

Statement on Copyright Compliance Directive to Subscriber Television Operators in Jamaica April 24, 2015

Cable television operators in Jamaica are required to comply with local and international copyright laws and regulations, particularly relating to the channels and programmes that they sell to subscribers.

Many of these cable companies, large and small, have been operating in violation of this requirement, despite measures that have been taken by the Broadcasting Commission to secure compliance. Several operators were found by the Broadcasting Commission to be in breach of their licences on the grounds of copyright violation. Recommendations for the suspension of, and non-renewal of some cable licences have been made, and some operators ordered to remove certain unauthorised channels. The Commission has, in the past, also ordered the blocking of unauthorised programmes that infringed copyright, and recommended the introduction of hefty financial sanctions for copyright breaches.

Despite these efforts, and representations by certain international rights holders, spanning many years, the problem of non-compliance persists.

In Jamaica, as in many countries, programme authorization for use is often a matter for commercial transactions and business negotiations among international rights holders and local content providers. In some cases, these negotiations have been protracted, with some cable operators finding the authorization costs to be prohibitive. There are also some channels whose US-based owners refuse to offer distribution rights in the Caribbean either because the cable market is considered too insignificant or because the channel owners have no rights clearance beyond US territory. This is despite the fact that there is demand in Jamaica and the Caribbean for those channels.

However, in the absence of settled business arrangements, the distribution of such unlicensed channels by local cable companies has been elevated to a contentious international trade issue, threatening the reputation of Jamaica.

Against this background, additional enforcement measures are required for the orderly, phased elimination of unlicensed cable channels from the Jamaican marketplace.

Over the past 6 months we have been in intensive meetings and discussions with local Cable Operators, their trade grouping JACCO, international channel owners, the Office of the United States Trade Representative (USTR), Ministry of Foreign Affairs and Foreign Trade, among others, on this matter. Our focus has been on obtaining legitimate content for distribution in Jamaica

and arriving at a strategy for the orderly, phased elimination of unlicensed channels from cable.

One outcome of those consultations is a decision by the Commission to issue a Directive to cable licensees in Jamaica requiring the removal of nineteen (19) cable channels from transmission in subscriber packages, with effect from May 31, 2015. This represents the first phase of a process of compliance enforcement.

The channels involved in this first phase include nine (9) from the Encore suite of channels, five (5) from the Showtime group of channels, four (4) from the Starz group of channels as well as the channel known as the 'Movie Channel Extra'.

The full list of Channels is as follows:

- 1. Encore Black
- 2. Encore Family
- 3. Encore Love
- 4. Encore Suspense
- 5. Encore WAM
- 6. Encore Classic
- 7. Encore Drama
- 8. Encore Mystery
- 9. Encore Movie Plex
- 10. The Movie Channel Xtra

- 11. Showtime East
- 12. Showtime West
- 13. Showtime TOO
- 14. Showtime 2
- 15. Showtime Showcase
- 16. Starz Comedy
- 17. Starz West
- 18. Starz Kids & Family
- 19. Starz Multiplex

Cable Operators have been directed to remove these channels and to provide subscribers with notice of the discontinuation and an explanation of the reasons for doing so. Cable operators must also make whatever arrangements become necessary based on the terms of contracts with subscribers, including refunds and channel substitution, where applicable and/or appropriate.

Cable operators have also been directed, with immediate effect, to cease the promotion of any unlicensed channel to members of the public, as this constitutes false advertising and would be a violation of the Directive.

The Broadcasting Commission is aware that these copyright compliance actions will affect the viewing habits of Jamaicans who have become accustomed to viewing some of these channels. We regret the inconvenience, and ask for public understanding that this regulatory action has become necessary to ensure that citizens are provided with legally cleared cable packages, and that Jamaica's good name as an international trading partner is not compromised.

The Broadcasting Commission has and must continue to enforce the rules that govern broadcasting, in particular, the requirement that there be compliance with the Copyright Act.

The public is being assured that as we remain vigilant on copyright compliance, so too will the Commission maintain its ongoing dialogue with cable operators and international rights holders, on arriving at settled agreements and the crafting of new approaches for a durable solution.

Broadcasting Commission April 25, 2015