

# CODE OF PRACTICE INTRODUCTION TO SCREEN CRAFT RIGHTS

#### WHAT IS SCREEN CRAFT RIGHTS?

Screen Craft Rights is a collecting society based in the United Kingdom. Established in March 2011 the society collects and administers licensing revenue attributable to the exploitation in broadcast, video distribution or online exploitation of the products of the services of the crafts professions in audio-visual works. Such crafts include, variously depending upon the legislation in different territories, cinematographers, film editors, production designers and costume designers.

**Screen Craft Rights** was jointly established by BECTU (Broadcasting Entertainment Cinematograph and Theatre Union), BSC (British Society of Cinematographers), GBCT (Guild of British Camera Technicians) and BFE (British Film Editors) and with the full support of BFDG (British Film Designers Guild). The Society is a non-profit organisation. It is registered as a company limited by guarantee of its members who accept a maximum liability of £1 in respect of the company.

**Screen Craft Rights'** Members include film editors, cinematographers, production designers and costume designers, most of whom remain active in the film and television industries worldwide. The Society also has successor members, and distributes royalties to the estates of deceased craftspeople.

The Society has contracts with a number of affiliates abroad. These societies pay Screen Craft Rights the share of royalties generated in those countries by audio-visual works featuring the work of Screen Craft Rights' Members, accompanied by usage analysis and distribution data to facilitate allocation of payments. The royalties are then distributed onward by Screen Craft Rights to Members. Those parties that are not members but are entitled to royalties which are being held by the Society awaiting membership applications are shown on the Society's website. Members are encouraged to assist the Society in locating potential members to ensure royalty entitlements reach the correct beneficiary(ies).

Our affiliates collect royalties from a variety of sources. Examples include secondary revenues arising from physical reproduction (such as video), broadcast, online dissemination, rental, retransmission as well as private copying (the so-called "blank tape levy") and copying for educational purposes.

In addition to the Society's financial statements the Society's accounts outline Board members' interests including executives' remuneration, Board Members levels of royalties received as right holders and details to identify any conflicts of interest that might be perceived to exist. The Society also publishes an annual Transparency Report. The Society's distribution policy, membership criteria and the dispute resolution procedure are all outlined below.



#### SCREEN CRAFT RIGHTS COMMITMENT TO ITS MEMBERS

The Society undertakes to treat its Members with courtesy, fairness and even-handedness. It will ensure staff understand the Society's operations and the nature of its relations with affiliates. It will maintain a commitment to transparency of governance and its operations and publish information to support these principles on an annual basis. It will endeavour to respond to Member's queries within 30 days, address proven errors swiftly and address complaints and any disputes between members in accordance with its Dispute Resolution Procedure.

#### **ROYALTIES**

As citizens of a state that was a member of the European Union, Screen Craft Right members have until recently been automatically entitled to royalties generated abroad by exploitation of their work, by virtue of the principle of national treatment enshrined in the Treaty of the European Union. Article 18 of the Treaty states that:

"Within the scope of application of the Treaties, and without prejudice to any special provisions contained therein, any discrimination on grounds of nationality shall be prohibited."

Under this legislation members have been in principle entitled to be paid royalties from the use of their work when it is exploited in countries in the European Union. Societies managing rights and revenues in those other countries have historically been obliged to give the Members of Screen Craft Rights exactly the same entitlements and protection as that afforded their own nationals.

Screen Craft Rights has concluded agreements with a number of European Union and other related societies. These societies account at different times in the year and provide accompanying data as to usage. There is inevitably a time gap between broadcast transmission (for example) and the society analysis as well as between that analysis and its remittance to Screen Craft Rights.

Where the principle of national treatment is not applied by an overseas society, it may be replaced by the legal principle of reciprocity. Reciprocity is where Society B will treat a foreign national from Society A in the same way as the citizen of Society B can expect to be treated by Society A. Put colloquially, "we will treat your citizens the way you treat ours". Consequently, the absence of a legal entitlement to Screen Craft Rights-type royalties under English law may have an effect.

## **MEMBERSHIP**

Membership criteria, contact details and the membership application process (with applicable forms) are available on the Society website.

The society has three levels of membership:

#### **Full Membership**

Individuals registered with the Society and who have benefitted from the Society's distributions.



## **Successor Membership**

The beneficiary of an Estate registered with the Society that has benefitted from distributions.

### **Provisional Membership**

Individuals who have registered with the Society but who have not yet benefitted from distributions, or paid the registration fee that is deducted from the first payment. Provisional members may attend meetings of the Society, and speak at the discretion of the Chair, but will not be entitled to vote.

Screen Craft Rights will accept applications for membership from:

- British nationals domiciled in the UK and elsewhere.
- Nationals of an EU Member State who have worked on a British production.
- Persons that are not British nationals but are legally domiciled in the United Kingdom and entitled to work here.

Please note this does not affect existing members.

## **GOVERNANCE**

- **1.**The Annual General Meeting is the policy-making body of the company.
- **2.** The Board of Directors are responsible for the implementation of policy and for the administration and financial control of the company and conducts itself in accordance with the Articles of Association of the Society.
- **3.** The Board may appoint an individual or individuals on suitable terms to undertake the day to day administration of the company.
- **4.**The Board of Directors comprises eight members elected by the membership (two representatives of each of the four crafts represented by Screen Craft Rights cinematography, editing, production design and costume design) and a maximum of four additional members appointed by the Board. These additional members may be members or non-members and will be appointed on terms to be agreed by the Board.
- **5.**Board members will normally be appointment for a term of four years. However, following the first election of Board members in 2015, the member in each category receiving the least number of votes will be appointed for a period of two years. Elections will thereafter be held biennially with one representative of each category being elected.
- **6.** The Board may, at its discretion, invite anyone (a member or non-member) to attend a meeting of the Board either as an observer or to give a report on a specific matter.
- **7.** All members of the Board will be registered as directors of the company.
- **8.** The Board will meet no less than 6 times in the first year (1st March 2011 to 1st March 2012) and thereafter no less than three times per year.
- 9. The quorum for each meeting will be four members.
- **10.** Meetings will be chaired by one of the elected members.
- **11.** The Board may appoint one of the members as Honorary President.



#### **MEMBERSHIP APPLICATIONS**

- **1.** A one-off registration fee (currently £35) will be charged to register with Screen Craft Rights. This will be deducted from the first payment due to a member. The Estate of a previously registered member will not be charged a further Registration fee on admittance to membership of the successor member.
- **2.** When registering with the Society members will be required to give details of the bank account to which payments should be issued.
- **3.** Where a member elects to have payments made to an agent or other nominated person details of the payment will be issued to both the member and to their nominated representative.
- **4.** In the case of an Estate of a deceased member appointing a successor member, the Estate must provide full proof of entitlement to receive payment. In instances where there is more than one beneficiary of an Estate, the beneficiaries must nominate (in writing signed by all beneficiaries) one person to act as successor member and to be authorised to sign on behalf of the Estate any documents issued by Screen Craft Rights. Onward distribution of royalties issued to such successor member shall be the sole responsibility of the duly authorised successor member.
- **5.** The company will not divulge any details of payments made or due to a member other than to the member concerned or their nominated representative. Any such nomination must be in writing and sent to the Screen Craft Rights administration.
- **6.** Screen Craft Rights operates subject to the provisions of the UK Data Protection Act 2018 in respect of the protection of members' personal data and will only share your personal data as authorised by the Membership Agreement namely only with those third parties whose function is essential for the administration of your rights and entitlement to revenue as managed by the Society.
- 7. Members should inform the company in writing of any change of address or bank details.

#### **DISTRIBUTION POLICY**

- 1. Distributions will be undertaken as soon as practically possible after receipt of money and in accordance with the terms of the Collective Management of Copyright (EU Directive) Regulations 2016. Whilst it is the intention that payments will eventually be distributed to members within twelve months of receipt the administration of payments may, as mentioned above, appear to take longer due to the number of payments received that cover transmissions across a number of years.
- 2. Where Screen Craft Rights has made an initial allocation of money attributed to a work for which it has been unable to identify the rights holder(s) ("the Unidentified Right holder") or to a non-member ("Non-Member") those monies will be held by the Society for the minimum term under the Regulations. If the Unidentified Right holder or Non-Member still cannot be identified or located after this period the revenue will be added to the next distribution of money from the issuing society.



- **3.** Allocations are made on the basis of available information. This includes data provided by societies remitting funds to SCR and publically available industry data.
- **4.** Screen Craft Rights operates two main bank accounts: a Members' Fund and an Administrative Account, although at any time money from one or both accounts may be transferred to a high earning deposit account (eg. Money Market Account). Accounts will be prepared by the company's nominated accountant annually and the financial report made available for members.
- **5.** A percentage of the gross amount received from the issuing society will be retained to cover administrative costs. Deductions are made for such administration costs only and no other money is deducted for any other purpose. The percentage to a maximum of 20% is fixed annually by the Board of Directors. Any overestimation of the actual costs involved will result in the remaining balance being returned to the members' fund at the end of the financial year and then be added to the next distribution of money from the issuing society
- **6.** Wherever possible payments will be allocated according to the distribution scheme of the issuing collecting society and based upon the data provided by them.
- 7. Where there is more than one member entitled to payment in any category (ie. Camera, edit, design) payments will be divided equally between parties. Variations to this allocation are permissible if details are received in writing and agreed by all parties concerned. However, any such instruction will only apply to future payments and not be applied retrospectively.
- **8.** Where there is a dispute between members as to the rightful beneficiary of any money the members concerned will be asked to resolve the matter amicably and inform the Board of Directors of any decision. Until any dispute as to the respective entitlement in relation to the work has been resolved no payments in respect of that work will be issued. See also below DISPUTES BETWEEN MEMBERS.
- **9.** Subject to the Society' minimum amounts as outlined herein payments will normally be issued in sterling by bank transfer to a UK bank account. The Board of Directors reserves the right to levy a charge for any payments issued by cheque or to a non-UK bank account.
- **10.** Subject to bank or transfer charges applied by the bank(s) to royalties the minimum payment for UK domiciled members will be £20.00 (twenty pounds sterling). For those members operating an overseas bank account or non-sterling bank account, the minimum payment will be €60 (sixty euros). For bank accounts notified to Screen Craft Rights as authorised to accept the payments that are non-EU, non-sterling and or in any other currency, the minimum payment will be £100 (one hundred pounds sterling).
- **11.** Payments under this amount will be allocated to the member's account for distribution when other funds become available for distribution.
- **12.** When a member has been wrongly or over paid the member may choose either to repay the money or have it deducted from a future payment.
- **13.** Any significant changes to the customary distribution policies will be put before the AGM.



#### MEMBERSHIP COMPLAINTS PROCEDURE

- **1.** We take all complaints very seriously and will make every effort to deal with any errors, or resolve any disputes, as quickly as possible.
- **2.** Any complaint should, in the first instance, be made in writing (by email or post) and be addressed to the Chief Executive. The complaint will be acknowledged on receipt and a written response issued within 28 days.
- **3.** If the member is dissatisfied with the response s/he may request that the matter be referred to the Board of Directors. They will investigate the complaint and respond within 28 days.
- **4.** The Board may, at its discretion and at any time, appoint an independent adjudicator to help resolve the matter. The ruling of the adjudicator will be final.

### **DISPUTES BETWEEN MEMBERS**

- **1.** Where there is more than one member entitled to payment in any category (ie. Camera, edit, design) payments will be divided equally between parties. Variations to this allocation are permissible if details are received in writing and signed by all parties concerned. However, any such instruction will only apply to future payments and not be applied retrospectively.
- **2.** Where there is a dispute between members as to the rightful beneficiary of any money the members concerned will be asked to resolve the matter amicably and inform the Board of Directors of any decision. Until any dispute as to the respective entitlement in relation to a work has been resolved no payments in respect of that work will be issued.
- **3.** Only when it can be demonstrated that a genuine attempt at reconciliation has taken place and failed, may the Member make a formal complaint following the procedure outlined above.

### **OTHER INFORMATION**

Please see the Society website at www.screencraftrights.org for details of:

- Membership application documents
- Financial statements
- Articles of Association of the Society
- Senior Management and Board Members
- Transparency Report