

Appendix B: Details of schemes managed

IVARO is a not-for-profit collecting society for visual creators. It protects the copyright of visual creators in Ireland and worldwide by promoting the lawful use of their artworks and by educating both artists and users about copyright and related rights in artistic works.

Company Overview

The Irish Visual Artists' Rights Organisation was set up with the support of Visual Artists Ireland, the Copyright Association of Ireland and the Irish Copyright Licensing Agency in 2005 to protect the interests of visual artists with regard to the reproduction of their work and with particular concern for the Resale Right (Droit de Suite) legislation pursuant to Directive 84/2001 of the European Commission.

IVARO is a non-profit-making organisation and the money thus collected (minus administration costs) is distributed to the visual creators whose works have been reproduced or resold.

IVARO is committed to obtaining fair compensation for visual artists. At the same time, it provides users with an easy method of obtaining permission to reproduce works of art and a convenient one-stop-shop for the remuneration due under the Resale Right.

IVARO is a member of the European Visual Artists organisation (EVA) and The International Confederation of Authors and Composers Societies (CISAC). Through these memberships, it has been able to enter into reciprocal agreements with many of its sister organisations abroad. Through these agreements, IVARO also receives royalties for reproduction of Irish works abroad. IVARO has entered reciprocal agreements with the following societies:

ADAGP (France), AGADU (Uruguay), AKKA/LAA (Latvia), ARS (USA), BONO (Norway), BUS (Sweden), Copydan (Denmark), DACS (United Kingdom), DALRO (South Africa), EAU (Estonia), HUNGART (Hungary), MYNDSTEF (Iceland), OOA/S (Czech Republic), Pictoright (Holland), Prolitteris (Switzerland), SABAM (Belgium), SAVA (Argentina), SODRAC (Canada), SPA (Portugal), VEGAP (Spain), VISCOPY (Australia), VG Bildkunst (Germany).

The work of IVARO falls into three main sections:

Firstly, it sells licences, which allow users to reproduce copyright protected visual art material;

Secondly, in relation to the Artists Resale Right, it collects the revenue on behalf of entitled members from art market professionals such as galleries, auction houses and art dealers.

Thirdly, it distributes royalties to and the revenue collected for the creators whose works have been reproduced or resold, after deduction of administrative costs.

1. Licensing

IVARO is a clearing centre through which copyright owners and users of copyright protected visual art material can deal with each other more or less automatically.

1.1 Transactional Licences

IVARO negotiates and concludes licences for the reproduction of the works of its members on a case by case basis. IVARO is able to licence any or all rights in artistic works as defined under the Copyright & Related Rights Act 2000 on behalf of the artists we represent.

These rights include:

- Making a copy of the work
- Distributing copies of the work
- Communicating the work to the public
- Making the work available to the public

Our grant of rights is made on a one time, non-exclusive basis.

1.2 Blanket Licences

Collective licensing allows institutions to pay a flat fee where licensing for every individual use would be impractical or impossible. For this purpose we are considered representative of all visual artists in Ireland. IVARO has entered into an agreement with the Irish Copyright Licensing Agency (ICLA) to allow the inclusion of visual works in print material to be covered by ICLA's photocopying licences. In return IVARO receives a percentage of ICLA's national income and any other monies that ICLA receive from its international sister organisations for Irish visual artists.

RETURN is the name of the scheme through which IVARO distributes collective licensing royalties to artists. Any artist whose work has been reproduced in a book, magazine or journal published in Ireland can apply for a share of these royalties. RETURN royalties are distributed on an annual basis (once per year) and artists do not need to be a member of IVARO to apply for a share.

2. Artists Resale Right (Droit de Suite)

IVARO collects and distributes monies due to visual artists under the Droit de Suite (Artists Resale Right) legislation which was introduced on June 13th 2006 under Statutory Instrument No. 312 of 2006.

The author of an original work of art has a right (“resale right”) to a royalty on any sale of the work which is a resale subsequent to the first transfer of ownership by the author (“resale royalty”). Since 1st of January 2012, the heirs and beneficiaries of deceased artists whose work is still in copyright are also entitled to claim resale royalties.

The royalty is an amount based on the sale price and is calculated in accordance with Regulation 9 of S.I. No. 312 of 2006 (see table below).

The sale price is the price (in euro) obtained for the sale, net of any tax payable on the sale.

Price Bands and Rates for the Artists Resale Right:

For the portion of the sales price	Royalty Rate
a. Up to€50,000	4%
b. €50,000.01 to €200,000	3%
c. €200,000.01 to €350,000	1%
d. €350,000.01 to €500,000	0.5%
e. Over €500,000	0.25%

The price bands and royalty rate are dictated by law and are non negotiable. The maximum royalty an artist can receive on any one resale is capped at €12,500 which applies to works sold for €2 million and above.

On behalf of our entitled members IVARO applies to art market professionals involved in the resale of original works of art for payment of resale royalties.

This one-stop-shop approach reduces administrative costs for the scheme and allows the maximum return to the artist. Through reciprocal agreements with sister societies in other countries IVARO is able to collect royalties due to Irish artists whenever their works are resold abroad. Resale royalties are collected on behalf of IVARO members only.

Appendix C: Details of scale of charges

	Type	Description	Fee
1	Individual (transactional) licences	<p>IVARO negotiates licences with the users of artistic works, on behalf of its members. The licences are for the reproduction and publication of the works. The royalty payable by the user is negotiated on a case by case basis and will depend on the nature of the use of the rightsholders' work proposed by the user.</p> <p>Transactional licensing requests are dealt with within 10 days. Where the user requires a faster turnaround an additional administrative fee is levied of no more than €100.</p>	IVARO deducts an administrative charge of between 7.5% and 25% of the royalty received
2	Blanket (Collective) Licences	<p>IVARO has an agreement with the Irish Copyright Licensing Agency, under which ICLA can grant licences that include unspecified works by IVARO's members. IVARO receives a percentage of ICLA's income (currently 6%) and distributes it to the rightsholders' entitled to receive it.</p>	IVARO deducts an administrative charge of 25%
3	Artists' Resale Right	<p>IVARO collects this royalty on behalf of members. It is payable on the resale of art works involving an art dealer or auctioneer. The scale of charge is set out in Statutory Instrument No.312 of 2006. The rightsholder for whom IVARO collects the royalty will pay IVARO an administrative charge for collection.</p>	IVARO deducts 15% of the royalty collected in Ireland. IVARO does not deduct a commission on Resale Royalties collected on behalf of our members by foreign collecting societies

Distribution of Royalties

All collecting societies are funded by a commission on royalties collected to cover the administration costs related to the collection and distribution of royalties to artists.

Transactional licensing royalties are distributed on a quarterly basis (four times per year). Maximum subvention of 25% and a minimum subvention of 7.5%. Subvention rates depend on the administrative burden for the rights clearance.

Collective licensing royalties are distributed on an annual basis through the RETURN scheme within 6 months of receipt. IVARO retains an administration fee of 25%. This charge is made on the total monies received and no fee is charged to any individual claimant.

Resale Royalties are distributed on a quarterly basis (four times a year). IVARO retains 15% of the gross royalties collected and returns 85% to the entitled artists and rightsholders.

Royalties owed to sister CMOs are paid out as per the bilateral agreement at least on an annual basis.