

GEO-BLOCKING – TEARING DOWN BORDERS FOR DIGITAL CONTENT

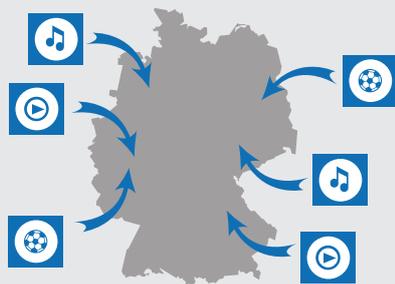
i Consumers can shop online from suppliers/stores all over the world. Even films, TV shows and sports broadcasts are available anywhere and anytime – at least in theory. Anyone trying to view online content will be familiar with the message “This content is not available in your country.” While borders in the EU Single Market are virtually non-existent for workers, travellers and even goods, they are still very much a reality on the internet.

Towards the end of 2015, the European Commission began an overhaul of copyright rules as part of its strategy for a Digital Single Market. Since 1 April 2018, consumers are able to use their paid-for streaming services while travelling in other EU countries (Regulation on cross-border portability of online content services (EU) 2017/1128). The next step must be the removal of geo-blocking so that consumers can access digital content from other EU countries. The European Commission’s new proposal only provides for slightly better cross-border online access to broadcast services

across the EU (Regulation on copyright and related rights applicable to certain online transmissions of broadcasting organisations and retransmissions of television and radio programmes, COM(2016)0594.

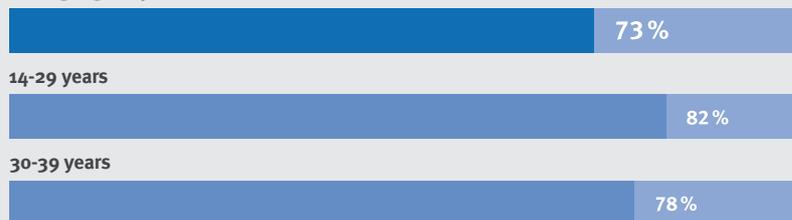
! The Federation of German Consumer Organisations (vzbv) believes that the proposed Regulation is too limited. Geo-blocking of digital content should be abolished altogether, irrespective of whether the content is from broadcasters or other providers.

ACCESSING MEDIA FROM OTHER EU COUNTRIES



Almost three quarters of German consumers would like to be able to subscribe to sports programmes, films, or TV shows offered elsewhere in the EU. Demand is particularly high among young consumers.

All age groups



Source: representative survey among the general public conducted by TNS Emnid, commissioned by vzbv, February 2016

••• VZBV'S POSITION

👍 No further watering down of the proposed Regulation: The European Parliament and the EU Member States should not allow any further watering down of the proposed Regulation. Attempts to limit the scope to broadcasters’ inhouse productions, which also need to have been shown on linear TV beforehand, do not take into account the way consumers live their lives.

👍 Ensure future viability: The OnlineCabSat Regulation must also cover the online-only services of broadcasters that have no immediate connection to linear broadcasting. This applies to FUNK, for example, the online youth channel of Germany’s public-service broadcasters ARD and ZDF. This is the only way to continue reaching younger audiences.

👍 Remove restrictions: Consumers in one EU Member State should be able to access online content from all other EU Member States. They should have access to a wide range of digital offerings that are available across borders, at any time, at a fair price and under transparent terms.

👍 Allow passive sales: Even if providers do not actively market their digital content to other EU Member States, consumers should be able to purchase such content if they want to (passive sales). Copyright holders should only be allowed to prohibit service providers from selling digital content to consumers in other EU Member States in exceptional cases.

FACTS AND FIGURES

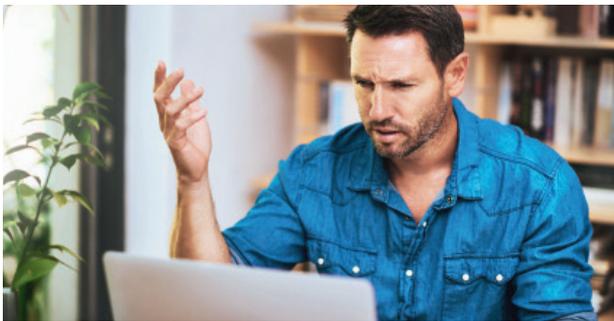
i According to a European Commission report, 68 per cent of companies analysed – broadcasters and providers of digital services from the Member States – use geo-blocking. 58 per cent say they use geo-blocking because they are contractually obliged to do so.¹

i The 2016 Jugendbarometer (youth barometer) survey shows that the majority of young people avoid illegal online sources if affordable legal services

are available. Only a very small proportion cite fear of prosecution as the reason for not using illegal sources.²

i German consumers are willing to pay for digital content, with almost a third already using paid-for video-on-demand services. In 2016, the share was only 22 per cent.³ 75 million consumers around the world use the premium service from Spotify alone.⁴

... CONSUMERS ARE SOLD SHORT



Michael is excited that the new series of his favourite TV show is already running on US television. But when he settles down one evening to watch it, he is disappointed – it is not available in his country. He discovers online that a British pay-TV provider is broadcasting the series in the UK, but he cannot subscribe to its services – country borders are still in effect here. His computer's IP address gives away his location and the British broadcaster's licence agreement with the series producer prohibits the sale of the content in other EU Member States. Michael has to make do with his local pay-TV provider and wait until the series is broadcast in Germany.

Access to digital content is refused

While travelling in the EU on business, he is faced with another problem. He wants to stay in touch with what is going on at home via the catch-up services of ARD and ZDF. The screen remains blank for many of the news reports, however, as they cannot be shown in other countries due to copyright restrictions. At home, he sometimes faces a similar issue, where the online version of the Tagesschau news programme is not allowed to show pictures from the German football league. But many other programmes, films and TV series that he would be able to watch online without any problem at home are now blocked.

Although he is able to travel around the EU without having to show his passport, his favourite TV programmes and news from home are stuck at the border. He would like all online content to be accessible across borders, as he will be travelling in Europe a lot in the future. And at home, he would like to be able to watch the latest episodes that his colleagues in other EU Member States are already talking about.



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1 Results of a competition investigation by the EU-Commission published in March 2016, http://europa.eu/rapid/press-release_MEMO-16-882_en.htm

2 Results of the 2016 Jugendbarometer (youth barometer) on the issue of intellectual property, https://euiipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/observatory/documents/IP_youth_scoreboard_study/executiveSummary/executive_summary_de.pdf

3 <http://www.bvdw.org/medien/bvdw-umfrage-jeder-dritte-nutzt-video-streaming-dienste?media=8736>

4 <https://newsroom.spotify.com/2018-05-02/more-people-than-ever-are-streaming-on-spotify/>

verbraucherzentrale

Bundesverband