

Workshop2: Data protection, incentives and dimensions of the copyright infrastructure, 7 December 2020

Petra Tarjanne, Ministry of Economic Affairs and Employment: SME data economy (Translation of transcript into English)

"In addition to who holds the rights to intellectual property (IPR), I guess the perspective that we are interested in right now is how IP and related earnings can be achieved in the best possible way. Also here international ecosystems have a much bigger impact on how we operate and what kinds of things have an impact on the value chains and agreements between different operators, and – on the other hand – how the customer can control the production with their own choices, and thus impact the big picture."

I'll elaborate a bit on how we have thought about the matter from the point of view of the Ministry of Economic Affairs and Employment and from a business point of view – why it's essential to tackle this right now. Neither do we have a very strong or advanced idea as to how this matter should be tackled, but we have already given some thought to the problems related to data-based value creation in general, problems related to value creation generated by data. By no means does this include all data-based value creation that we have discussed, but I have included the digital contents. And this is what we have written and thought about the matter in recent times. For a company, data-based value creation is of great significance – including value generated by the contents. It is a world that is growing. How we have parsed the significance of digital information is that there is the added value for the customer – that's one way – and there's the optimisation of business processes; increasing productivity which is another way; and selling to the customer to use or licence is yet one way. All of these also pertain to making business out of content data.

As for the reasons why this is so essential from a business point of view, one reason is that, due to rapid digitalisation, there are many things that digitalisation makes possible, but there are also things that it causes. Perhaps the biggest challenge that comes with digitalisation and data is that new income distribution models spring up. And coming up with and executing those is a whole lot easier than it used to be. That leads to big structural changes. So the content production value chain used to be quite multifaceted before, and there used to be a clear direction from the production to the customer, as to how earnings have been transferred. What used to be under national legislation and what, in turn, used to be outside of national legislation and operational models – in the chain, that is, so releasing and distributing used to be international in the past as well. Now that we are talking about the digitalisation model, the value chain has become much shorter, and the value chain is impacted by several things that one had not as big a need to consider before.

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be achieved in the best possible way. Also here international ecosystems have a much bigger impact on how we operate and what kinds of things have an impact on the value chains and agreements between different operators, and – on the other hand – how the customer can control the production with their own choices, and thus impact the big picture. Who in this field is like... what instruments they have, and what kinds of chances to impact, and what kinds of chances to control – those things have a huge impact on how companies can develop their own business and how secure their business solutions are. The more secure, established, and internationally strong our procedures, the more secure the companies' business and development or production of new models and new contents. And ensuring that earnings go as stated in agreements. So managing this big whole context benefits from a clear and stable operating environment. From that perspective, we are extremely interested in how companies' income generation – in this constantly changing operating environment – could be supported, or how we could create an operating environment where there would be such stability and instruments that companies could focus on developing their business, renewing it, renewing the value chains, renewing the operational models in such a way that we keep up with the international competition. I guess that's my perspective on this. Thank you.

Anna: The EU data economy approach, data economy development approach is different from how it happens elsewhere in the world. So the European approach is human-centric, balanced – and in spite of that, it creates added value. And that's what I think is one of the most important things to remember in the big picture: we have different operators, and data sharing should benefit them all. Where we are able to create some sort of a copyright infrastructure together based on those principles, it would be really great, and that's the reason why we still have some speakers left in this section. So in this context, we're talking about value chains, so could you Petra, elaborate on whether the Creative economy roadmap – for which there is the advisory board, someone brought up the question of how we could make this work more methodical, so the work around the creative economy roadmap was one of the alternatives brought up, and that's something you have been involved with and in charge of, so are you able to say how these things could work together on some level in the future?

Petra: I'm certain they could work together. The roadmap is a common working platform for different operators to solve different bottlenecks hindering growth. In the roadmap, as a starting point, they have defined five main focus areas that are to be examined. One example is changes in ecosystems or networks – how to identify changes in value chains, how to identify the new nascent opportunities that people should get to capitalise on. There's also competence shortcomings that must get fixed: the changes will bring about new competence needs to which we should respond fast. The third thing is internationalisation, understanding of international networks and joining them. The fourth thing is sparring and serving of beginning companies and SMEs, on a regional level, and increasing cooperation in regional networks. And the fifth thing is measuring and data production. Even though copyright

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infrastructure is not directly discussed in (--) it, it is clearly an issue that comes to light when we examine how things proceed under the headlines. The roadmap working method is such that when one identifies a challenge, a hindrance, a bottleneck, or an opportunity – they can also be positive opportunities – they look into which operators it concerns and how they can start solving the situation together. For that, they use quite fast and agile methods in the beginning, and they try to make those procedures more broadly used and established, or make them into development processes once they find the right ways to proceed with the matter, the right operators, and the right order for proceeding with things. In many instances, we have noticed that we're good at listing things that we should do, but we don't always pay attention to the order in which one must do those things in order to achieve the desired outcome. In that sense, this matter is something that can just as well be included in the roadmap work, using those resources and procedures to make progress with this matter.

Anna: Thank you very much for the clarification. I believe that we benefit a lot from already having something of a roadmap, and the elements seem similar to what will be needed when it comes to the infrastructure: we need clarity as to what kinds of competence shortcomings there are. We know that data governance is not at all a common competence area – not for authors, not for performers, not for producers in most cases, nor for any other operator in the creative field. That's why it has to be increased on all levels. This is clear and a competence shortcoming that I believe we will need to increase on all levels. The same thing applies to changes in ecosystem: we need ecosystem discussions within and between different fields, as to which operators are involved, so that we can make things smoother and lower the transaction expenses – I believe that is precisely what everyone wants: that the copyright system would work in an efficient way, simultaneously respecting the copyright holders. So you cannot cut corners, instead everyone is to cooperate with the data to the extent that we get the data moving in the best way possible. The final matter was the measuring, and that is extremely important for renewing things: finding the baselines and so on in order to measure the development. That's also a requirement to get funding: one cannot assume that it is possible to invest – on the EU level or on the national level, or from other sources – a funding, unless they can see it has actual benefits. That's why, in a sense, getting such a roadmap will help in making more systematic progress. But do our participants have any questions to Petra at this point? Is it so that we can put this presentation on the Dialogue Portal?

So you can read it more carefully afterwards. I have renamed the copyright infrastructure Hankeikkuna as the Dialogue portal, the reason being that there is such a strong need for dialogue from different fields' points of view, so that we get an overview on what it is that infrastructure development pertains to, and finding a common language in which to discuss these matters in a way that people don't primarily see the contradictions and the use of incorrect terms, not understanding each other as to what we're looking for, instead the purpose is to find the mutually agreed terms and in a way, the development is based on trust – the purpose is not

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to exclude anyone, vice versa: getting more shared benefits from data governance and sharing in an inclusive way.