approves the distribution rules and amendments to the Statutes of the Society.

## THE MANAGEMENT BOARD

The Management Board of the Society is appointed to manage the Society during the period between the Assemblies of Delegates. The Management Board of the Society includes the President chosen by the Assembly of Delegates and members – representatives of all Sections of the Society. The Management Board of the Society oversees the activity of the Office of the Society, implements the resolutions of the Assembly of Delegates, manages the funds and assets of the Society and carries out activities related to the collective management of copyrights.

## COUNCIL OF THE SOCIETY

The Council includes the representatives of all Sections of the Society, elected during General Meetings of Section Members for four-year terms from among candidates proposed by members of a given Section. The Council is responsible for, inter alia, reviewing appeals from decisions of the Arbitration Board, taking decisions on the expenditure of financial resources intended for conducting social, cultural and educational activity, conferring the title of a Honorary Member, awarding the Society's prizes and issuing opinions on the matters indicated in the Statutes.

## THE AUDIT COMMITTEE

The Audit Committee is a statutory body of internal control. The Audit Committee enumerates seven members elected by the Assembly of Delegates. The Audit Committee shall elect the Chairperson, Deputy Chairperson, Secretary and Deputy Secretary from among its members. The Audit Committee supervises the compliance of the duties performed by the Management Board of the Society and the Council of the Society with legal provisions and the Society's internal regulations, including the Statutes, the resolutions of the Assembly of Delegates, the regulations on distribution and the regulations on investment.

## THE ARBITRATION BOARD

The Arbitration Board comprises members – representatives of all Sections of the Society, elected during the General Meetings of Section Members for four-year terms from among candidates proposed by members of a given Section. The Arbitration Board elects a Chairman and a Deputy Chairman from among its members. The Arbitration Board is responsible for the review cases submitted by the Disciplinary Ombudsman against a member of the Society and complaints of the Society's members, whose moral or economic rights have been infringed, concerning non-compliance with rules of ethics or rules of social conduct. The Arbitration Board may impose penalties such as warning, reprimand, suspension of membership and exclusion from the Society.

## ZAiKS' MANAGEMENT TEAM

**DIRECTOR GENERAL**  
Krzysztof Lewandowski

**DEPUTY DIRECTOR GENERAL  
& CHIEF INTERNATIONAL OFFICER**  
Rafał Kownacki

**DEPUTY DIRECTOR GENERAL**  
Paweł Michalik

**CHIEF ACCOUNTANT**  
Dorota Kukuć

## ZAiKS' ACTING PRESIDUM OF THE MANAGEMENT BOARD

elected on 9.12.2017

**CHAIRMAN**  
Janusz Fogler

**VICE-CHAIRMAN**  
Miłosz Bembinow

**VICE-CHAIRMAN**  
Michał Komar

**TREASURER**  
Marcin Błazewicz

**SECRETARY**  
Olga Krysiak

**DEPUTY TREASURER**  
Rafał Bryndal

**DEPUTY SECRETARY**  
Tomasz Lipiński



# INTERNATIONAL PARTICIPATION OF ZAiKS



INTERNATIONAL  
CONFEDERATION OF  
AUTHORS AND COMPOSERS

**MAŁGORZATA SEMIL**

EXECUTIVE COMMITTEE MEMBER

**WRITERS & DIRECTORS WORLDWIDE**

Writers & Directors Worldwide is a worldwide umbrella organisation that deals with, as a statutory advisory body, issues concerning the moral rights, economic and legal interests of dramatic, and literary and audiovisual (DLV) creators.

**ALEKSANDRA CHMIELEWSKA**

EXECUTIVE COMMITTEE MEMBER

**THE INTERNATIONAL COUNCIL OF MUSIC CREATORS**

CIAM is a statutory advisory body and acts independently to broaden the representation of music creators worldwide.

**JAN MŁOTKOWSKI**

CHAIRMAN OF THE GROUP

**CISAC COMMUNICATIONS EXPERTS GROUP MEMBER**

The CEG is an advisory committee supporting CISAC’s communications work. It assists the Global Policy Committee (GPC) and implements its decisions on communications priorities.

**RAFAŁ KOWNACKI**

MEMBER

**CISAC GLOBAL POLICY COMMITTEE**

The GPC addresses and makes recommendations to the Board on international policy concerns including lobbying, policy advocacy and co-operation with other organisations.

MEMBER

**CISAC LEGAL COMMITTEE**

The CJL is an advisory statutory body that provides expert advice on copyright issues and litigation to CISAC member societies on a national and international level.



EUROPEAN ASSOCIATION OF  
AUTHORS AND COMPOSERS

**ANNA KLIMCZAK**

MEMBER

**GESAC COMMUNICATIONS AND PUBLIC AFFAIRS COMMITTEE**

Communication and Public Affairs Committee comprises of working groups performing operating activities such as legal and copyright relations between the USA and EU, standardisation of financial reports in EU and Communication and PR Committee.

**ANNA MISIEWICZ**

MEMBER

**GESAC MADRID GROUP**

The Madrid Group develops legal positions on current affairs. It gathers the legal experts of each GESAC’s member society and meets on a regular basis in Brussels.

**JAN MŁOTKOWSKI**

MEMBER

**GESAC COMMUNICATIONS AND PUBLIC AFFAIRS COMMITTEE**

Communication and Public Affairs Committee comprises of working groups performing operating activities such as legal and copyright relations between the USA and EU, standardisation of financial reports in EU and Communication and PR Committee.

**RAFAŁ KOWNACKI**

MEMBER

**GESAC BOARD**

GESAC comprises authors’ societies from across the European Union, Iceland, Norway, and Switzerland, representing more than 1 million creators and rights holders in the areas of musical, audiovisual, visual arts, and literary and dramatic works. GESAC’s mission is to advocate for adequate remuneration for creators, especially online, to ensure a sustainable creative and cultural ecosystem and to promote collective management as the best solution to respect and protect authors’ rights.



INTERNATIONAL BUREAU OF  
COMPANIES MANAGING RIGHTS  
FOR MECHANICAL RECORDING AND  
REPRODUCTION OF MUSICAL WORKS

**ANDRZEJ KUŚMIERCZYK**

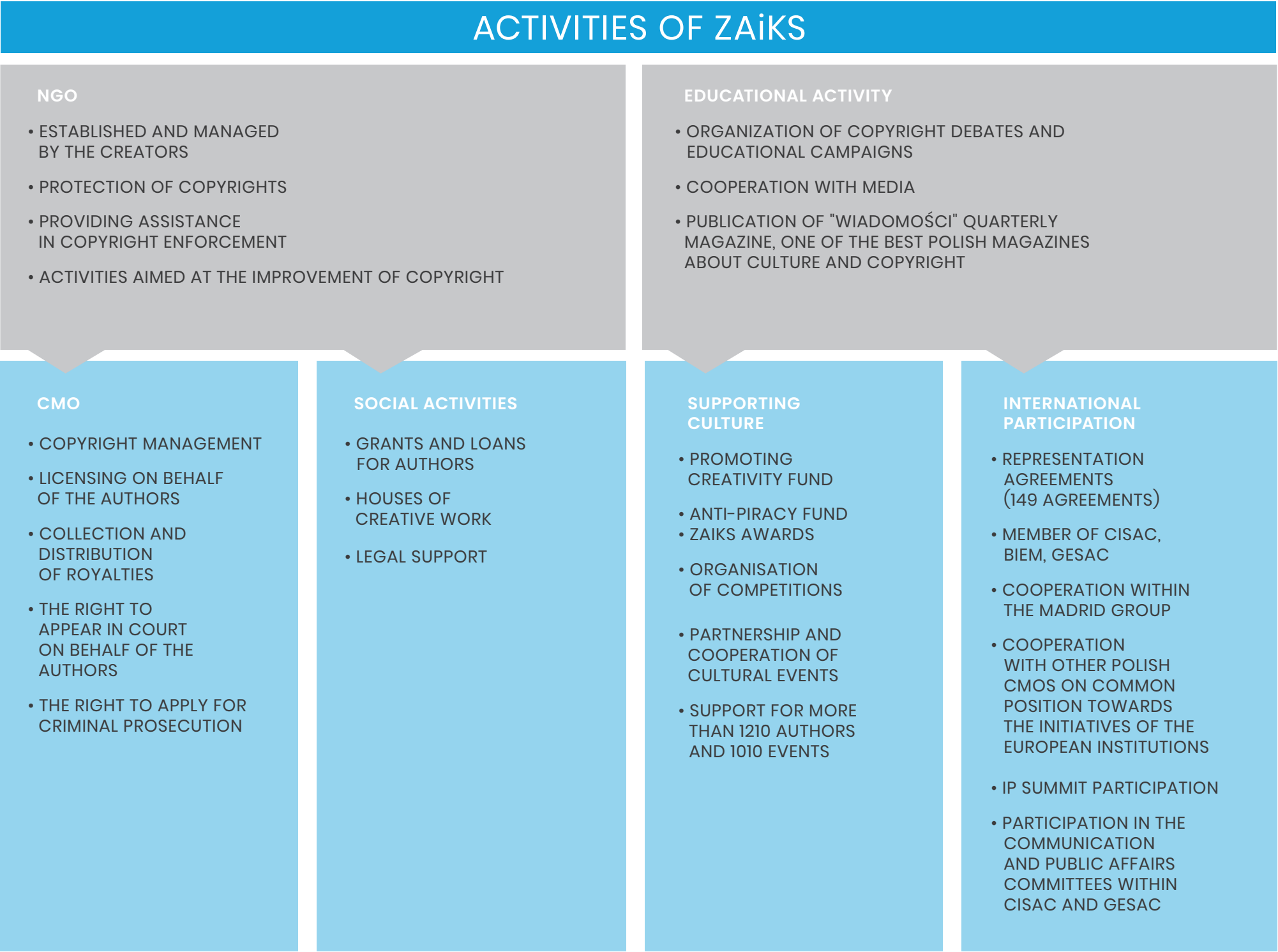
MEMBER

**MANAGEMENT ADVISORY COMMITTEE**

An advisory body of the mechanical rights umbrella organisation.











# ACTIVITIES OF ZAiKS





# COLLECTION AND DISTRIBUTION OF ROYALTIES

COLLECTION INCOME IN 2020 GROUPED BY THE SOURCE OF COLLECTION

	COLLECTION INCOME	AMOUNTS (PLN)	SHARE (%)
	RADIO AND TV BROADCASTS	165 219 559	48,8
	RETRANSMISSION	52 275 547	15,8
	PUBLIC PERFORMANCES	51 468 431	15,5
	INTERNET	30 790 679	9,3
	PHONOGRAPHY AND VIDEOGRAPHY	14 528 604	4,4
	STAGE PERFORMANCES	9 486 083	2,9
	SCREENING IN CINEMAS	4 232 301	1,3
	PRIVATE COPYING	3 393 082	1,0
	OTHER	246 540	0,1
	TOTAL	331 640 826	100

COLLECTION AND DISTRIBUTION OF ROYALTIES (IN PLN)

	2020	AMOUNTS (PLN)
COLLECTION		331 640 826
DISTRIBUTION		460 751 346
DEDUCTION*		78 009 635
	2019	
COLLECTION		417 058 474
DISTRIBUTION		456 204 811
DEDUCTION*		78 883 110
	2018	
COLLECTION		377 978 469
DISTRIBUTION		423 362 529
DEDUCTION*		70 890 662

\* Applies jointly to the costs of collection and distribution



# ZAİKS IN NUMBERS



WE DISTRIBUTE OVER **460 MILLION PLN** ANNUALLY



WE PROTECT MORE THAN **60 MILLION** OF WORKS CREATED BY THE POLISH AND FOREIGN AUTHORS



WE REPRESENT MORE THAN **4.5 MILLION** FOREIGN AUTHORS AND PUBLISHERS



THE NUMBER OF WORKS SUBMITTED TO CIS-NET DATABASE IN 2020 ARE **17 THOUSAND**. AT THE END OF 2020 THERE WERE A TOTAL OF **299 THOUSAND** WORKS SUBMITTED BY ZAİKS TO CIS-NET DATABASE



MORE THAN **35.5 THOUSAND** NEW POLISH WORKS WERE REGISTERED WITH ZAİKS IN 2020

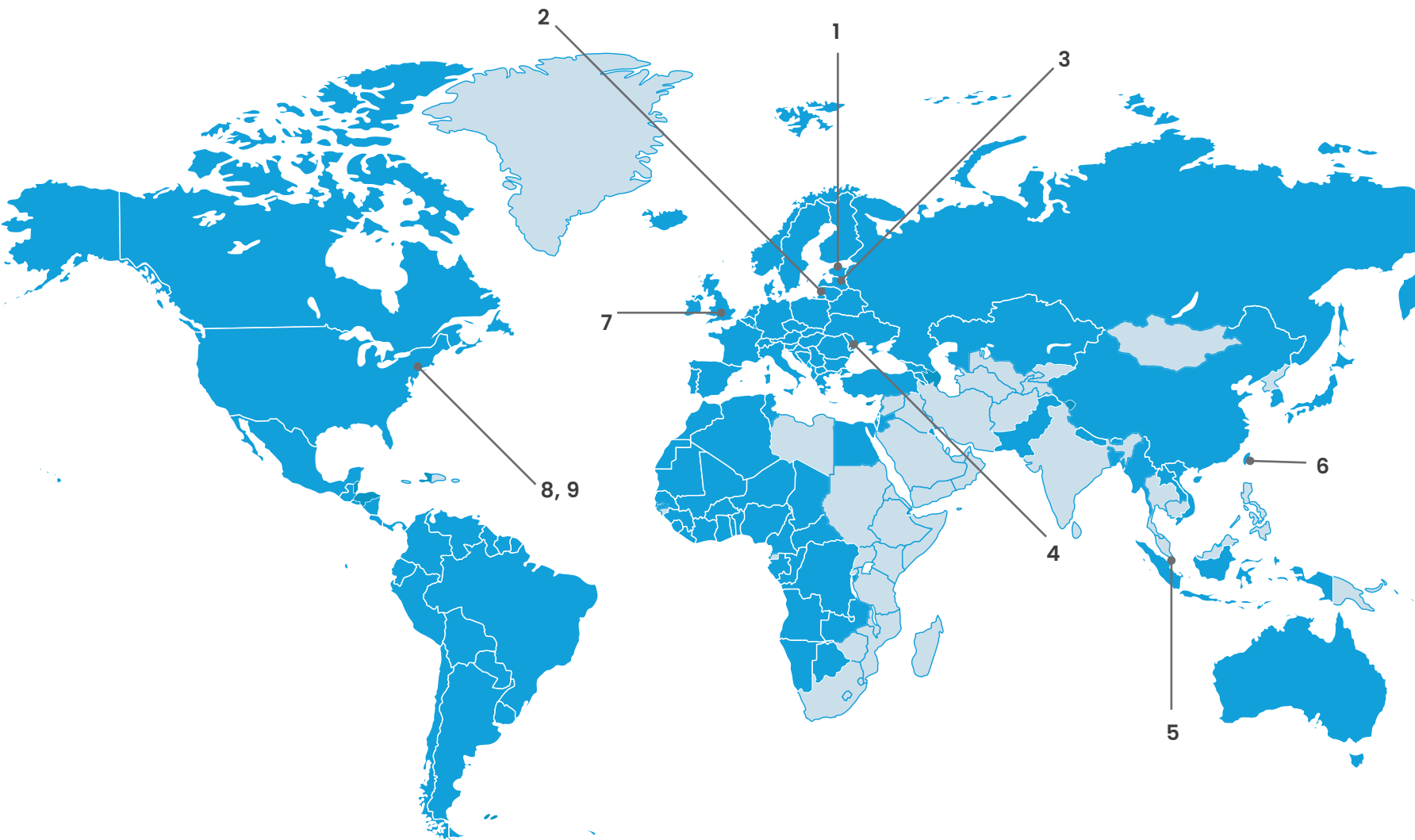


WE REPRESENT MORE THAN **20 THOUSAND** POLISH AUTHORS AND PUBLISHERS

>**35**

SINCE AT LEAST 2019 EVERY FIFTH AUTHOR REPRESENTED BY ZAİKS ON THE BASIS OF AN ASSIGNMENT AGREEMENT IS BELOW THE **AGE OF 35**

## NEW REPRESENTATION AGREEMENTS SIGNED IN 2020



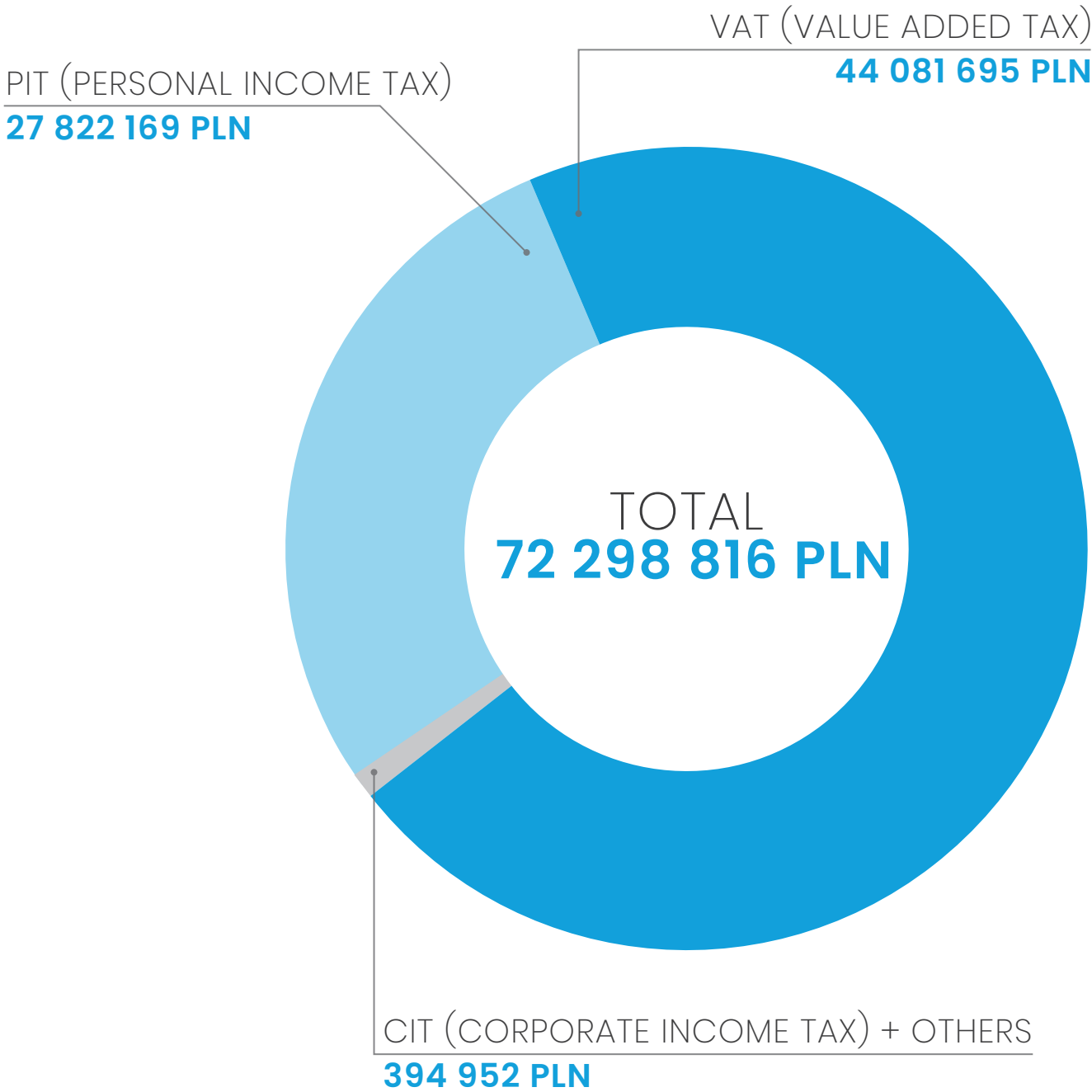
1. **EAÜ – ESTONIA** (MECHANICAL RIGHTS)
2. **LATGA – LITHUANIA** (MECHANICAL RIGHTS)
3. **AKKA-LAA – LATVIA** (MECHANICAL RIGHTS)
4. **ANCO – MOLDOVA** (MECHANICAL AND PERFORMING RIGHTS)
5. **COMPASS – SINGAPORE** (MECHANICAL AND PERFORMING RIGHTS)
6. **MÜST – TAIWAN, CHINESE TAIPEI** (PERFORMING RIGHTS)
7. **PRS FOR MUSIC – UNITED KINGDOM** (PERFORMING RIGHTS)
8. **HARRY FOX AGENCY – USA** (UNILATERAL: MECHANICAL ROYALTIES COLLECTED FOR HFA FROM POLAND)
9. **MUSERK – USA** (UNILATERAL: MECHANICAL ROYALTIES COLLECTED FOR ZAİKS FROM US TERRITORY)

**THE SOCIETY OF AUTHORS ZAİKS HAS 149 REPRESENTATION AGREEMENTS, SIGNED WITH THE SISTER SOCIETIES AROUND THE WORLD.**



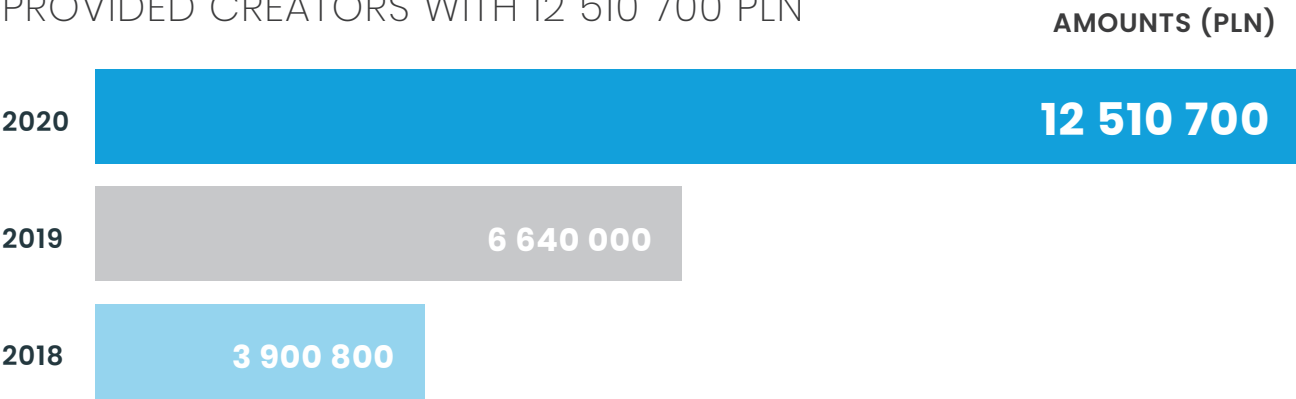
RELIABLE TAXPAYER

IN 2020, ZAIKS PAID TO THE NATIONAL TREASURY THE AMOUNT OF 72 298 816 PLN

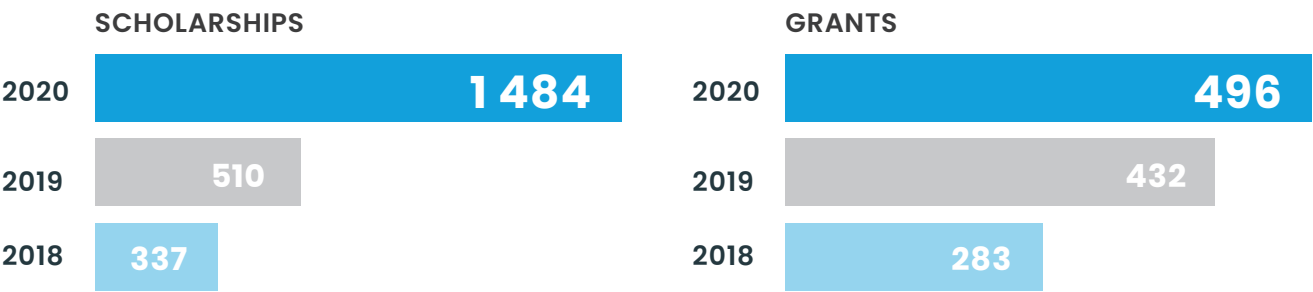


PATRON OF CULTURE

IN 2020, THE CULTURE SUPPORT FUND OF ZAIKS PROVIDED CREATORS WITH 12 510 700 PLN



WE AWARDED 1 484 SCHOLARSHIPS AND 496 GRANTS FOR CULTURAL UNDERTAKINGS



ZAIKS A CAREGIVER FOR CREATORS

IN 2020, ZAIKS' SOCIAL, EDUCATIONAL AND CULTURAL INITIATIVES AMOUNTED TO 18 459 899 PLN





# FINANCIAL SUPPORT PROVIDED BY ZAiKS DURING COVID 19 PANDEMIC

With the outbreak of the pandemic we had to act promptly. The most important was to facilitate procedures and apply an efficient system to swiftly manage submissions for financial aid from ZAiKS. We wanted to provide support for creators in a global difficult situation as quickly as possible.

IN 2020, WE ALLOCATED **PLN 90 MILLION** FOR FINANCIAL ASSISTANCE

## HOW WE PROVIDE SUPPORT:

IN 2020, THE FINANCIAL AID OF ZAiKS FOR MEMBERS IS OVER **PLN 2 MILLION**

- Our members have always been eligible to receive financial assistance from ZAiKS. Before the pandemic, at least two members applied weekly for such assistance. But during the pandemic we received much more applications from our members. Only in 2020, we spent over PLN 2 million for this purpose, which is much more than during the previous entire decade. And we are currently still processing some pending applications.

ADDITIONAL DISTRIBUTIONS OF ROYALTIES:  
**PLN 20 MILLION** IN APRIL 2020,  
**PLN 12 MILLION** IN JUNE 2020,  
**PLN 17 MILLION** IN JULY 2020,  
AND **PLN 17 MILLION** IN NOVEMBER 2020

- Distributions of royalties were processed smoothly and even accelerated during the time of remote working. Following additional distributions in 2020, local authors received: PLN 20 million in April 2020, PLN 12 million in June 2020, PLN 17 million in July 2020, and PLN 17 million in November.

THE CREATIVE SUPPORT FUND GRANTED FINANCIAL AID IN THE AMOUNT OF OVER **PLN 11 MILLION**

- In order to receive financial aid, it is not required to be a member of ZAiKS. The Fund for the Support of Creativity supports ZAiKS' members and – as far as possible – authors who are not associated with ZAiKS, including cultural institutions. The Fund for the Support of Creativity granted financial assistance of more than PLN 11 million. All authors and artists involved in creative activities may apply for grants of PLN 5 thousand each.

IN 2020, ZAiKS PAID OVER **PLN 10 MILLION** FOR ADVANCES

- Members of ZAiKS are also familiar with advance payments (up to 50% of revenue in the previous year for an applying member) to be later deducted from future royalties. But many more applicants used this form of aid dedicated for and authors. In 2020, we paid over PLN 10 million for such advance payments. The applications have been considered promptly and handled within just a few days.

ZAiKS GRANTED **PLN ONE MILLION** FOR THE SUPPORT OF THE MOST SENIOR MEMBERS OF THE SOCIETY

- In December 2020, we granted PLN one million for the support of the most senior members of the Society who are 70 years old. In such way we put an effort to compensate our seniors for the lack of social security system, which is the case for artists in Poland.

FINANCIAL SUPPORT PROVIDED BY ZAiKS DURING THE PANDEMIC IS BEING DEVELOPED AND ADOPTED TO CHANGING CONDITIONS

We are aware that reduced royalty payments during lockdown restrictions will remain a problem during distributions in 2021. That is why we are working on solutions to minimize these losses as much as possible.



# NEW TEAMS



## DIGITAL LICENSING AND DISTRIBUTION DEPARTMENT

Digital collections from the internet are dynamically growing, not only at ZAiKS but also for all CMOs associated with CISAC. Global trends and structural changes in online music usage are developed not only by leading stakeholders but also by new emerging platforms, which are often hybrids of various Digital Service Providers (DSP). This consists of streaming, downloading, interactive streaming, social media, but also popular user generated content, such as video clips or background music. Video-on-demand services are also significant for this sector, with platforms like Netflix, HBO-GO, or Apple TV+, just to

name a few. All of these have a strong impact on the Polish cultural market.

To meet the challenges of dynamically growing digital market and online music uses, in 2020 we decided to set up a new team within The Digital Licensing and Distribution Department.

This decision assumed particular significance during the ongoing pandemic and changing global trends.

The new unit has integrated various functions. It licenses works used online, collects due remunerations and distributes royalties. All main processes related to the internet are sequenced within one organizational unit.

## SECTION OF MUSIC PUBLISHERS

At ZAiKS we make sure to secure the interests of all types of rightsholders and to empower a resilient community of creators, including publishers who entrusted us with the management of their rights.

For this purpose we established a new Section of Music Publishers in the Documentation and Distribution Department, which has been working since November 2020. This team serves all music publishers, both those who have entrusted their rights to the Society and the non-associated. The new section has been operating as a first point of contact for almost all matters related to music publishers. Developing, as far as possible for

the operational capacities of the Society, a holistic approach to the cooperation. From explaining procedures in relation to the assignment of rights and further stages of submitting publishing agreements, up to the registration of works and distribution of royalties.

The section verifies sub-publishing and publishing agreements and registration of works submitted by publishers and, if needed, coordinates services related to the explanation of disputes. It concerns claims for the uses of works in Poland and, via international organizations, globally. Where relevant, the section also submits the publishing agreements for a legal assessment.





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