

# ANNUAL REPORT 2019



# WE SUPPORT THE IMAGINATION

During the entire time of our activity, thus for over 100 years, we have always, first and foremost, lent our support to imagination. It seems that our mission cannot be defined in a better way. In the summer of 2019, imagination prompted us to grant Olga Tokarczuk an honorary membership of ZAiKS. Her words from the ZAiKS Awards ceremony stayed in my memory: "In a moment my profession and the profession of my colleagues will become unnecessary. By examining our books and the way we write artificial intelligence is already able to produce other novels without our presence. At this unusual time, an organisation such as ZAiKS is extremely necessary, as you will be the ones guarding our rights in the fight against artificial intelligence."

It is easily noticeable how technology benefits from culture without giving back as much as it should. Looking for solutions to future problems, we came

to the conclusion that the best methods are those that have been known for a long time. Collective Management Organisations have been operating in the world for over a century. They take care of the rights of authors, and thus take care of culture. No author could do it so effectively on his or her own. Therefore, Olga Tokarczuk pin her hopes on ZAiKS and we make every effort not to let her down. The future will be neither easy nor kind to us. Only solidarity will enable us to face the challenges of the coming decades. Creators are proving that true solidarity can change the world. And as long as we have culture, it is worth the effort.

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

FOT. KARPAT&ZAREWICZ

**ZAIKS' MANAGEMENT TEAM**

General Manager

**Krzysztof Lewandowski**Deputy General Manager  
& Chief International  
Officer**Rafał Kownacki**

Deputy General Manager

**Paweł Michalik**

Chief Accountant

**Dorota Kukuć****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 Chairperson 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 Bureau 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.

**ZAIKS' ACTING  
PRESIDIUM OF  
THE MANAGEMENT  
BOARD**

elected on 9.12.2017

Janusz Fogler

**Chairman**

Miłosz Bembinow

**Vice-Chairman**

Michał Komar

**Vice-Chairman**

Marcin Błazewicz

**Treasurer**

Olga Krysiak

**Secretary**

Rafał Bryndal

**Deputy Treasurer**

Tomasz Lipiński

**Deputy Secretary**



## 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 Chairperson and a deputy Chairperson 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.



Hania Rani

FOT. BARTEK MURACKI, MUSIC PHOTOGRAPHER

# RECORD-BREAKING YEAR, WHAT'S NEXT?

2019 was an unusual time for the Society of Authors ZAiKS. Not only was it the year which marked the second century of ZAiKS' history, but also the year in which provisions of the Act on Collective Management became fully applicable. What is more, thanks to the great engagement of creators and ZAiKS's employees, authors have won a ground-breaking battle in the European Parliament over the shape of copyright in the internet.

From the business and empirical point of view, 2019 was above all a year of record royalty collection and distribution. Thanks to the work done by the Licensing Department of the Bureau and the field

agents of the District Directorates of ZAiKS, we have managed to collect almost 50 million PLN more than in 2018, which resulted in a record-setting result of 424 264 472 PLN at year end (an increase of over 12%).

When it comes to distributing royalties, 2019 was a year worth to remember for our Society. Thanks to the engagement of the Documentation and Distribution Department, 456 204 810 PLN was distributed, i.e. nearly 33 million PLN more than in 2018, which constitutes an increase of 8%. Moreover, we have also managed to achieve greater allocations of the Reserves and Adjustments Fund than in 2018, i.e. 36 699 979 PLN compared to 22 491 528 PLN in 2018, which was an increase by 63%.

It is extremely important for collective management organizations to justify the business costs and maintain them at a low level. Also, as a result of optimisation activities undertaken last year, we have managed to increase our efficiency in the area of collective rights management which resulted in a reduction of the average amount of deductions from 17.45% to 17.29%.

Although 2020 was seemed promising, due to the effects of the coronavirus pandemic and the limitation or complete exclusion of collection in some fields of exploitation, all activities of the ZAiKS' collection and distribution departments will now focus on collection and distribution in a temporarily limited scope. In the interim, this time will be used for the development of appropriate concepts and implementation of the necessary technologies in order to optimise the processes to the maximum extent and strive for even greater efficiency of the relevant organizational units, which are responsible for the collective copyright management.

Rafał Kownacki  
Deputy General Director



FOT. CISAC

# ZAIKS' INTERNATIONAL PUBLIC AFFAIRS ACTIVITIES

*European politicians made an important and a fair **decision**. We are grateful to them*

## DSM DIRECTIVE, MARCH 2019

The discussion about the DSM Directive was a particularly difficult one in Poland. In their lobbying efforts, technology companies took advantage of all the weaknesses of our democracy. It is not a coincidence that only in Poland the Directive was named ACTA2 — this misleading term has not been used in any other country in Europe. The topic of the Directive was used in the pre-election fight between the two largest political parties in the country. However, it was clear that the alleged “public fear of the censorship of the internet ” was not reflected in the actual mood of the society. The Copyright Directive was adopted also thanks to the votes of the Polish MEPs. We are especially grateful to the creators who tirelessly explained the meaning of the provisions of the directive to the public, and to politicians who did not crack under the pressure from the internet giants and opted for a sustainable model of online culture development.

The European Parliament adopted a Directive on Copyright and Related Rights in the Digital Single Market. Europe did not yield to the internet giants and stood up for fair internet. Internet platforms which are earning great amounts of money by sharing content, will now have to start to fairly settle their accounts with artists.

“It is a great victory for creators and the entire cultural community, which for years have been jointly striving to change the unfair model of sharing songs online. European politicians made an important and a fair decision. We are grateful to them, and are aware that they were notoriously intimidated by the powerful lobby of internet monopolists that made up a lot of false information about the Directive. We appreciate the fact that they have picked the side of the creators who had an incomparably weaker position when confronted with the interests of large corporations ”- Janusz Fogler, President of the Society of Authors ZAiKS.

“The Directive needs to be implemented at the national level. We make every effort to show to the Polish parliament and the government that the provisions of the directive have created a possibility for them to solve many issues that have been previously raised, not only by the authors, but also by the publishers, and educational and cultural institutions. The successful implementation of the EU copyright law reform will result in more money for the Polish budget. But most of all, this is the money owed to Polish culture” - Director General of ZAiKS Krzysztof Lewandowski.

## ZAIKS' INTERNATIONAL PARTICIPATION



### **Writers & Directors Worldwide | *Executive Committee Member***

MAŁGORZATA SEMIL

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.

### **The International Council of Music Creators (CIAM) | *Executive Committee Member***

ALEKSANDRA CHMIELEWSKA

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

### **CISAC Global Policy Committee Member**

RAFAŁ KOWNACKI

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

### **CISAC Legal Committee Member**

RAFAŁ KOWNACKI

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.

### **CISAC Communications Experts Group Member | *Chairman of the group***

JAN MŁOTKOWSKI

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.



### **GESAC Board Member**

RAFAŁ KOWNACKI

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.

### **GESAC Madrid Group Member | *Member***

ANNA MISIEWICZ

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.

### **Steering Committees GESAC | *Member of Communication and Public Affairs Committee***

JAN MŁOTKOWSKI

Member of 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.



### **BIEM Management Advisory Committee Member**

ANDRZEJ KUŚMIERCZYK

An advisory body of the mechanical rights umbrella organisation.





ZaiKS' Awards Ceremony , March 2019

## ZAIKS AWARDS

ZaiKS awards have been granted since 1966 and are especially appreciated among the Polish artistic community. We also grant Honorary Memberships for significant contributions to the development of culture and our Society. In 2019, the group of laureates of our distinctions grew to include such excellent people as e.g.: Olga Tokarczuk, Roman Polański, Urszula Dudziak, Hanna Krall, Agnieszka Holland, Jerzy Skolimowski, Krystyna Janda, Eustachy Rylski, Ewa Lipska, Michał Urbaniak, Maja Komorowska, Zbigniew Namysłowski, Anda Rottenberg, Zbigniew Rybczyński, Leon Tarasewicz, Andrzej Dudziński, Zbigniew Hołdys and Lech Janerka.

FOT. KARPAT&amp;ZAREWICZ





Anda Rottenberg



Olga Tokarczuk



Agnieszka Holland

*Artificial intelligence will be able to produce new books on the basis of analysis of the style of writing of authors even without their participation. ZAiKS will be the one **guarding our rights** in the fight against AI ” – said Olga Tokarczuk during the ZAiKS Awards ceremony.*

The decision to award the writer with the Honorary Membership of the Society was made several months before the verdict of the Swedish Academy, which in 2019 awarded Olga Tokarczuk with the Nobel Prize in Literature.

FOT. KARPAT&amp;ZAREWICZ

# ZAIKS IN NUMBERS



WE DISTRIBUTE OVER **400 MILLION PLN** ANNUALLY



WE PROTECT MORE THAN **70 MILLION** OF WORKS  
CREATED BY THE POLISH AND FOREIGN AUTHORS



WE REPRESENT MORE THAN **3,5 MILLION**  
FOREIGN AUTHORS AND PUBLISHERS



THE NUMBER OF WORKS SUBMITTED TO CIS-NET DATABASE  
IN 2019 ARE **14 THOUSAND**. AT THE END OF 2019 THERE WERE  
A TOTAL OF **281 THOUSAND** WORKS SUBMITTED BY ZAIKS  
TO CIS-NET DATABASE



MORE THAN **35 THOUSAND** NEW POLISH WORKS  
WERE REGISTERED WITH ZAIKS IN 2019

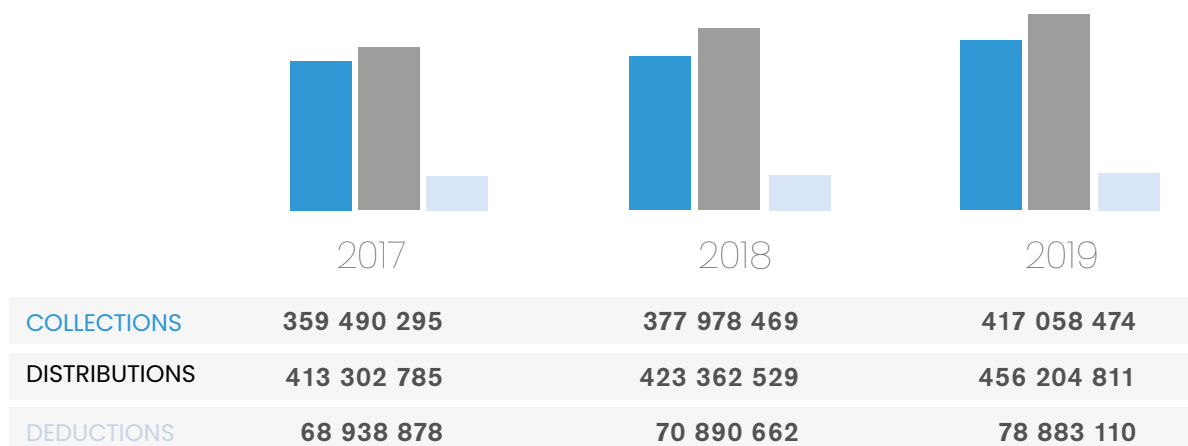


WE REPRESENT MORE THAN **19 THOUSAND** POLISH  
AUTHORS AND PUBLISHERS












EVERY FIFTH AUTHOR REPRESENTED BY ZAIKS  
ON THE BASIS OF AN ASSIGNMENT AGREEMENT  
IS BELOW THE **AGE OF 35**

## COLLECTION AND DISTRIBUTION OF ROYALTIES (IN PLN)

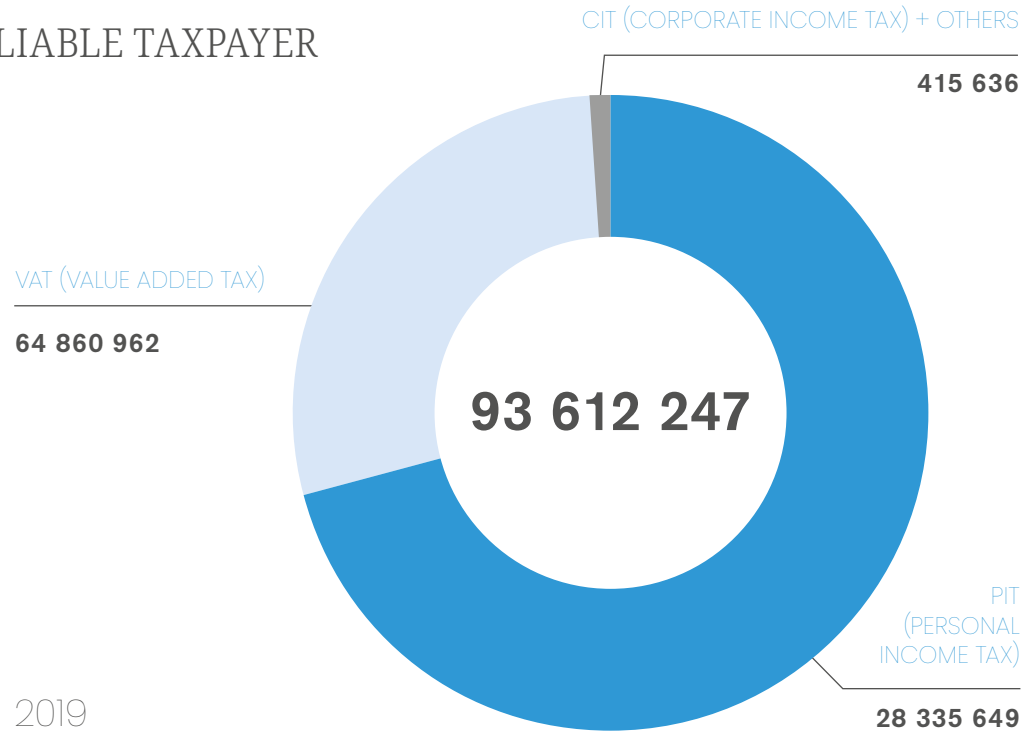


## COLLECTION INCOME IN 2019 GROUPED BY THE SOURCE OF COLLECTION

	COLLECTION INCOME	AMOUNTS (PLN)	SHARE (%)
	RADIO AND TV BROADCAST	160 509 105	38,5
	PUBLIC PERFORMANCE AND BROADCAST	108 867 908	26,1
	RETRANSMISSION	58 500 744	14,0
	STAGE PERFORMANCES	19 831 812	4,8
	INTERNET	18 421 710	4,4
	PHONOGRAPHY AND VIDEOGRAPHY	18 379 558	4,4
	FROM ABROAD*: THEATRES GRAND RIGHTS; RADIO AND TV GRAND RIGHTS; STAGE GRAND RIGHTS; PUBLISHING; PRIVATE COPY INCLUDING: GOOGLE, NETFLIX,	15 863 879	3,8
	SCREENING IN CINEMAS	12 209 086	2,9
	PRIVATE COPYING	4 006 045	1,0
	OTHER	468 627	0,1
	<b>TOTAL</b>	<b>417 058 474</b>	<b>100</b>

\*When Society of Authors ZAIKS receives income from royalty collected from abroad, we do not have data divided by fields of exploitation. Such division takes place at the time of distribution.

ZAİKS RELIABLE TAXPAYER



NEW REPRESENTATION AGREEMENTS SIGNED IN 2019



**AEI-GUATEMALA – Guatemala**  
**MCSN – Nigeria**

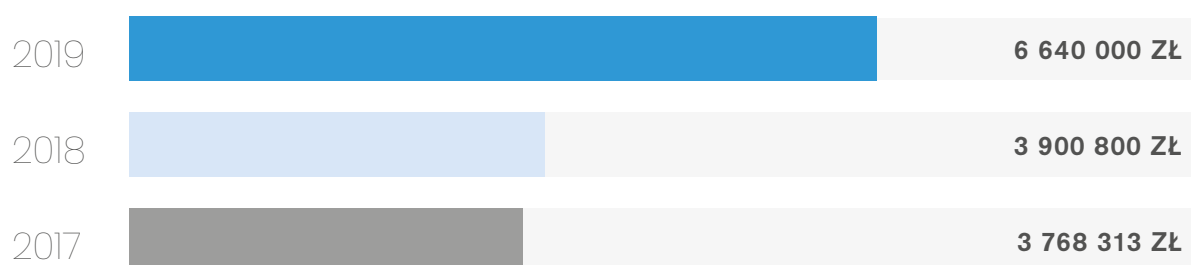
The Society of Authors ZAiKS have 147 representation agreements, signed with the sister societies around the world.



## ZAIKS PATRON OF CULTURE

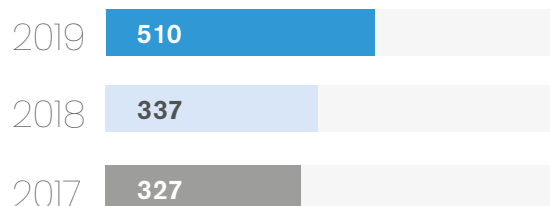
ZAiKS is one of the biggest patrons of culture in Poland. In 2019, we have supported creators and cultural events with over 6.5 million PLN. We awarded over 500 scholarships and over 400 grants to artistic activities. In 1970, we set up the Fund for the Promotion of Creativity to provide financial help to authors and support cultural initiatives across Poland. The Fund works quickly, without unnecessary bureaucracy, and is available to everyone. You do not have to be a ZAiKS member to benefit from our support. It is a fund for all the creators: those who are already well-known and those that still have to make a name for themselves. The Fund co-finances cultural institutions and events that support the imagination. It also helps small and local initiatives, which, in line with our values are building a world that is friendly for creators and culture.

IN 2019, THE CULTURE SUPPORT FUND OF ZAIKS PROVIDED CREATORS WITH 6 640 000 PLN.

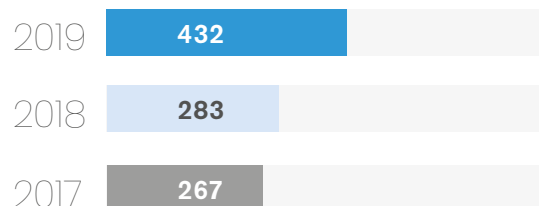


WE AWARDED 510 SCHOLARSHIPS AND 432 GRANTS FOR CULTURAL UNDERTAKINGS.

### SCHOLARSHIPS



### CULTURAL UNDERTAKINGS



ZAIKS A CAREGIVER FOR CREATORS. IN 2019, ZAIKS' SOCIAL, EDUCATIONAL AND CULTURAL INITIATIVES AMOUNTED TO 17 953 553 PLN.



