

**Written evidence submitted by
the British Association of Picture Libraries & Agencies (PEG0089)**

Background to BAPLA

BAPLA welcomes the opportunity to comment on the impact of COVID-19 on its members.

Our members provide a 'vital economic link' for many professional photographers, videographers, illustrators and other image makers, supporting their ability to derive income and reinvest in their creativity. Founded in 1975, BAPLA is the UK trade association for picture libraries and agencies representing over 115 members, of a unique area of the creative industry. We have a broad and diverse membership of image rights holders and purveyors, from sole traders to major news, stock and production agencies, as well as many SMEs, archives and cultural heritage institutions.

Our members are the main source of licensed images you see every day in print and digital media, and as such have contributed to the UK economy for over 40 years. BAPLA members generate revenue for and manage the interests of over 120,000 image creators and rights holders, encompassing a breadth of experienced and new young image-makers across the UK. Licensing digital content online is the significant driver of the image industry.

The majority of BAPLA's membership consists of small and medium enterprises (SMEs) accounting for approx. 72% of the membership, with 28% as sole traders - many operating on very tight economic margins. In addition, the UK represents the 2nd largest territory for the global still images market - a market which has the potential to grow by £1.24 billion (\$1.55 billion) during 2019-2023¹.

BAPLA members have invested heavily over the years in technological innovation allowing them to move from analogue to digital, digitising millions of images of great historical and artistic value in order to offer access to digital copies. Significant investment is made on an ongoing basis in accurate keywording and adding metadata, allowing for seamless customer experience on the one hand, and full remuneration of the creators on the other. Several of our larger members have invested in new technology application systems, such as the use of artificial intelligence and machine learning techniques²; and along with others³, have utilised VR & AR technologies to provide virtual and 360° access to collections, particularly effective during the COVID-19 lockdown period; other members provide educational support⁴ - all of which helps to inspire the next generation of creators and producers.

¹ Still Images Market Industry Analysis, 2019, Source: TechNavio <https://www.technavio.com/report/still-images-market-industry-analysis>

² Getty Images releases an artificial intelligence (AI) tool for publishers <https://bit.ly/2OLGK9v>; Shutterstock uses AI to help people avoid image copyright issues <https://bit.ly/2ZBYSJ3> ; Getty Images and Jaunt Offer 360 Content for Creatives <https://vrscout.com/news/getty-images-jaunt-offer-360-content-creatives/>

³ VR tourism: The London attractions using virtual reality to enhance the tourist experience - <https://www.verdict.co.uk/vr-tourism-london-attractions/>

⁴ Magnum Learn is a new online learning platform for photography and visual storytelling <https://www.magnumphotos.com/magnum-education/>

BAPLA's Response to Questions

- What core/guiding principles should the Government adopt/prioritise in its recovery package, and why?

BAPLA welcomes many of the schemes the government has set up for businesses to help them get back on their feet. However, on the basis that the UK has a wealth of SMEs and a significant services sector, investment in maintaining and growing businesses within those categories should be high on the agenda. In the online business environment, especially for those within the creatives industries, such as the image sector, SMEs are often competing against other international businesses. As such, schemes that elevate UK businesses which are content-rich and can develop these assets is an untapped golden opportunity. We have set out guiding principles that consider the following:

- Provide fair and inclusive support that reaches smaller businesses, including SMEs and freelancers within the services sector, especially those that sit within the creative industries who invest in generating £ billions worth of content that enrich and help propel other sectors but may not reside within a traditional industrial setting;
 - Provide a broad business support policy continuing into 2021, which includes funding packages targeted at producers of creative/cultural content to assist their businesses use advancing technology in reaching a full recovery to their pre-virus peak⁵;
 - Expand the Government's Industrial Strategy to include those in the creative industries that are less well-resourced but still provide important contributions to the economy and technology advances, such as the image sector.
- How can the Government borrow and/or invest to help the UK deliver on these principles?

It is vital that the Government adopts a broad strategy to invest in elevating SMEs on their technical abilities. As an IP-based industry, producing billions of items of copyright-protected content, we have long advocated using the latest technologies to advance its position, which is one important reason why picture libraries and agencies continue to be the largest representation for photographers and other image makers in the creative sector. Financial support through investment in new technologies would help to elevate our market position, within the UK and overseas, and allow us to lead from the front. Immersive technologies (XR) like Augmented Reality (AR) and Virtual Reality (VR), as well as tools that enable better service delivery such as AI. In addition, more support is required to deliver enforcement strategies using technologies such as image recognition technology, including Visual Recognition Tools (VRT). Image recognition technology is readily available software that is able to identify and classify elements in an image - it is key to navigating information-heavy databases.

Within the image sector, VRT enables image rightsholders to identify and confirm whether images are authorised independently, and thereby claim remuneration for

⁵ Current support measures, such as the job rendition scheme and various loan schemes, should be withdrawn gradually and very cautiously by the end of the first quarter of 2021.

unauthorised uses. Using VRT facilitates the enforcement of IP rights, such as copyright, but more broadly image recognition technology is being used to further collaborations with other sectors including audiovisual, science, education, and retail. Brand organisations are some of the latest rightsholders to use the same technology⁶ in identifying images, brands, trademarks and logos; and the sciences use the technology for research and object identification. In addition, it aids the development of AI algorithms and machine learning. If image libraries are able to receive financial support from the government to support their investment in using this technology, this would not only support effective enforcement measures to counter the increase in infringed digital content and counterfeit products online, but also to advance other technological developments such as XR, AR and VR across a number of industries, including the image sector.

- What measures and support will businesses need to rebuild consumer confidence and stimulate growth that is sustainable, both economically and environmentally?

Our industry provides digital services quickly and efficiently, licensing image content to a vast range of customers. Arguably the ‘recycling’ of images is in itself more environmentally friendly and for years has proven to be economically beneficial to our customers. However, our business structures are wholly reliant on electronic infrastructures, such as data and broadband internet use, which uses significant power resources, illustrated during the COVID-19 crisis⁷. Going forwards connectivity that services businesses with staff working from home more often, including those based within rural and localised ISP settings, needs consideration, as well as providing future sustainable measures.

- Whether the government should give a higher priority to environmental goals in future support?

We should always strive for high priority environmental goals, supporting those businesses that want to improve their environmental footprint. As stated, we believe the Government should look to provide fair and inclusive support that reaches smaller businesses within the services sector, especially those that sit within the creative industries, such as ourselves. Creativity and technology work hand in hand, and small advancements have already been made in the Createch area⁸, which is positive to see. However, it does not reach all parts of the creative industry, merely the industries that are better resourced or connected. If we are to grow the economy again, we need to include others in the sector, such as the still image market that has the capacity to increase by £1.24 billion (\$1.55 billion) by 2023⁹.

⁶ Brands now use image recognition tools to identify their products online

<https://www.brandwatch.com/blog/image-recognition-tools/>

⁷ Data usage increased by 47% during COVID-19 quarantine <https://uk.pcmag.com/why-axis/127260/data-usage-has-increased-47-percent-during-covid-19-quarantine>

⁸ Createch Finance: The Investment Landscape for Createch Businesses in 2020

https://www.youtube.com/watch?v=yRtzsIIrfQM&feature=youtu.be&utm_source=Creative+Industries+Council

⁹ Still Images Market Industry Analysis, 2019 <https://www.technavio.com/report/still-images-market-industry-analysis>

- Whether the Government should prioritise certain sectors within its recovery package, and if so, what criteria should it use when making such decisions? What conditions, if any, should it attach to future support?

Reviewing the economic reports published this week (14 July 2020) by the ONS¹⁰, the sector which had the greatest growth heading into the virus crisis and arguably needs more financial support, to not only return the sector to pre-virus status but also advance its position globally, would be the services sector, particularly those within the creative industries such as the image sector.

- How can the Government best retain key skills and reskill and upskill the UK workforce to support the recovery and sustainable growth?

Each business should be given an allowance to ensure each person employed - full-time, part-time or on a self-employed contract for 1 year or more, is able to engage in a training course to benefit the development of the business. This would ensure several positive outcomes:

- Retention of staff at all levels;
 - Benefit to the development and economic growth of the business;
 - Benefit to educational establishments supplying training courses.
- Is the Industrial Strategy still a relevant and appropriate vehicle through which to deliver post pandemic growth?

It should be expanded to reach all parts of the services sector, not merely the traditional areas but also the new digital services that have the ability to reach customers in most parts of the world through connectivity.

- How should regional and local government in England, (including the role of powerhouses, LEPs and growth hubs, mayoralities, and councils) be reformed and better equipped to deliver growth locally?

We would recommend increasing visibility and contact with local businesses, in addition to providing information and support for businesses, including SMEs, to reach Government initiatives and explore overseas trade opportunities.

- What opportunities does this provide to reset the economy to drive forward progress on broader Government priorities, including (but not limited to) Net Zero, the UK outside of the EU and the 'levelling up' agenda? What should the Government do to ensure that delivering on these priorities does not exacerbate the vulnerability of businesses, consumers and communities/workers that have been impacted by COVID-19?

¹⁰ Some of the industries in production and services saw a small rise in May 2020, but most remained substantially below their February 2020 level. Source: Office for National Statistics – Index of Production and Index of Services <https://www.ons.gov.uk/visualisations/dvc900/inds/index.html>

Whilst BAPLA supports these notable broader Government priorities, inclusivity should not be limited to specific regional or sectoral provisions, it must encompass other sectors, such as the creative industries, and reach SMEs that need additional resources to 'level up' and develop their market potential. Sectors - like the image sector, which has over time invested in technology advancements to reach its current form providing digital content and delivery - need to be considered as a key part of the agenda as our content is inextricably linked to immersive technologies and artificial intelligence developments. The Government should ensure no viable businesses get left behind, rather than singling out particular sectors or regions.

- What lessons should the Government learn from the pandemic about actions required to improve the UK's resilience to future external shocks (including – but not limited to – health, financial, domestic and global supply chains and climate crises)?

Within our industry, many of our members reacted quickly to the crisis by adapting their services to provide flexible licensing and increasing accessible digital content, thereby ensuring income could still be generated during the lockdown period, and retain at least 50% of staff retained. As our industry supplies mostly digital content via electronic infrastructures it could adapt far more rapidly than most. The job retention scheme has offered a partial lifeline to many businesses within our sector, we would welcome the schemes continuation with a gradual phase out from November 2020, at a steadily decreasing rate of 10% each month to 1st April 2021.

- What opportunities exist for the UK economy post Brexit and the pandemic for export growth?

The UK is a net exporter of creative industry products and services, the UK's creative sector was growing at five times the rate of the wider economy, before COVID-19 struck, contributing £111.7 billion to the economy and employing over 2 million people - more than the automotive, aerospace, life sciences, oil and gas industries combined¹¹. BAPLA identified growth in a number of territories, such as the APAC regions, in a report¹² submitted by the Alliance for IP on trade. Several key provisions would enable us to expand beyond the EU and USA:

- Reciprocal copyright and enforcement regimes that reflect the UK's gold standard framework, which includes 'duration of 70 years', 'fair dealing' as part of permitted acts (instead of the broader US concept of 'fair use'), and provisions for an IPEC 'small claims track' to handle infringements up to £10,000;
- Wider investment in Createch innovations to include more sectors from the creative industries, like the image sector;
- Support to join trade delegations to overseas territories, and in addition those that combine both creative and technology sectors, to increase the UK's cultural soft power globally.

¹¹ Government press release, UK's Creative Industries contributes almost £13 million to the UK economy every hour <https://www.gov.uk/government/news/uks-creative-industries-contributes-almost-13-million-to-the-uk-economy-every-hour>

¹² Trading Places, the UK's IP Future, Alliance for IP, 2018, pages 57-62 https://72e6626c-90a0-4fd4-a508-a832ebe4e091.filesusr.com/ugd/e1dfe1_e119ab3aa87c4f139312a2dcafed707f.pdf

- What role might Government play as a shareholder or investor in businesses post-pandemic and how this should be governed, actioned and held to account?

In 2016, BAPLA successfully applied for the Government-run scheme 'Innovate Fund UK'¹³, which at that time enabled a range of businesses, including creative enterprises, to apply for funding at several levels. The lower tier provided access to claim modest funds for technology R&D projects. Monies were granted based on the proposed projects, and evidence of completing the research and funds spent were required. However, the funding provision didn't cover the cost of developing the concept into a viable product or include a Phase II. Whilst there are a number of available schemes [such as the 'Sustainable Innovate Fund' involving environmental projects and 'Future Fund' requiring raised equity of £250k, these are limited by sector and require initial investment] we would welcome the reintroduction of the initial scheme with a slightly higher fund threshold to complete projects, and a list of recommended technology partners with similar interests, in order to ensure investments delivered workable end products or services to enhance sector development, and provide the potential to license across other global territories.

BAPLA has consistently championed the recognition of marketplace value of photography and other types of images. We provide our customers with the confidence to use original high quality still and moving images from trusted legitimate sources. To continue providing content with integrity we need not only to have access to a raft of provisions, we need to be considered alongside other industry representatives.

As a largely digital content licensing service, it is critical that we are provided with the opportunities and vital support to continue with our global competitive edge¹⁴ & ¹⁵. We need to have provisions that are accessible at all levels, as well as flexible and responsive, so that our members can get back to growing their businesses and invest in the sector's future and those that contribute to it.

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¹³ Innovate Fund UK, Application ID 1017990, 2016.

¹⁴ In 2012, a study conducted by CEPIC showed the UK picture industry was the second largest market in the world http://www.stockimagemarket.uni-hd.de/downloads/GSIM_Survey_2012_Part_III.pdf

¹⁵ Still Images Market Industry Analysis, 2019, Source: TechNavio <https://www.technavio.com/report/still-images-market-industry-analysis>