AUTHORS’ LICENSING & COLLECTING SOCIETY
STRATEGIC PLAN 2016–19
OUR STORY
Authors’ Licensing and Collecting Society (ALCS) is a not-for-profit membership organisation started by writers for the benefit of writers, and we’re still run by writers, for writers. We’re open to all types of writer, and owned by our members. We collect money that’s due to our members for secondary uses of their work. These might include things like photocopies, cable retransmission, digital reproduction and educational recording.

These sorts of rights typically bring in small amounts of money that are difficult for writers to monitor individually, so the most effective way to gather them is collectively. It takes tireless investigation, as well as experience and expertise. But nowadays, with the help of our bespoke IT systems, we can collect money from all over the world through agreements with over 70 different societies in more than 50 countries. We then pay this to our members whose works are being used.

We also campaign and lobby on matters important to writers — both at a national and international level — to ensure writers’ rights are both recognised and rewarded. Nobody else in the world does exactly what we do, though we’re often compared to other organisations.

For many members, we’re a mysterious organisation that sends them a payment every so often. Some even find us secretive. Yet for others, the reality of where the money comes from is possibly too detailed. There are even potential members who think we’re a scam — until their first payment arrives.

We’re open to all types of writers as members. We measure our worth by the amount of money we’ve collected and paid to writers, and the number who join us, as well as by our successes in lobbying and educating about copyright. Today we have around 90,000 members, and since 1977 we have paid over £450 million to writers.

HERITAGE
ALCS was set up by writers, for writers. We began in the 1970s, when a group of writers were discussing why they weren’t receiving payment when their books were being used. The ‘Writers Action Group’ set about trying to remedy this, campaigning initially for writers to receive recompense when their works were lent by libraries — payments a different organisation looks after these days.

As a result of the group’s long-running campaign, ALCS was founded in 1977, and has grown to represent writers in all genres, collecting and distributing fees for many different rights. Initially a small affair, with writers volunteering their time to admin and campaigning, ALCS is now run with more of a business focus, and employs staff chosen for their particular skills and experience. What started as an action group is now very much a passionate, professional and highly efficient body working worldwide on many levels.
MISSION
We aim to be a trusted representative and a valuable service to all types of writers: campaigning for a fair deal; collecting money they are entitled to and sending it to them; representing their interests and promoting and teaching the principles of copyright.

PROMISE
We promise to support authors and their creativity, ensuring that they receive fair payment and their rights are respected. Most of our members receive some income from us each year. Fair remuneration and recognition for authors, in their infinite variety, is at the heart of everything we do. We represent our members and campaign for their interests, as well as educating people about the value of creativity and the role of intellectual property in the lives of authors.

VALUES
ALCS believes in being:

- **Professional**: working diligently on behalf of all writers
- **Supportive**: acting for our members and campaigning for their interests and remuneration
- **Informative**: teaching about the value of creativity, and the work we do for writers
- **Open**: transparent and accessible in all of our communications
PHILOSOPHY

We believe copyright is an enabler of creativity. Writers want the choice to make a living from their writing. The main principle that enables them to do this is copyright, where as soon as you write down an original idea, it is protected automatically. Copyright is designed to ensure works may not be used or reproduced without permission of the copyright holder. This allows creators to profit from their creations, and thus to continue working. Copyright is therefore the foundation of our culture, and the creative industries are based on it.

AMBITION

We are at a stage where we need to adapt to the technological age. We are making inroads into new sources of income created by digital technology, such as licensing web content. But there are many new forms of distribution in this digital landscape, each with new threats to copyright — and many people today expect free access to creative works, with no regard for how the creators are paid. Laws and attitudes to copyright change readily, and we must continue to campaign at both EU and UK Government level. We have to successfully navigate these future challenges and continue to fight for writers’ rights in the new digital world.
MEMBERSHIP OF ALCS HAS INCREASED BY 30% OVER THE LAST FIVE YEARS AND IT CONTINUES TO INCREASE
ANTICIPATED INCREASE IN MEMBERSHIP NUMBERS IN THE NEXT THREE-YEAR PERIOD

75,000 MEMBERS

2013

2014

2015

2016

2017

2018

2019

100,000 MEMBERS

AUTHORS’ LICENSING AND COLLECTING SOCIETY STRATEGIC PLAN 2016–19
KEY ISSUES FACING ALCS

LICENSING

Licensing environment: The long term agreements held with Copyright Licensing Agency (CLA) and Educational Recording Agency (ERA) in the education sector will provide a degree of stability. A recent agreement on splits of licensing income between authors, artists and publishers in the business sector has established allocations for magazine/journals for both CLA and NLA Media Access collections for the duration of this strategic plan. However, we expect to see a shift in value away from copying printed materials towards accessing digital content.

Technology: Digital technology has blurred the differences between primary and secondary uses of writers’ work, and between individual and collective licensing, published and self-published material. Developing efficient services for rights clearance and payments administration for high-volume digital use is important as is instigating investment in digital products and services to let authors create and distribute their own content.

Economic: The global economic uncertainty affecting all countries shows no signs of abating and has the ability to affect all areas of licensing.

Globalisation: The continued importance of the English language throughout the world offers opportunities for collective licensing in the BRIC nations (Brazil, Russia, India and China and other developing countries throughout Asia, South America and Africa. However, author unfriendly legislation often hinders opportunities to collect from the re-use of this content. ALCS needs to work in these territories to foster the development of author collectives while seeking to influence the development of global treaties recognizing the importance of collective licensing and the need for creators to be appropriately recompensed when their works are re-used.

Regulatory: ALCS needs to work to promote a balance in international copyright law between user access and reward for creators especially in the context of educational use. It’s important that we campaign for legislation or industry standards that promote fair terms between authors and exploiters, including payment for ‘secondary use’. There is also a need to find a balance between licensing the creation of digital archives (through Extended Collective Licensing) and managing the resulting payments in a cost-effective manner.

Enforcement: Partnering with industry bodies such as the Alliance for IP and British Copyright Council to promote robust and workable rights enforcement frameworks is important to ALCS. It also supports the facilitation of licensing models which allow legal access to copyright works.
“The best way to describe ALCS is a godsend to writers. It’s a membership society, it collects money on behalf of writers, it protects their creativity and campaigns for their rights, which is great!”

Baroness Floella Benjamin OBE, Children’s writer and broadcaster
FINANCIAL

**Income:** Traditional areas of licensing such as photocopying and cable retransmission will continue to provide a steady source of income for ALCS members. Income from digital licensing and other sources is projected to increase in importance over the period of the plan counterbalancing any declines in more traditional analogue sources.

**Investments:** The investments that ALCS undertake need to be managed prudently to maintain a steady return of income in the face of difficult market conditions. Given the challenging economic conditions the returns on these investments are expected to see only small growth over the period of the plan with investments spread to ameliorate risks. Interest from these investments is used to maintain low commission rates.

COMPETITION

New rules for collecting societies within the European Union have increased the likelihood of competition between societies and have heightened the need to maintain efficient operations which maximise the payments made to writers. More broadly ALCS also needs to identify activities being undertaken on behalf of authors by commercial organisations for which improved returns could be achieved by direct ALCS involvement.

SOCIETY

**Copyright:** ALCS will promote the principle of copyright and ensure that any UK, EU or international regulatory reform aimed at liberalising access in the digital age recognises the economic and moral rights of creators.

**Government:** Policies in respect of culture and creative industries, copyright education, the knowledge society and trade relations all affect ALCS and our licensing activities. ALCS must engage with government departments and work with them in conjunction with other bodies to promote our members’ interests.
STRATEGIC OBJECTIVES
2016-2019
MEMBERSHIP

- We’ll distribute as much to members as we collect each year and reduce the amount of historical fees held.

- We’ll distribute income we collect to members within nine months of receipt.

- We’ll give members the choice to receive fees for their artistic works.

- We’ll develop the members’ area of our website to enable members to interact more broadly with ALCS and give them access to statements electronically.

- We’ll encourage as many writers as possible who would financially benefit from ALCS to join, and will increase the membership to 100,000 by the end of this three-year period.

- We’ll pay out £5M of licensed income to new writer members.

- We’ll make it as easy as possible for writers we’ve collected money for to join and claim their income from ALCS, by introducing a search and claim process through our website.

- We’ll individually research and contact every writer who accumulates more than £400 of licence fee income.
MONEY WE’VE COLLECTED AND PAID OUT TO MEMBERS

£33.7M COLLECTED

£30M PAID OUT

£30.1M COLLECTED

£24.9M PAID OUT

£30.2M COLLECTED

2011

2012

2013

2014

2015
“It’s often the best-kept secret in writing. You’re bound to know a member you just don’t realise it; we’re everywhere.”

Paul Powell, Scriptwriter
We’ll continue to invest in technology to provide efficient and effective ways of administering collective licensing, sharing the cost of development with partner organisations.

We’ll continue to move to cloud-based technical solutions for all our licensing and collecting activities.

We’ll provide a comprehensive range of communications to cater for different members’ needs on different platforms.

We’ll hold four to six events each year across the UK and be accessible to as many members as possible.

We’ll listen to members’ opinions and keep their views at the heart of our decision making.
“(ALCS) collects money that writers are owed and it makes sure it gets to them; I can’t see what the problem with that is.”

Tony Bradman, Children’s writer
We’ll maintain single-figure commission rates throughout the next three-year period for distribution.  

We’ll continue to manage costs efficiently to minimise impact on members.  

We’ll manage our investments and risk to deliver returns in order to keep commission rates as low as possible.  

Throughout the period of the plan we will increase operational and legal reserves to the equivalent of eight months’ operational expenditure.
We’ll work with our UK partner organisations to maximise our members’ incomes from licensing and aim to collect £60M licensing in the UK in this three year period.

We’ll look for opportunities for the collective licensing of our members’ works, focusing on new digital services and undertaking pilot projects.

We’ll explore opportunities to maximise members’ income from overseas sources and aim to collect over £29.5M from licensing income from overseas during this three year plan.

We’ll help to develop new author organisations in Asia and in other parts of the developing world through our partnerships with the International Authors Forum (IAF), the International Confederation of Societies of Authors and Composers (CISAC) and the International Federation of Reproduction Rights Organisations (IFRRO).

**FORECAST INCOME**

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<th>Year</th>
<th>Income</th>
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<td>2016/17</td>
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<tr>
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<td>£29.54M</td>
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<tr>
<td>2018/19</td>
<td>£30.12M</td>
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BUSINESS DEVELOPMENT

We’ll continue to collaborate with our user-facing partner organisations (CLA, ERA) to develop innovative products and services that support core collective licences with a focus on the educational market.

We’ll seek commercial opportunities to exploit our expertise in payment administration with third party organisations.

We’ll look to develop solutions to cover digital exploitation of members’ works.

We’ll continue to develop commercial opportunities for collective administration as well as offering bespoke services and use profits to defray the amount of commission charged to members.

We’ll work with organisations such as libraries and archives to bring older works back into circulation based on fair remuneration models.

We’ll look to develop collective solutions in non-traditional areas of licensing.

We consult with our stakeholders and partner organisations before entering into any new areas of collective licensing.
LOBBYING

- We’ll develop our influence in the UK, in Europe and internationally by working with others for the benefit of writers.

- We’ll continue to work with the All Party Writers Group to raise issues of concerns to writers with UK politicians.

- We’ll continue to work with the writers’ unions to lobby UK politicians on appropriate issues, especially in light of the result of the referendum to leave the EU.

- We’ll develop our network of contacts within the European Commission and Parliament to promote our members’ interests.

- We’ll work with the European Writers’ Council (EWC), International Federation of Reproduction Rights Organisations (IFRRO), and the Society of Audiovisual Authors (SAA) to further authors’ rights in Europe and through the International Authors Forum (IAF) internationally.

AUTHORS’ RIGHTS

- We’ll work with agents, writers’ unions and other stakeholders to campaign for fair terms between authors and the exploiters of their works.

- We’ll raise awareness of authors’ rights through copyright awareness programmes.
“We trust ALCS because it was started by writers and it’s still led by writers.”

Maggie Gee, Novelist
We’ll raise awareness of the value of copyright to society and highlight the benefits of the system in supporting creativity.

Among writers, we’ll promote an understanding of how copyright supports creative careers.
OUR PROMISE

WE PROMISE TO SUPPORT AUTHORS AND THEIR CREATIVITY, ENSURING THAT THEY RECEIVE FAIR PAYMENT AND THEIR RIGHTS ARE RESPECTED. MOST OF OUR MEMBERS RECEIVE SOME INCOME FROM US EACH YEAR.

FAIR REMUNERATION AND RECOGNITION FOR AUTHORS, IN THEIR INFINITE VARIETY, IS AT THE HEART OF EVERYTHING WE DO.

WE REPRESENT OUR MEMBERS AND CAMPAIGN FOR THEIR INTERESTS, AS WELL AS EDUCATING PEOPLE ABOUT THE VALUE OF CREATIVITY AND THE ROLE OF INTELLECTUAL PROPERTY IN THE LIVES OF AUTHORS.