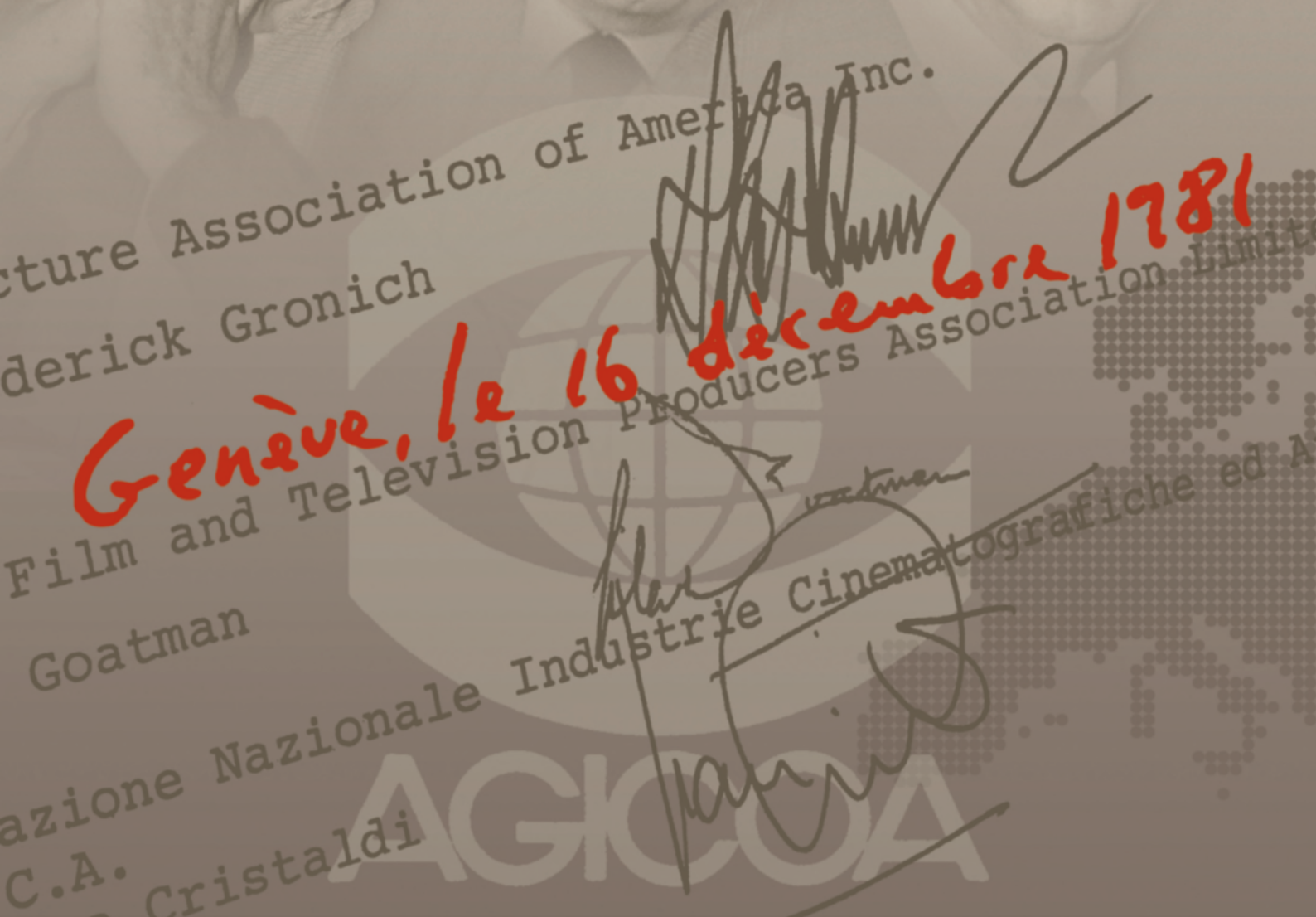


ALPHONSE
BRISSON

FRANCO
CRISTALDI

FREDERICK
GRONICH



AGICOA
The Rights People

30TH
ANNIVERSARY

“ AGICOA WAS AN INTERNATIONAL CONCEPT FROM THE START. THE THREE PRINCIPLE FOUNDERS, ALPHONSE BRISSON, FRANCO CRISTALDI AND FRED GRONICH, WERE FRENCH, ITALIAN AND AMERICAN RESPECTIVELY. ”

Michael Brodie

Movie industry executive and AGICOA Treasurer

“ UNTIL THE CODITEL CASE, THE PIRATES MOSTLY GOT AWAY WITH ROYALTY FREE USE OF AUDIOVISUAL WORKS. ”

Gilbert Grégoire

Honorary President, FIAD (International Federation of Film Distributors)

“ THERE WAS A GROWING NEED FOR THE COLLECTIVE NEGOTIATION APPROACH THAT AGICOA EVENTUALLY PROVIDED. ”

Boris Szulzinger

Belgian director and film producer

“ I THINK THE INTERNATIONAL STRUCTURE THAT EMERGED IN THE LATE 90S WAS GENERALLY A GOOD ONE AND HAS KEPT PACE WITH INDUSTRY DEVELOPMENTS SINCE. ”

Ronald Frohne

Media and corporate legal expert

[Read the full article on page 4](#)

ANNUAL REPORT 2011

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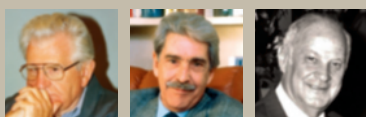
30 YEARS OF SHARED SUCCESS

2011 marked the 30th anniversary of the founding of AGICOA, or *Association de Gestion Internationale Collective des Œuvres Audiovisuelles* as it was then known, origin of today's acronym. In the decades since, it has become a respected, influential presence in the television broadcast world, collecting and distributing over €132m in royalties last year for the retransmission of audiovisual works in 38 countries.



FOUNDERS

Alphonse Brisson Fédération Internationale des Associations de Producteurs de Films (FIAPF)
Franco Cristaldi Associazione Nazionale Industrie Cinematografiche ed Affini (ANICA)
Frederick Gronich Motion Picture Association of America, Inc.



▲ AGICOA was officially created on December 16, 1981

PRESIDENTS

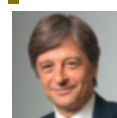
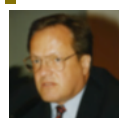
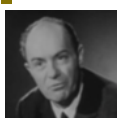
1982-1985: Franco Cristaldi
1986-1992: Gérard Beytout
1993-2000: Gérard Ducaux-Rupp



2001-2002: André Chaubeau
2002-2011: John Jacobsen
2012 - : Chris Marcich



1981 1982 1983 1984 1985 1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012



DIRECTORS

1982-1988: Jacques Flaud
1989-2000: Rodolphe Egli

2001: Hein Endlich
2002-2009: André Chaubeau
2010: Paul Duggan
2011 - : Tom De Lange
 Helmut Koszuszeck
 Pierre Oberholzer

LOGOS

1982



1990



2000



2007



REFLECTIONS

Four of the many industry figures associated with its evolution reflect on the organization's origins and progress.



BORIS SZULZINGER
Belgian director and film producer

“ IN THE EARLY 1980S, THERE WAS NO COLLECTIVE MANAGEMENT STRUCTURE for producers' and rightsholders' rights. No operators of cable and other new forms of transmission paid attention to licensing content. There was a growing need for the collective negotiation approach that AGICOA eventually provided. Its origins can be traced back to the outcome of the landmark CODITEL case in Belgium in which the owner of the cinema rights claimed damages for the unlicensed cable retransmission of the famous Claude Chabrol film, *Le Boucher*, before it had appeared in theatres. Belgium was the first and most cabled country in the world at that time with over 80% penetration. A civil case brought under the provisions of the EU's Berne Convention took over 10 years to win, but alerted rightsholders and the industry in general to the challenges and opportunities of a new age of multichannel television broadcasting. ”



MICHAEL BRODIE
Movie industry executive
and AGICOA Treasurer

“ AGICOA WAS AN INTERNATIONAL CONCEPT FROM THE START. The three principle founders, Alphonse Brisson, Franco Cristaldi and Fred Gronich, were French, Italian and American respectively. Fred Gronich's involvement as representative of the highly influential Motion Picture Association of America was important because of the extensive use made of US productions in Europe at that time. But the French influence was very strong in the early days: the official language of the organization was French and management meetings were like a mini UN session with simultaneous translation for non-French speakers. We sat there and listened through headphones – despite the fact that everyone in the room spoke good English! There was no disagreement about the potential value of what we were trying to do but with many strong personalities involved and many national interests at the table, there was plenty of disagreement about how to do it. It took quite some time for the organization to develop the administrative and professional management capabilities that make it the coherent force it is today. ”



GILBERT GRÉGOIRE
Honorary President, FIAD (International
Federation of Film Distributors)

“ UNTIL THE CODITEL CASE, THE PIRATES MOSTLY GOT AWAY with royalty free use of audiovisual works. After some persuasion WIPO, UNESCO and other influential bodies agreed that unlicensed transmission could be detrimental to a movie's career. The provisions of the Berne Convention had specifically addressed rightsholder interests - they just hadn't been applied. The first task was to get producers to agree to the principle of collective rights management rather than individual negotiation. Some were reluctant to accept that all movies, big budget and small, should be treated the same way but eventually they came round and AGICOA began to pursue cable operators on their behalf. The operators were firmly opposed to its proposals, of course, and many more were taken to court before they accepted their responsibilities. The organization then was nothing like as sophisticated as it is today. It was located first in Paris in a tiny sixth floor apartment about 300 metres from the *Elysée Palace*. Fortunately there was a lift! Former Director of the *National Center of French cinema*, Jacques Flaud, accepted to become AGICOA first Director. AGICOA didn't stay long in Paris, however, and soon moved to Geneva, although some operations were located for a time in Brussels. It was well established by 2002 when André Chaubeau became Managing Director and John Jacobsen took over as President. ”



RONALD FROHNE
Media and corporate legal expert

“ IT TOOK SOME TIME TO FIND THE RIGHT BALANCE BETWEEN US AND EUROPEAN INTERESTS and also between centralized and decentralized operations as the geographic reach of the organization developed. Also, let's not forget that its operating environment has been changing fast more or less throughout its lifetime, throwing up many new challenges. I think the international structure that emerged in the late 90s was generally a good one and has kept pace with industry developments since. The trend of recent legislation is encouraging in some respects. What happens at EU level is only directive, of course, and national legislators still have considerable leeway in their decision-making, so there is still a long tunnel of uncertainty ahead. AGICOA's activities are increasingly relevant to many in the industry, and the recent changes in governance bring additional perspectives and experience that should prove valuable as the organization moves forward. ”

TABOO - THE SOUL IS A STRANGER ON EARTH, GERMANY - FILM-LINE PRODUCTIONS
 THE SLEEPING VOICE, SPAIN - MAESTRANZA FILMS, S.L.
 DER LETZTE JUDE VON DROHOBYTSCH, AUSTRIA - ROSDY FILM KG
 THE WHITE RIBBON, AUSTRIA - WEGA FILM



PRESIDENT'S MESSAGE



The founders of AGICOA three decades ago foresaw that the national boundaries that had traditionally defined broadcasting would give way sooner or later to the forces of globalization and technology, and that a much more complicated world would result.

It would pose challenges for audiovisual copyright holders but also create revenue opportunities. A new form of collective management was needed, they believed, to tip the balance in favour of the latter.

Their concept was controversial at the time and is still not universally accepted. But I think the impressive number of rightsholders using AGICOA's services, the healthy position of collections, and the record amount of royalty revenues paid out in 2011 speak for themselves.

My presidency of the organization spanned the last of these three decades - unquestionably the most challenging one in terms of the sheer pace of change. Even those most closely involved are hard pressed today to keep track of the continuous proliferation of new services offered by distribution platforms.

For rightsholders, the technology-based case for seeking expert help is compelling. Mounting legal complexities, the dark cloud of piracy, and the worrying precedent of the music industry lend additional weight to the wisdom of a collective approach to royalty management, under certain circumstances.

This reinforces the need for AGICOA, but it also reinforces the need for AGICOA to keep pace with industry developments and continuously improve and upgrade the levels of service it delivers to rightsholders.

It was gratifying in this respect to be in a position to help secure important changes to the governance structure and operating mandate of the organization in my last year of office.

I believe these changes will result in faster and better decision-making, greater focus, and put AGICOA in a stronger position to advance the collective interests of the 10,000 rightsholders it represents.

I have no doubt that the regulatory uncertainties and ambiguities that are the inevitable result of rapid change will eventually be resolved, and that a new, more reliable map of the audiovisual world will emerge. Everyone will benefit from the simplification that maturity usually brings. The timetable is hard to predict, but the growing importance of every source of revenue for many in the industry should help concentrate minds and encourage collective effort.

I have great confidence in our new President, Chris Marcich. His experience of the audiovisual sector in both the US and Europe should prove a valuable asset in securing the levels of understanding and cooperation needed for AGICOA to serve its members in optimal ways and fulfil its potential as a productive change agent.

A stylized, handwritten signature in black ink, appearing to read 'J. Jacobsen'.

JOHN M. JACOBSEN
AGICOA PRESIDENT

A ROAD TO MECCA, AUSTRIA - MISCHIEF FILMS
ATMEN, AUSTRIA - EPO FILM
BLACK THURSDAY, POLAND - NORD FILM
MARY AND MAX, AUSTRALIA - MELODRAMA PICTURES



EXECUTIVE COMMITTEE



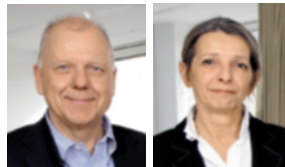
JOHN M. JACOBSEN
NORWAY
PRESIDENT

Producer and head of *Filmkameratene AS*, one of the leading Norwegian film and television companies. Their productions include the Oscar nominated *Pathfinder*, the international Emmy nominated animated series *Elias, the little rescue boat* and the recently acclaimed *Max Manus* and *The Troll Hunter*, the most successful Norwegian films in decades.



NICOLE LA BOUVERIE
BELGIUM
VICE-PRESIDENT

CEO of BAVP (collecting society for cable), *PROCIBEL* (collecting society for private copy), *AGICOA BELGIUM*, *Zenab consulting*, *le Palace Arthouse* as well as chairman of *AUVIBEL* (collecting society for the private copying of sound and av works).



PR D^R RONALD FROHNE
GERMANY
VICE-PRESIDENT

(*substitute: Gertraude Müller-Ernstberger*)
Attorney and CPA. Head of New York Office of international Law Firm *Noerr LLP*. Managing Director of *GWFF* (collecting society for private copy) and *AGICOA Germany*. Board member of various German and international companies.



MICHAEL BRODIE
UK
TREASURER

Bachelor of laws, ACA chartered accountant, UK former *Universal Pictures* executive.



BÖRJE HANSSON
SWEDEN

Film producer, head of production at *Svensk Filmindustri (SF)*. Earlier head of Swedish film company *Filmance* that produced among others the famous Swedish criminal series *Beck*. Representative of *FIAPF*.



CHRIS MARCICH
USA

(*substitute: Jane Saunders*)
President and Managing Director of *Motion Picture Association (MPA)*, European office.



JEAN PREWITT
USA

President/CEO of the *Independent Film & Television Alliance (IFTA)*.



PER-ERIK WALLIN
SWEDEN

Started up *FRF* in 1998, and headed the organization till 2011 for the collection and distribution in Sweden of remuneration for cable retransmission. During the same period also managed *FRF-Video* for the handling of private copy remuneration to independent producers.

THE MILL AND THE CROSS, POLAND - © 2010 LECH MAJEWSKI
 SUICIDE ROOM, POLAND - STUDIO FILMOWE KADR
 HARVIE KRUMPET, AUSTRALIA - MELODRAMA PICTURES
 ZUFLUCHT IN SHANGHAI, AUSTRIA - ROSDY FILM KG
 TABOO - THE SOUL IS A STRANGER ON EARTH, GERMANY - FILM-LINE PRODUCTIONS



FACTS & FIGURES

€132M ROYALTIES

Another year of exceptional distribution. The biggest distribution in 30 years of activity.

38 COUNTRIES

Number of countries keeps on growing since 2000.

10,572 RIGHTSHOLDERS

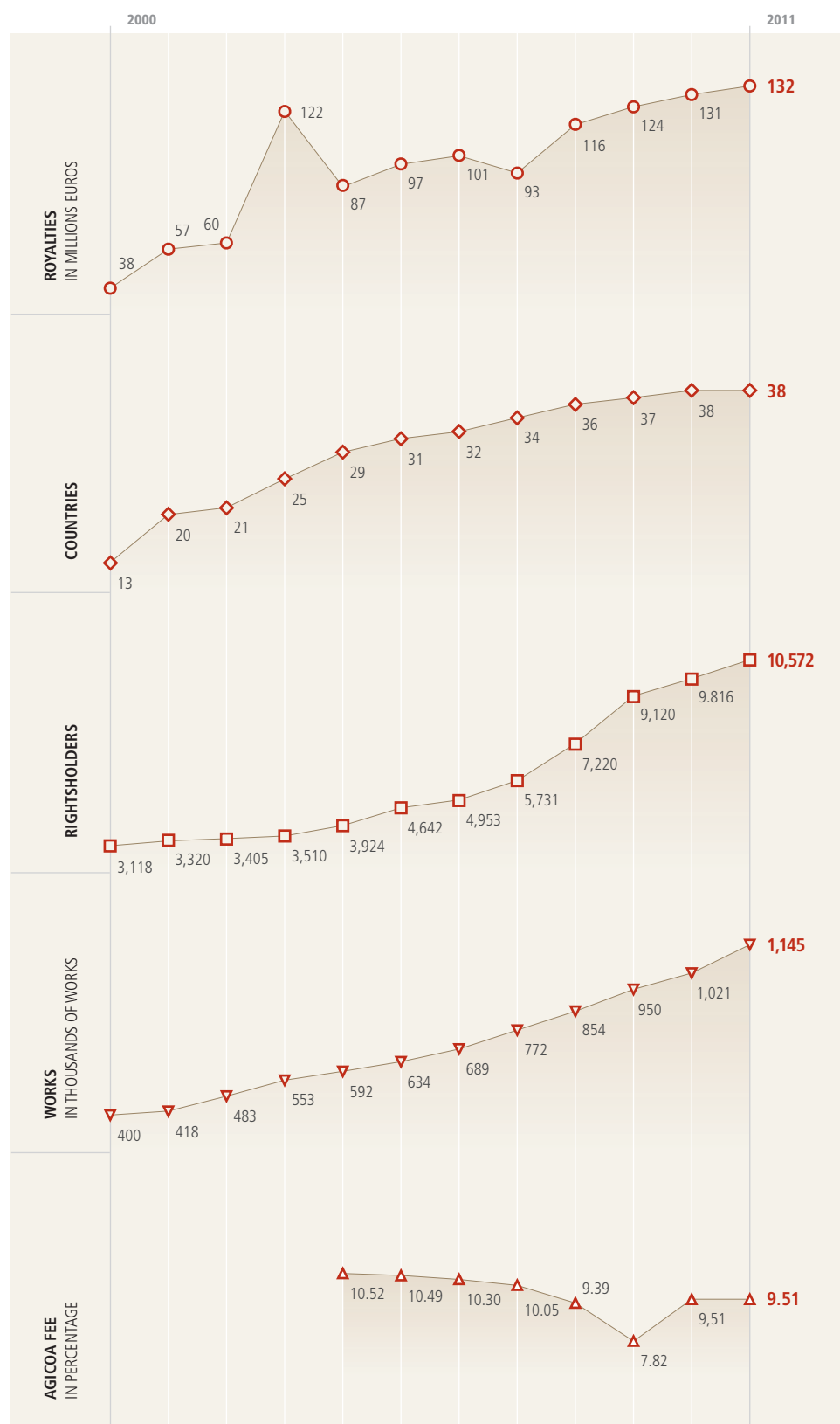
More than 10,000 rightsholders registered with AGICOA.

1,145,000 WORKS

More than a million audiovisual works declared with AGICOA.

9.51% AGICOA FEE

The price of AGICOA services remains below 10%, amongst the lowest fees in our environment.



NEUE WELT, AUSTRIA - ROSDY FILM KG
 3-FALTIG, AUSTRIA - MR FILM
 BATTLE OF WARSAW 1920, POLAND - ZODIAK JERZY HOFFMAN FILM PRODUCTION
 CURSE OF THE GOTHIC SYMPHONY, AUSTRALIA - WILD FURY

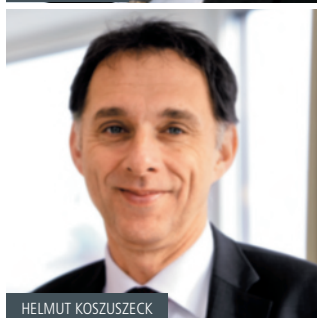


ANOTHER OUTSTANDING YEAR

AGICOA exceeded its commitments to rightsholders in virtually every respect during 2011.



TOM DE LANGE



HELMUT KOSZUSZECK



PIERRE OBERHOLZER

Despite economic uncertainty and strains on the global financial system that limited growth and activity across many markets and sectors, collection of royalties for the secondary transmission of audiovisual properties continued at a high level and distribution reached a new peak of €132m over the twelve month period. Every effort was made to contain operating costs.

The number of rightsholders registered with the organization increased by 7%, and the total of declared works exceeded 1,145,000 at year end. Total collections increased over the previous year to reach €121m.

Although the operational environment remained much the same, 2011 saw significant change in some respects: landmark legal decisions that broadly favoured rightsholders raised some hope for the emergence of a framework of case law and regulation better suited to the complexities of today's television broadcast marketplace.

In December, AGICOA's General Assembly unanimously put forward and approved major changes to organization's governance and bylaws. They create a more representative, transparent and participative structure for efficient, focused decision-making and potentially broaden the organization's collection mandate where this might be deemed necessary by members. After successfully leading these changes, President John M. Jacobsen stood down and was replaced by Board member Chris Marcich.

AGICOA enters its 30th year of service to rightsholders in a stronger than ever position to support their interests at a time when the revenues that result from its expertise are especially welcome for many production houses and others in the industry.

INDUSTRY DEVELOPMENTS

Despite unfavourable general economic conditions, the proliferation of television broadcast platforms and channels showed little sign of slowing in 2011. Indeed, as media competition for consumer interest intensifies, cable and other operators sought to expand their offer with new services, such as Video on Demand and 'catch up' capabilities that enable viewers to selectively access programming - it is important to ensure that producers benefit from these developments.

The underlying challenge for the industry at this point is that technology - and, consequently, the evolution of new business models - has moved at a much faster pace than the regulatory and legal framework that defines

copyright obligations. This results in ambiguities that create tension between the interests of different stakeholders and consequently a growing number of legal challenges.

AGICOA upholds the principle that each party profiting from the transmission of an audiovisual work has a royalty obligation to copyright holders (which AGICOA is prepared to assist in collecting and distributing where such assistance is required or requested). In most cases, this view has prevailed in court, but legal uncertainties remain and the round of decisions and appeals is likely to continue until the political will exists to comprehensively redefine intellectual property rights in today's television broadcast environment.

INDUSTRY DEVELOPMENTS (CONTINUED)

A 2011 ruling by the European Union Court of Justice offered hope of progress in this respect. It confirmed that originating broadcasters and retransmission operators must obtain separate authorizations from rightsholders for use of their work. Furthermore, after a ten year legal battle, an Israeli court ruling earlier in the year confirmed the position of rightsholders in relation to the local retransmission of

the content of foreign television channels. It awarded AGICOA USD5.2m damages in lieu of royalties blocked during the 1993-2000 period. The defendant has appealed, but it is a positive precedent.

The main licensing agreement with Kabel NL in the Netherlands, scheduled to expire at the end of 2010, was extended through 2011 and continued to apply at the outset of 2012. Collections have been

made according to plan by the Rights Collective (representing all major collecting societies) but because the revenue split amongst its members is being contested, some cash transfers to AGICOA have been delayed. An agreement has been found in 2011 for an advance payment of €20m on the anticipated €30m in royalties.

FIRST DISTRIBUTION

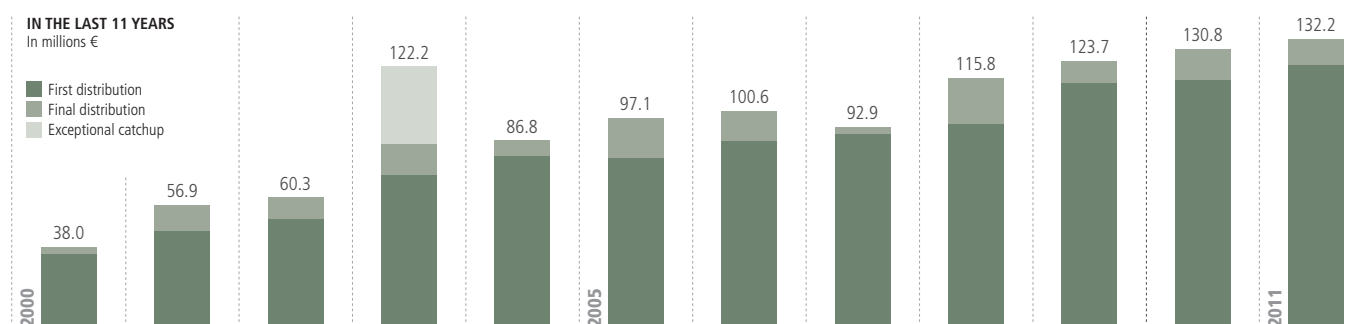
Australia	2001-2010	Finland	2010	Poland	2010	Sweden	2010
Austria	2007-2008	Germany	2010	Portugal	2010	Switzerland	2009
Belgium	2010	Ireland	2010	Romania	2010	The Netherlands	2010
Canada	2009	Luxembourg	2010	Slovenia	2009		
Denmark	2010	Norway	2009	Spain	2010	Mark-Up ¹⁾	2011

¹⁾ Albania, Bosnia, Bulgaria, Estonia, Croatia, Iceland, Latvia, Macedonia, Serbia

FINAL DISTRIBUTION

Austria	1996	Finland	2007	Norway	2007	Sweden	2007
Belgium	2007	Germany	2005	Poland	2007	Switzerland	2003
Canada	2004	Ireland	2004-2005	Romania	2007	The Netherlands	2007
Denmark	2006	Luxembourg	2007	Slovenia	2005-2006		

ROYALTIES DISTRIBUTION



INTERNATIONAL REACH

The licensing and collection agreements of AGICOA and its Alliance partner network now extend to 38 countries.

The international standing of the organization was once again endorsed by regulators seeking advice on the management of audiovisual rights in developing markets. It notably advised state authorities in Ukraine where, in cooperation with the national producers association, it

became a member of ARMA Ukraine, a new collective rights management organization in the field of cable TV retransmission.

Collections started in Kosovo and Montenegro in 2011, completing already good coverage elsewhere in the region.

CLIENT SERVICES

Growth in registered rightsholders and the number of works they declared continued strongly throughout 2011 - a reflection of market complexity and the workload involved for individuals in tracking and collecting royalties.

There was also a notable increase in the intensity of portfolio management activities: few rightsholders can afford to leave money on the table in the current economic climate.

The organization's fees - for many years less than 10% of royalty distributions - are amongst the lowest of any comparable CRMO (Collective Right Management Organization). The drive to reduce internal cost to sustain this continued throughout the year.

The AGICOA management team, restructured at the end of 2010, put additional emphasis on cost efficiency, productivity gains and the simplification of operational processes in 2011. Internal resources were focused on rightsholder value creation and the improvement of services that support this.

It was decided to end the system of automatically reversing payments in conflict situations, leaving resolution to the rightsholders themselves. This along with other measures will reduce time-consuming, non-core business workload.

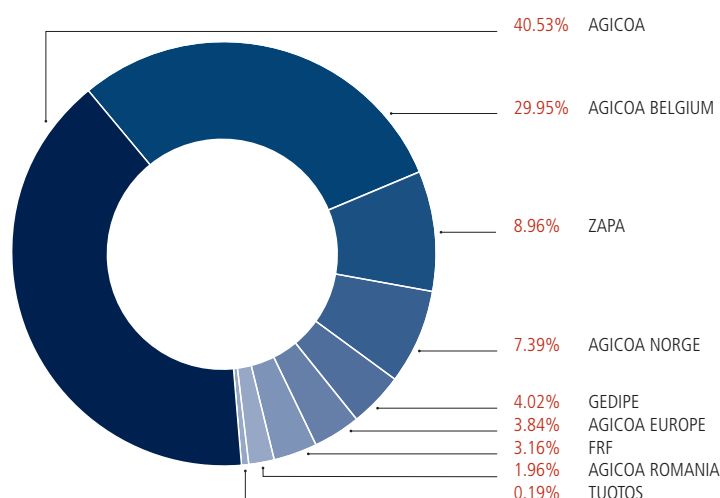
The increase in declared properties in 2011 is attributable in part to the use of AGICOA new electronic file format that makes it easier and less time-consuming for rightsholders to declare their rights on audiovisual works.

With the intent that it could offer potential efficiency gains in the management of retransmission royalties, AGICOA continues to promote the use of ISAN (International Standard Audiovisual Number). Over 30% of the audiovisual works registered with AGICOA now have ISAN.

FIDUCIARY FUNDS

As a non-profit organization, AGICOA's goal is to facilitate collection and distribution of royalties in the shortest possible time.

Fiduciary funds totalled €130m at the end of 2011. Approximately 41% of cash and deposits was held by AGICOA in Geneva and the remainder by Alliance partners.



BOLD AND BEAUTIFUL, USA - PHOTO BY GILLES TOUCAS, PROVIDED BY FINTAGE AUDIOVISUAL PRODUCER RIGHTS, COURTESY OF BELL-PHILLIP TELEVISION PRODUCTIONS, INC.
 NEUE WELT, AUSTRIA - ROSDY FILM KG
 JÄGARNÄ, SWEDEN - SONET FILM IN CO-PRODUCTION WITH HARMONICA FILMS, PHOTO BY JAMI GRANSTRÖM
 A VOZ DE PORTUGAL, PORTUGAL - CBV PRODUÇÕES TELEVISIVAS



GOVERNANCE

Historically, AGICOA has had a three-level governance structure: the General Assembly of members appointing a Board of Directors that, in turn, oversaw the workings of an Executive Committee.

In 2010, it was decided to review this model with a view to broadening participation in decision-making and creating opportunities for the involvement of different stakeholder groups. Restructuring proposals, developed and broadly agreed in the first part of 2011, were formally adopted at an extraordinary General Assembly meeting in December.

The two-level new model streamlines governance by sharing responsibilities between the General Assembly and a new Executive Board. The latter has eleven members compared to nine on the previous Executive Committee. They include representatives of the top collection markets and royalty recipients, and candidates proposed by the General Assembly.

Changes to the bylaws of the organization were also agreed which, in effect, broaden its scope of activity by opening the door to a 'technology neutral' approach to future licensing and collection activities, and to the inclusion of new services related to linear TV distribution.

John M. Jacobsen, who had served as President of AGICOA since 2002 and extended his period of office until approval of these governance changes, resigned this position at the end of the year but will remain an active member of the AGICOA Board. He is succeeded by Chris Marcich, representative of MPA and a long-serving Board member.

CONCLUSION

The AGICOA management team is pleased to report another year of excellent results in terms of rights-holders growth, royalty collection and distribution, and in the general representation and defence of the rights of the owners of audiovisual properties.

The significant commitment of resources and management time to the evaluation of strategic options for the organization and the optimization of its effectiveness will show benefit in future years. Management is confident that AGICOA can continue to be an efficient negotiator and representative for over 10,000 rightsholder voices in positive, productive ways.

In closing the year, we would like to pay sincere tribute to John M. Jacobsen

for his presidency of AGICOA from 2002 to 2011 leading the association to sustainable growth and success through his strong leadership, dedicated commitment and highest levels of professionalism and integrity.

CO-MANAGING DIRECTORS



TOM DE LANGE
CHIEF FINANCE OFFICER



HELMUT KOSZUSZEK
LEGAL AND BUSINESS DIRECTOR



PIERRE OBERHOLZER
CUSTOMERS & DISTRIBUTION DIRECTOR

4 E 5 DE OUTUBRO DE 1910, PORTUGAL - COMPANHIA DAS IDEIAS
 THE SKIN I LIVE IN, SPAIN - EL DESEO D.A., S.L.U.
 BATTLE OF WARSAW 1920, POLAND - ZODIAK JERZY HOFFMAN FILM PRODUCTION
 ZUFLUCHT IN SHANGHAI, AUSTRIA - ROSDY FILM KG
 EDGAR G. ULMER - DER MANN IM OFF, AUSTRIA - MISCHIEF FILMS





D^R HAB. ELZBIETA TRAPLE

INSTITUTE OF CIVIL LAW,
PROFESSOR AT THE JAGIELLONIAN UNIVERSITY
POLAND

The activities of platform operators raise important questions about the term “right to communicate to the public” and, indeed, definition of “the public” as such.

Article 3 of the *SocInfo Directive*¹⁾ gives intellectual property owners the exclusive right to authorize or prohibit any communication of their works to the public. This includes broadcasting and cable retransmission.

Whether the activity of platform operators is defined as retransmission or another act of exploitation is irrelevant. Each communication requires a license from rightsholder, and every platform operator must obtain this permission in order to carry out its particular activity. Obviously, receiving this license from a collective management organization is easier than seeking many separate licenses from individual rightsholders. The latter is hardly practical or even possible if platform operators do not know which works will be transmitted.

As a result, platform operators in Poland prefer to negotiate collective contracts with organizations representing rightsholders, and can do so with confidence when dealing with AGICOA, given the number and international nature of the rightsholder portfolios it manages. As technologies and business models change, AGICOA, in my opinion, should also consider steps towards managing rightsholder interests for Internet transmissions.

In the so-called Airfield case originating in Belgium, the European Court of Justice ruled that a satellite package provider must

obtain authorization from rightsholders for its intervention in the transmission of TV programs.

If the broadcaster's license does not specifically include the platform operator, the latter must receive a separate license directly from rightsholder.

This judgment supports the view that each additional party engaged in the process of communication has separate royalty obligations even if, from a technical point of view, it is regarded as one process.

My impression is that the copyright law has become too much influenced by and focused on the technological differentiation of different categories of exploitation as opposed to the economic realities of the situation. The interests of rightsholders should be technologically neutral and based on the fact that they are entitled to a share of any revenues accruing by any party from communication of their work to public audiences.

¹⁾ SocInfo Directive: “Directive 2001/29/EC of the European Parliament and of the Council of 22 May 2001 on the harmonisation of certain aspects of copyright and related rights in the information society” – <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32001L0029:EN:HTML>

AGICOA ALLIANCE

The AGICOA Alliance is a unique partnership that enables the efficient international collection and distribution of royalties for the retransmission and other TV platform distribution of audiovisual works.

Alliance Partners accommodate different national legal requirements but embody common practices to manage rightsholders' interests in a consistent, cost efficient way. The single declaration of an audiovisual work enables the collection of royalties wherever collective management operates.

Alliance Partners have deep knowledge of their own broadcast markets. Aggregation of the interests of international rightsholders adds considerable weight to the collective licensing agreements they negotiate with national and local operators. Equal treatment of all rightsholders, irrespective of size and nationality, is guaranteed.

AGICOA PEOPLE

Approximately 100 people located in 17 countries are involved in the management of rightsholder interests by the AGICOA Alliance. Of these, 34 are located at AGICOA in Geneva.

Customers & Distribution takes care of client portfolios and tracks use of work, identifying well over a million broadcasts a year. The Legal and Business department negotiates new license agreements, renews and extends existing contracts and helps Rightsholders resolve ownership conflicts.

The Finance department manages our funds collection and distribution, while Information Systems manages the flow of data across the organization and to above 10,000 registered rightsholders via IRRIS.

▼ AGICOA Geneva Staff



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To declare with the AGICOA Alliance, kindly contact AGICOA in Geneva unless you are domiciled in one of our partner's countries.

AGICOA - GENEVA, T: +41 22 544 83 04, pob@agicoa.org

LA DAGA DE RASPUTÍN, SPAIN - ENRIQUE CEREZO P.C., S.A. - TELECINCO CINEMA, S.A.
 3-FALTIG, AUSTRIA - MR FILM
 SUICIDE ROOM, POLAND - STUDIO FILMOWE KADR
 CALLING HEDY LAMARR, AUSTRIA - MISCHIEF FILMS



INCOMING PRESIDENT'S MESSAGE



CHRIS MARCICH has headed the *Motion Picture Association's* regional office for Europe, the Middle East and Africa since 1995. He has been closely involved in legislative and regulatory issues throughout this period and an energetic upholder of intellectual property rights.

Prior to joining MPA, Chris spent 16 years working for the US government on international trade and environmental issues and ultimately served as Assistant US Trade Representative for Europe. He holds a Masters Degrees in international affairs and economics, and speaks English, French, Spanish, Italian and Croatian.

Much has been written about turbulence in the audiovisual industries brought about by rapid technological change and the emergence of new business models.

Old rules and assumptions about rights, and relationships between content owners and platforms, new and old, are being tested. It is in everyone's interests to reach balanced solutions.

AGICOA and its Alliance partners have a lively and important part to play in this process – as an agent, and as a safety net. The nature of the journey we are on is one that should encourage the organization and its members to work in close partnership and speak with a clear, collective voice on matters of common interest.

The governance changes enacted by AGICOA'S members at the end of 2011 open the door to greater cohesion and renewal of purpose in this respect. There is value in any organization taking a critical inward look at its goals and the means of achieving them in times of change. In this case, questions raised by AGICOA members have been addressed in ways that I believe will improve the transparency and inclusiveness of the organization and the efficiency of its operations. I also hope that these changes will help bring to the fore the partnership dimension of AGICOA as it pursues the interests of its real constituency, the producers of creative audiovisual content around the world.

The outcome is neither abrupt nor absolute. There is solid continuity as well as new faces at Board level, and day to day professional management is unchanged. I view it as the beginning of a new phase in AGICOA'S development.

Looking ahead, the representation of rightsholders' interests at the highest level in on-going regulatory and legal debates must be a priority.

Promoting common cause between different rightsholder groups should also be high on the agenda. Points of view vary between regions and between larger and smaller industry players. This is understandable and should be respected, but the forces of globalization and the complexities of technology argue for policies of joint interest. Patience and flexibility are essential in achieving these.

In assuming the post of President, I would like to pay tribute to the efforts and achievements of my predecessor, John Jacobsen, and also to the staff of AGICOA for its contribution to the organization's development during his period in office.

I look forward to working closely with everyone at our Geneva headquarters, with our new Board, with our members, and with our Alliance partners in the months ahead.

A stylized, handwritten signature in black ink, appearing to read 'Chris Marcich'.

CHRIS MARCICH
AGICOA PRESIDENT

FINANCIAL INFORMATION

Figures for the year ended December 31

Fiduciary Funds Managed by AGICOA (EURO)

Summarized fiduciary funds balance sheet	2011	2010
Fiduciary Assets		
Cash and term-deposits	130,367,733	145,592,754
Investment property	5,183,250	5,183,250
Other assets	21,651,169	2,451,106
Total Fiduciary Assets	157,202,152	153,227,110
Fiduciary Liabilities, Reserves and Provisions		
Short-Term Fiduciary Liabilities		
Payable to rightsholders	7,248,001	7,906,146
AGICOA current account payable	72,167	909,598
Payables of national partner organizations	44,168	1,000
Fiduciary funds put into distribution pending allocation to rightsholders	67,197,080	64,464,300
Fiduciary funds to be put into distribution	63,661,190	59,960,851
	138,222,606	133,241,895
Fiduciary Reserves and Provisions	18,979,546	19,985,215
Total Fiduciary Liabilities, Reserves and Provisions	157,202,152	153,227,110
Summarized fiduciary funds statement of income	2011	2010
Revenues		
Royalties earned	98,770,492	88,044,360
Financial and other revenues	2,174,910	1,745,851
Total Revenues	100,945,402	89,790,211
Distributions and other Charges		
Fiduciary funds put into distribution	(88,493,611)	(87,114,275)
AGICOA fees	(6,840,079)	(8,428,250)
Bank charges	(14,126)	(19,739)
Foreign currency translation adjustment	(376,588)	496,313
Total Distributions and other Charges	(95,724,404)	(95,065,951)
Net Surplus prior to Allocations	5,220,998	(5,275,740)
Total Allocations to Fiduciary Liabilities and Reserves	(5,220,998)	5,275,740
Net Surplus after Allocations	0	0

The fiduciary funds financial statements exclude the fiduciary funds managed by AGICOA Urheberrechtsschutz GmbH (Germany), ANGOA (France) and EGEDA (Spain).

Financial Statements of AGICOA (CHF)

Summarized balance sheet

Assets

Current Assets

Cash and term-deposits	178,349	31,550
Receivables from the fiduciary funds	87,809	1,135,078
Other receivables and prepaid expenses	868,552	811,509
	1,134,710	1,978,137

Non Current Assets

Deposits and guarantees	657,628	654,415
Investments in affiliates	99,828	99,828
Receivable ISAN International Agency	2,641,054	2,659,054
Tangible fixed assets	272,916	331,409
	3,671,426	3,744,706

Total Assets	4,806,136	5,722,843
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Liabilities

Current Liabilities

Accounts payable	1,169,353	1,254,874
Provision ISAN International Agency	2,641,054	2,659,054
Accrued and other short term liabilities	995,729	1,808,915
Total Liabilities	4,806,136	5,722,843

Summarized statement of income

Operating Expenses

Salaries and social charges	4,878,947	6,486,813
Professional fees and administrative expenses	2,046,972	2,776,987
Depreciation	224,975	305,851
Subcontracted work	3,712,933	4,506,129
Special projects	146,928	494,013
Total Operating Expenses	11,010,755	14,569,793

Other Expenses

Interest and bank charges, net	3,205	4,537
Taxes	102,264	133,489
Exchange losses, net	30,903	66,961
Exceptional expenses/revenues	0	(99,112)
Total other Expenses	136,372	105,875

Miscellaneous Income

External services	(259,029)	(353,837)
Other income	(29,261)	(18,858)
Total Miscellaneous Income	(288,290)	(372,695)
Total Net Expenses	10,858,837	14,302,973

Funding of Net Expenses

Operational budget	13,546,036	16,914,837
Operational budget (surplus) / deficit	(2,687,199)	(2,611,864)
Total Funding of Net Expenses	10,858,837	14,302,973



Report of the auditors

To the Members of AGICOA

The accompanying summarised financial statements have been derived from the financial statements of AGICOA for the year ended December 31, 2011. These summarised financial statements are the responsibility of management. Our responsibility is to express an opinion on whether these summarised financial statements are consistent, in all material respects, with the financial statements from which they were derived.

We have audited the financial statements [balance sheet, statement of income and notes] of AGICOA for the year ended December 31, 2011 from which these summarised financial statements were derived, in accordance with Swiss Auditing Standards. In our report dated April 23, 2012 we expressed an unqualified opinion on the financial statements from which the summarised financial statements were derived.

In our opinion, the accompanying summarised financial statements are consistent, in all material respects, with the financial statements from which they were derived.

For a better understanding of the Association's financial position and the results of its operations for the period and of the scope of our audit, the summarised financial statements should be read in conjunction with the financial statements from which the summarised financial statements were derived and our audit report thereon.

PricewaterhouseCoopers SA

A handwritten signature in black ink, appearing to be 'M. Foley'.

Michael Foley
Audit expert
Auditor in charge

A handwritten signature in black ink, appearing to be 'Dondu Ipek'.

Dondu Ipek
Audit expert

Geneva, April 23, 2012

30 YEARS OF SHARED SUCCESS THANK YOU

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THE SLEEPING VOICE, SPAIN - MAESTRANZA FILMS, S.L.

DER LETZTE JUDE VON DROHOBYTSCH, AUSTRIA - ROSDY FILM KG

RÓŻA, POLAND - WYTWÓRNIĄ FILMÓW DOKUMENTALNYCH I FABULARNYCH



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