



Individual Licensing, Collective Bargaining and Collective Management: Finding a good model for Carnival

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The individual licensing of rights

The traditional starting point

Each rights owner has full autonomy

- but nobody else to rely on

Individual pricing

Swift transactions possible

High transaction costs

No added bargaining power

Direct payment without deductions

Costly monitoring and pursuit of infringers, especially abroad



Collective bargaining, agency arrangements

Can be organized in many forms, but therefore also flexible

Enables lower transaction costs

May give stronger bargaining muscle

Will often impose some standardization of pricing and terms

Enables joint pursuit of infringers

Enables a stronger organization and monitoring

Does not require participation of all, but can be combined with individual management

May in certain cases cause problems under competition law



Collective management

Can be organized in many forms, but typically less flexible than agency

- Blanket licensing
- Standardized individual licensing

Low transaction costs, but complex documentation and distribution

Gives strong bargaining position

Requires high degree of standardization of pricing and terms

Enables joint pursuit of infringers

Enables a strong organization and monitoring

Requires participation of all or most, can be difficult to combine with individual management (cherry picking)

Will often cause problems under competition law

Disagreement in some quarters may have devastating effect on the system as a whole

