



DACS response to the Inquiry into the Resale Royalty Right by the U.S. Copyright Office

Executive summary

Established by artists for artists, DACS (the Design and Artists Copyright Society) is an innovative rights management organisation for visual artists, representing over 80,000 creative individuals including fine artists, photographers and illustrators from the United Kingdom and abroad. Based in the UK, and part of a global network of visual arts collecting societies, DACS is committed to maximising revenues for visual artists, thereby contributing to the UK economically, socially and culturally.¹

DACS has paid over 2,500 artists more than £17.2 million in resale royalties since the introduction of the Artist's Resale Right in the UK in 2006. These royalties represent a direct investment into the creativity and innovation of artists, who are the behind the UK's art market, worth £12 billion in 2010.

DACS is directly mandated by approximately 4,000 UK artists and estates to administer their Artist's Resale Right royalties. We also indirectly represent many thousands of European artists through international agreements. In addition, as the resale royalty in the UK is operated under a system of compulsory collective management, DACS pays royalties to artists who have not chosen to be represented directly by a collecting society.

The Artist's Resale Right was harmonised across European Union Member States in 2006 as the result of a European Directive passed in 2001.² The Right entitles artists to a modest royalty each time their work is sold through an auction house, art dealer or gallery. The Right successfully balances the interests of artists with the interests of the art trade and recognises the on-going stake an artist has in the economic value of their work. In 2006 the UK Government chose to take up an option offered within the European Directive to stagger the implementation of the Right. This meant that from 2006 only living artists were able to benefit from resale royalties. The Right was fully implemented on 1 January 2012 to include deceased artists' heirs and beneficiaries, following the term of copyright (70 years after the death of the artist).

Despite fears that the Artist's Resale Right would divert sales from the UK to countries which do not have an equivalent right, there has been no evidence to support this. The Right represents a negligible percentage of the value of the UK art market. On average the resale royalties collected each year by DACS equate to less than 0.15% of the value of the entire UK art market, and 0.4% of the modern and contemporary art market.

The key provisions of the UK's Artist's Resale Right Regulations are as follows:³

- Artist must be of a qualifying nationality (UK or EEA)
- Art work must resell for more than €1000
- Art work must be resold by an art market professional (auction house, art gallery, art dealer)
- Sales between private individuals or between a private individual and a museum are exempt
- The royalty must be managed through a collecting society

¹ To find out more about DACS visit www.dacs.org.uk

² Resale Right Directive (2001/84/EC)

³ The Artist's Resale Right Regulations 2006, and The Artist's Resale Right (Amendment) Regulations 2011 <http://www.legislation.gov.uk/all?title=Artist%27s%20Resale%20Right>

- The sale must relate to a 'qualifying work of art'
- The sale is exempt if the work is resold for the first time less than three years after the initial sale, and for less than €10,000
- The art market professional and the seller of the work are jointly and severally liable for the royalty. If the royalty cannot be collected from either party, then the buyer of the work can also be liable.
- Requests for information in relating to sales which attract a resale royalty must be made within three years of the sale date
- The royalty is capped at €12,500 on a resale exceeding €2 million
- Royalty rates are set out in the Regulations, starting at 4% and decreasing to 0.25% as the value of the work increases

1. Current Copyright Law Implications

The American first sale doctrine would not, in our opinion, interfere with the introduction of an Artist's Resale Right. European copyright law too recognises the exhaustion of the distribution right after the first sale of a copy of the copyright protected work. The exhaustion of the right means that the author of the work no longer has the right to restrict or control the further circulation and distribution of that particular copy. Artist's Resale Right does not contradict this concept. Firstly, Artist's Resale Right would only apply to selling and buying of the original artistic work or a copy of that work that is considered an original (limited edition prints). Secondly the Right entitles the author, or the author's heirs/beneficiaries, to a royalty every time the original art work is sold through the art market but does not confer any rights to regulate the distribution of the original. This means that an author would not have to be consulted before the work is sold nor would permission for this transaction be necessary; however, once the requirements are fulfilled the author would have a right to a royalty generated by the sale.

In our opinion the first sale doctrine would not regulate this type of transaction as this is limited to the further distribution of copies of the works and would have no impact on the dealing in the original art work. It is further important to bear in mind that, like in the UK, the Artist's Resale Right does not have to apply to sales between private individuals but only to the sale of the work in the art market. This means that sales and royalties are easily monitored and that any payment obligations between seller, buyer and art market professional could also be dealt with through contractual arrangements, so the author/rights owner has no further right in regulating the further distribution of the work as such after the first sale of the work.

2. Promoting Production of Creative Works

The introduction of the Artist's Resale Right in the UK in 2006 has resulted in a significant increase in revenues to visual artists, amounting to £17.2 million since 2006.

Copyright royalties, including resale royalties, contribute to the financial sustainability of thousands of artists, photographers, designers and illustrators. Whilst the individual sums may appear modest, they are disproportionately significant for visual artists who rely on a portfolio of earnings from different sources. In the UK the median salary of a visual artist is between £15,723 and £10,000 compared with the UK median wage of £21,320.⁴

⁴ "Visual artists have precarious careers, with typical earnings well below the UK national median wage of £21,320. In 2009/10, the typical photographer earned £15,000 (median), the illustrator earned £15,723 while the typical fine artist earns only £10,000

Although royalty earnings often represent small sums individually for artists, their status as 'unrestricted funds' means that they are not tied to a particular activity and can be used to support an artist's practice, paying for studio rent or purchase of equipment and materials. 56% of respondents to the DACS Artists' Rights Survey in 2011 said their royalties were spent on purchasing equipment and materials, and 18% used royalties to fund professional development. Furthermore, many artists value the recognition and validation of their creativity conferred by royalty payments as much as the financial remuneration they represent.⁵

Many of the artists consulted by DACS acknowledge the importance of the royalties they gain from the Artist's Resale Right. For many, the challenge posed by raising a family and paying basic living costs is in constant conflict with finding the time in which to create, and finding income to support the purchase of essential materials and other necessities, ranging from finding a suitable workshop to funding new work.

"Those £200 cheques are more valuable than any £1000 cheques that come from elsewhere because they provide the rewarding knowledge that the artist is appreciated on the secondary market."

MacKenzie Thorpe's studio

"I have been delighted and very grateful to receive resale royalties. This is a marvellous thing to be happening for artists." **Mary Fedden OBE RA**

Even a high profile painter such as William Crozier, whose work is exhibited internationally in public collections such as European Commission's in Brussels to Melbourne's National Gallery of Australia, says that money from the Artist's Resale Right is almost entirely reinvested in providing better quality materials and framing for his work which, he adds, acts as a "win-win" for the gallery which benefits from this enhanced marketability.

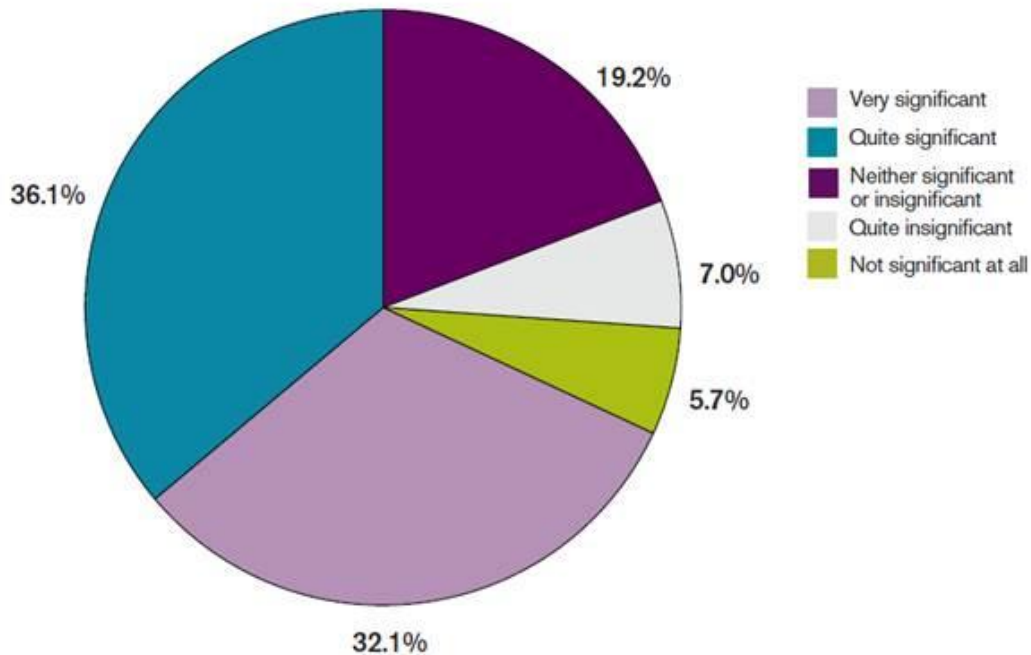
Quite apart from the financial benefit of royalty payments, artists appreciate the recognition their royalties represent. 68% of artists said their royalties to be a 'very significant' or 'quite significant' incentive for them. Many artists tell DACS that they appreciate what the royalty represents as much as the financial reward.⁶

(median)." Source: Martin Kretschmer, Lionel Bently et al. *Copyright contracts and earnings of visual creators: A survey of 5,800 British designers, fine artists, illustrators and photographers*, Bournemouth: CIPPM, 2011

⁵ DACS Artists' Rights Survey, February 2011, p3. See www.dacs.org.uk for more information

⁶ Ibid

How significant an incentive are Artist's Resale Right royalties for you?



The support from loved ones, and the way in which this sustains them during the extremely difficult early years of an artistic career, is a comment DACS hears regularly from artists. They are keen, above all else, that they should be able to show their gratitude by bequeathing their rights to this often unacknowledged support network. As Philip Disley, a Liverpool-based illustrator put it, *“my work is my security and the only way I can generate income for my family, now and in the future...the knowledge that what I have artistically created can perhaps provide in time to come for my family is important to my well-being.”* Combined with the worry of incurring post-mortem burdens on loved ones by requiring them to manage their estate, and the prospect that their work will continue to make profit for others after their deaths, it is this desire for peace of mind which drives artists' support for the resale right.

Inheriting an artist's legacy typically brings with it a burden. Beneficiaries are often required to store, preserve and restore original works. They may be expected to maintain an archive, supply reproductions and provide biographical information. Estates are frequently relied upon to contribute to the assessment of provenance, identification of fakes and be expert in every aspect of the artist's life and work.

Artists' estates contribute significantly to the creation and maintenance of the market for sales of works by the deceased artist. Beneficiaries responding to DACS' survey indicated that aside from covering every day costs of living, royalties were spent on preservation and cataloguing (32%), promotion of the artist (25%) and administration of the estate (22%).⁷

3. Fostering the Art Marketplace

The UK art trade have long argued that the introduction of a resale royalty in the UK would destroy Europe's biggest art market and drive sales abroad to countries without a resale royalty, namely, Switzerland, China and the U.S.

⁷ DACS Artists' Rights Survey, February 2011, p3. See www.dacs.org.uk for more information

Despite this oft repeated prediction, the reality has been significantly different and in the six years' since the resale royalty was implemented in the UK, there has been no evidence that the Right has negatively impacted the UK art market.

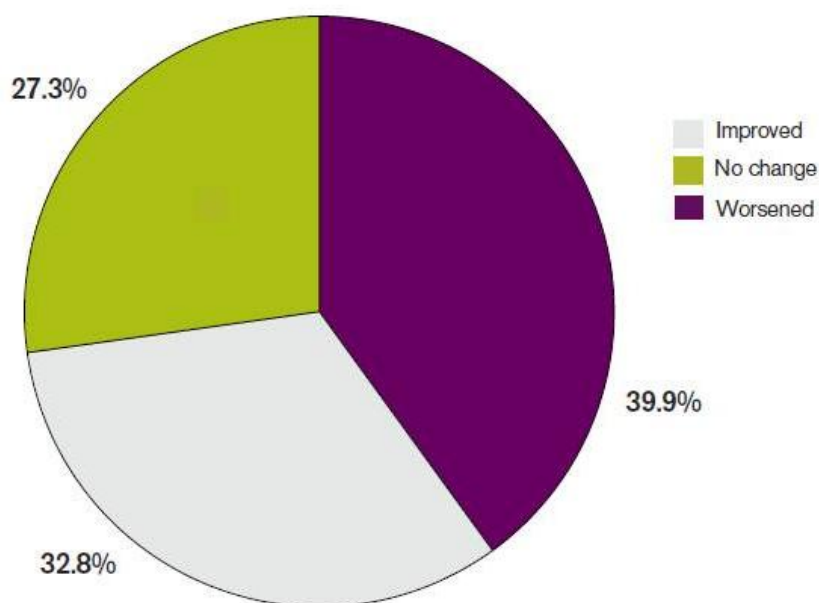
A study commissioned by the UK Government in 2008 concluded: "There is no evidence that ARR has diverted business away from the UK, where the size of the art market has grown as fast, if not faster, than the art market in jurisdictions where ARR is not currently payable."⁸

That the UK implementation of the Artist's Resale Right did not cause sales to be diverted away from the UK is supported further in the report: "It appears that living UK artists have gained in market share in most countries, both by value and by volume. As this gain appears to be across the board, both in countries where ARR is applicable and in countries where it is not applicable, it is unlikely that this changes in correlated with the introduction of ARR. It does not appear as if ARR has negatively affected sales in the UK by owners of artworks by living ARR eligible artists; owners of art by living UK artists have not noticeably moved to other locations."⁹

On average the resale royalties collected each year by DACS equate to less than 0.15% of the value of the entire UK art market, and 0.4% of the modern and contemporary art market.

In the DACS Artists' Rights Survey, 40% of artists who say they have received Artist's Resale Right royalties felt that the market in their art had worsened over the last five years. However, none had named Artist's Resale Right as the reason for this change in the market: 27% named the global recession; 60% named the changing market in their work, due to an increasing supply of works in the market.¹⁰

As a visual artist, or the guardian/beneficiary of an artist's estate, how have you seen the market in your work change between 2005-2010?



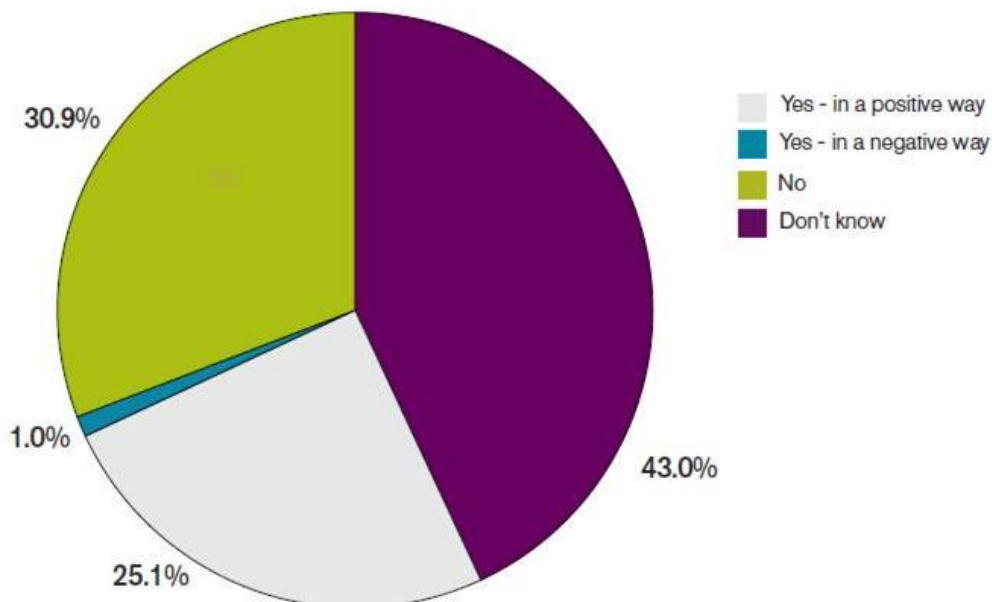
⁸ Katy Graddy and Noah Horowitz and Stefan Szymanski, *A study into the effects on the UK art market of the introduction of the artist's resale right*, IP Institute, January 2008, p2.

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¹⁰ DACS Artists' Rights Survey, February 2011, p3. See www.dacs.org.uk for more information

The survey indicated that artists feel the resale right has had very little impact on the market in their art works, either positively or negatively. Overall, 99% of Artist's Resale Right recipients did not feel the Right had negatively impacted on the market in their work.

In your opinion, has the Artist's Resale Right affected the market in your work?



The introduction of a resale royalty in the U.S. will have a mutually beneficial impact for both British and American artists when the Right is reciprocated. American artists and their heirs will benefit from royalties arising from the significant market in American art in the UK, and vice versa.

4. Scope and Applicability of a Royalty

The UK Artist's Resale Right Regulations cover the following works of art:

- Any copyright-protected work of graphic or plastic art, for example a picture, collage, painting, drawing, engraving, print, lithograph, sculpture, tapestry, ceramic, glassware or photograph
- Limited editions - the Artist's Resale Right Regulations 2006 state that any copy of an artwork "which is one of a limited number made by the artist or under his/her authority" qualifies. The law does not state an upper limit on the number of items in an edition.
- Furniture, silverware and jewellery pieces which are unique and created by a named artist or craftsman and which qualify for copyright protection (it is unlikely that mass-produced items are covered by the Right)
- Posters of a graphic work such as a lithograph, etching or original print authored by a named artist, though commercial reproductions of artworks in the form of unlimited posters and prints do not.

5. Contractual Considerations

The Resale Right Directive establishes the Artist's Resale Right as "...an inalienable right, which cannot be waived..."¹¹ This provision recognises that artists often find themselves in weak negotiating positions, often pressured to give up, or waive their rights.

In the U.S. Copyright Office's inquiry document, a number of possible scenarios are outlined, where an artist may wish to waive the Right for preferable terms of sale. In reality it is unlikely that an artist would ever find themselves in a position where they could negotiate a favourable arrangement – particularly in relation to sales that could occur up to 70 years after their death. It would also make the Right very complex to administer, as records would need to be kept over a long period of time relating to whether or not the artist had decided to waive the resale royalty on a particular work of art. And what if an artist were to choose to waive the Right on one sale, but wishes to exercise the Right on future sales? The risk of error and avoidance of the Right is significantly increased, as well as the administrative complexity.

At the very least, an inalienable, unwaivable right simplifies administration and gives certainty to the art trade in relation to where a resale royalty will or will not apply.

6. Types of transactions

In the UK, the Artist's Resale Right covers works sold on the secondary market with the involvement of art market professionals, which includes auction houses, art galleries and art dealers. It does not cover works being sold for the first time.

DACS supports the application of the Artist's Resale Right to both auction sales, and private, or gallery, sales (as distinct from a sale between private *individuals*). It is worth noting that the line between these two professions is becoming increasingly blurred as the large auction houses conduct a significant number of private sales. The Art Newspaper reports that private treaty sales now represent more than 18% of turnover for both Christie's and Sotheby's.¹²

Sales between private individuals or between a private individual and a museum are exempt under UK law. DACS agrees with these exemptions. It would be impossible to enforce the Right when dealing with private individuals, and museums should be encouraged in the acquisition of works for public display.

Where an art market professional is using a web-based platform or service such as eBay or ArtBank to conduct their sales, then a royalty is due providing the sale satisfies all other qualifying criteria.

In addition, the UK government chose to take up a derogation provided in the European Directive that exempts resales of works which take place within three years of the first sale, and are below €10,000. DACS supported this provision as we felt it served the interests of artists. Art galleries often purchase a body of work from an artist early in their career in order to stimulate a market in their work.

7. Duration of term

In the UK, and other Member States, the Artist's Resale Right follows the term of copyright, which is the life of the artist plus 70 years after their death. The post mortem right provides desperately

¹¹ Resale Right Directive (2001/84/EC) Chapter 1, Article 1(1)

¹² *Battle for private selling shows* by Georgina Adam, The Art Newspaper, Issue 239 October 2012
<http://www.theartnewspaper.com/articles/Battle-for-private-selling-shows/27295>

needed royalties for artists' families and beneficiaries, who inherit the burden of managing the artist's estate.

To propose a term that differs from the established term for copyright could set a dangerous precedent, undermining a well-established tenant of copyright.

8. Threshold Values

The European Directive on the Artist's Resale Right gave Member States the option of setting the minimum threshold at any level up to €3000. In transposing the Directive into national legislation, the UK Government recognised that a qualifying threshold of €3000 limited enjoyment of the resale right to a relatively small and elite group within the artistic community. Consequently, the resale royalty would fail to benefit the majority of artists whose works sells for less than this sum, as well as disenfranchising certain groups of visual creators such as photographers, print makers and craftsmakers whose work rarely commands such prices as high as those for fine art, even at the height of their careers.

The Directive allowed Member States to set a qualifying threshold below the maximum of €3000 "so as to promote the interests of new artists"¹³. This possibility was strongly supported by a 2005 Select Committee Inquiry undertaken by the Culture, Media and Sport Committee which clearly saw a lower threshold as a way of ensuring the right "should not benefit solely the richest artists"¹⁴. Consequently, the UK government chose to set a minimum threshold of €1000. Since 2006, 41% of artists who have received resale royalties have benefitted from this lower threshold.

For a resale royalty right to support and encourage as many artists as possible, it is clear that the threshold needs be lower rather than higher. However, it would be illogical to set it at such a level where the cost of administration outweighed the benefit of the royalty. The UK threshold of €1000 achieves this.

9. Payment and enforcement

Provision should be made in resale right legislation to enable the enforcement of the Right, either by the artist, their heirs, or their representatives (e.g. a collecting society). It is critical that art market professionals are compelled to provide the necessary information which will enable the artist/heirs/representatives to determine where a royalty is due and for how much. Art market professionals should be compelled to supply this information within a reasonable time frame.

Liability to pay the resale royalty in the UK is held jointly and severally between the seller and the agent of the seller. Where there is no agent of the seller, then the agent of the buyer is jointly and severally liable. And where there is no agent of the seller, or agent of the buyer, then the seller and the buyer of the work are held jointly and severally liable.

An issue that has emerged during the operation of the Right in the UK is the practice of auction houses to pass the cost of the resale royalty on to the buyer of the work. Many buyers at auction are art dealers, who then go on to resell the work of art, and in the negotiation of the subsequent sale, end up paying the resale royalty again. Art dealers feel that this unfairly burdens their businesses. DACS feels that it is morally right that the seller, and the agent of the seller are compelled to cover the

¹³ Recital (22) Directive 2001/84/EC

¹⁴ *The Market for Art*, Sixth Report of Session 2004-05

cost of the resale royalty and that auction houses should be compelled to not pass the cost of the royalty to the buyer of the work.

In the UK the Right is managed through a system of compulsory collective management. This means that an artist, or their heirs, can only receive a resale royalty through a collecting society. The royalty is collected and paid by either the collecting society the artist has expressly mandated, or by a collecting society entitled to represent non-members.

Where we do not hold information on the artist or estate, DACS' team uses a number of different tools to search for the person entitled to the royalty. Under the UK's statute of limitations, DACS has six years from the time of the sale to locate them.

In 2011, undistributed funds arising from the Artist's Resale Right made up less than 3% of what DACS has collected since the Right was implemented in the UK. This percentage fluctuates at different stages of the cycle of collecting and paying resale royalties.

By way of example, the following table provides a snapshot of the percentage of DACS' total collections held (in trust) as at February 2011:

Artist's Resale Right Royalties held (in Trust) by DACS, as at February 2011

Royalties held for whom DACS has a point of contact and is waiting for a response	1.0%
Royalties held awaiting resolution of administrative issues (e.g. withholding tax)	0.7%
Royalties held for artists for whom DACS is searching	0.6%
Issues resolved - royalties awaiting distribution	0.4%
Total royalties held (in trust)	2.7%

The money is held (in trust) and a comprehensive process undertaken to find the artist/beneficiary. The limitation period (or the period of statutory limitation) on these funds runs out after six years. At the beginning of 2013, royalties remaining from 2006 sales, where the limitation period has 'expired' will be returned to the relevant art market professionals. This amount totals approximately £5,000.

10. Calculating a royalty

In the UK, the 'sale price' used by auction houses and galleries to calculate the resale royalty differs significantly. In the UK, the sale price for auction sales is considered to be the hammer price, exclusive of the buyers' commission, while for gallery sales it is considered to be the sale price inclusive of the gallery/dealers' commission.

The European Directive chose not to allow for the calculation of the resale royalty based on the 'appreciated value'. It was determined that it would be difficult to administer the resale royalty, as it would require a system for tracking previous sales of a work of art. In addition such a system would create opportunities to avoid paying the royalty.

11. Royalty rate

In setting royalty rates it is important to balance the interests of artists, with that of the art market. Consideration should also be given to the value of the royalties generated, versus the cost of administering the royalty.

Prior to the introduction of the Artist's Resale Right Directive, in many European Member States, the royalty rate was a flat, uncapped, percentage of the sale price. For example, in Germany, prior to the 2006 harmonisation through the Directive, the resale royalty was an uncapped 5% of the sale price.

The European Directive introduced tiered royalty rates. The effect of this was that the percentage royalty decreased as the sale price increased. This mechanism means artists whose work is selling for lower prices receive proportionately higher royalties. This also limits the financial impact of the royalty on the European art trade.

Portion of the sale price	Royalties
From 0 to €50,000	4%
From €50,000.01 to €200,000	3%
From €200,000.01 to €350,000	1%
From €350,000.01 to €500,000	0.5%
Exceeding €500,000	0.25%

The most unusual mechanism within the Right is the cap on the maximum royalty arising from a single sale. The cap applies to works of art selling for more than €2 million and means that the royalty generated from a single sale is never more than €12,500. It is this cap which ensures the behaviour of sellers and buyers is not adversely affected by the royalties.

12. Administration of a royalty

The preferable system of administration of the resale royalty is compulsory collective management. The alternative means that royalties would be managed individually on a voluntary basis. Voluntary arrangements make life more difficult for artists. Those artists and beneficiaries not represented by a collecting society will need to become aware that a resale has taken place, make a claim to the liable person(s) for the information they need to calculate their royalty entitlement and demand payment. The onus is on the artist or their beneficiary to prove entitlement, which is a potentially difficult and daunting task especially when addressing the art trade which is not necessarily transparent about its dealings.

Individual management of the Right will only result in a royalty payment if the artist is aware of the resale, is able to prove his entitlement and comes forward to make a claim. Even if an artist were inclined to research the art market he would quickly discover that only the major auction houses publish their sales records - unlike galleries, dealers and smaller auction houses, which do not.

Voluntary arrangements also create difficulties for the art trade which will need to be prepared to respond to a potentially huge number of enquiries. It is certain that within an optional regime there will be no consistency in the way in which royalties are demanded. It may prove impossible for the art market professional to regulate the timing and form of requests for payment with the result that they may be continually obliged to answer individual enquiries and deal with a variety of differing requests for information. In response to such requests, the art market professional will need to provide the

necessary information to the artist, verify their royalty entitlement taking account of various qualifying criteria and make the payment. The art market professional will also be required to make provision for royalty payments for years following the sale in order to deal with individual demands as and when they arise.

If the Right is collectively managed and this is compulsory the situation would be rather different. A collecting society would be able to manage the right of all qualifying artists and their beneficiaries and would have the right to obtain information necessary to calculate their claims. Art market professionals would have to deal only with collecting societies, rather than potentially thousands of artists and beneficiaries, while artists will have a greater guarantee of receiving their royalties.

The most important reason that DACS supports compulsory collective management is that it reduces the possibilities of non-compliance and avoidance. Most art market professionals comply fully with the legislation, however, there are some who do not report sales either through ignorance or avoidance.

Under compulsory collective management, a collecting society would need to be assumed to be mandated by all artists. Such authority would have the effect of obliging art market professionals to provide all information necessary to determine a royalty entitlement due to all artists to a collecting society, thus discouraging non-compliance from art market professionals who might otherwise rely on the ignorance of the artist as a reason to withhold their royalty.

It is DACS' opinion that the Right should be managed by a visual artists collecting society. In the UK, collecting societies are increasingly required to meet standards of transparency and accountability to their members, in relation to the calculation of commission charges, and the operation of the organisation.

13. Experience in other jurisdictions

DACS has managed the Right since it was first implemented, through a system of compulsory collective management. DACS maintains a database of art market professionals who are asked to submit the relevant sales data on a quarterly basis. DACS' team review these submissions to determine where a royalty is due, and how much for, before invoicing the art market professional for the royalties. Artists who mandate DACS for Artist's Resale Right receive their resale royalties within 30 days of DACS' receipt of the royalties.

The cost of administering the Artist's Resale Right is borne predominantly by artists (who pay a charge to the collecting society acting on their behalf). DACS makes a 15% charge on resale royalties collected for artists in order to cover the costs of operating our service. No charge is placed on royalties we collect from overseas sales.

DACS strives to provide services to art market professionals to help minimise the administrative burden. These include:

- Online calculator linked to the European Central Bank which generates a precise royalty calculation based on the daily €/£ exchange rate
- Online searchable database which indicates which artists are eligible for the Right
- Pre-sale check service – assisting art market professionals in determining if a royalty may arise prior to the sale
- Local rate telephone helpline
- Downloadable publications explaining how the Right works
- Seminars for art market professionals

Assessments of the administrative burdens on the art trade have varied. In a survey of art market professionals in late 2007, 60% of art market professionals said their own administration of the resale right took less than five minutes and cost them less than £10 per quarter.¹⁵

Graddy, Horowitz and Szymanski state in their 2008 report into the Artist's Resale Right that, "so long as the art market in the UK is not prejudiced by ARR, the cost of administration does not appear burdensome relative to the benefit to the artists."¹⁶ The study showed that 50% of art market professionals identified the cost as less than £10 per transaction, while 25% said they did not know what the cost of administration was.

It is the artists who pay for the administration of the Right through the charges made by DACS (and other collecting societies). DACS in turn has sought to ensure the smooth functioning of the Right, working to achieve a high level of compliance, and educating art market professionals about the Right.

Please see Appendix 1 for details of DACS' resale royalty collections between 2006-2010.

14. Changes since the last report

The most significant change for the U.S. Copyright Office to consider in relation to the Artist's Resale Right, is the introduction of the Right across Europe – most significantly in the UK. The existence of the Right in other jurisdictions will enable artists to enjoy the reciprocal right, benefiting from royalties arising from the sale of their works in countries where the Right also exists.

DACS
November 2012

¹⁵ DACS commissioned Maven Research Ltd to survey artists and art market professionals in order to assess the impact of the Artist's Resale Right. 335 art market professionals and 151 artists participated in the survey. The results were published in 'The Artist's Resale Right in the UK: Submission to the post-implementation review' conducted by the UK Intellectual Property Office by the Design and Artists Copyright Society, February 2008

¹⁶ Graddy, Katy, Noah Horowitz and Stefan Szymanski, *A study into the effects on the UK art market of the introduction of the artist's resale right*, IP Institute, January 2008, p36

Artist's Resale Right royalties collected by DACS, 2006-2010

2006	Total sales €		Total royalties €		No. of sales	
	Auction houses	Dealers	Auction houses	Dealers	Auction houses	Dealers
Up to 50K	11,977,946	5,186,171	479,117	207,446	1,586	591
50k-200k	10,502,131	3,168,714	372,563	112,561	115	35
200k-350k	8,148,770	1,628,061	220,987	38,780	31	5
350k-500k	4,640,137	1,243,520	91,950	24,967	11	3
500k+	18,949,052	2,026,051	145,400	27,565	14	3
SUB TOTAL	54,218,036	13,252,517	1,310,017	411,319	1,757	637
	80%	20%	76%	24%	73%	27%
TOTAL	€ 67,470,553		€1,721,336		2,394	
2007	Total sales €		Total royalties €		No. of sales	
	Auction houses	Dealers	Auction houses	Dealers	Auction houses	Dealers
Up to 50K	31,008,698	11,521,640	1,240,347	460,827	3,502	1408
50k-200k	38,317,947	7,722,035	1,349,038	273,161	399	83
200k-350k	20,226,831	5,785,981	553,268	152,359	78	21
350k-500k	17,469,961	1,185,251	349,849	24,676	42	3
500k+	82,634,777	10,505,752	566,808	108,229	56	11
SUB TOTAL	189,658,214	36,720,659	4,059,310	1,019,252	4,077	1526
	84%	16%	80%	20%	73%	27%
TOTAL	€226,378,873		€5,078,562		5,603	
2008	Total sales €		Total royalties €		No. of sales	
	Auction houses	Dealers	Auction houses	Dealers	Auction houses	Dealers
Up to 50K	29,054,813	8,302,382	1,162,192	332,095	3,164	821
50k-200k	36,838,641	7,682,096	1,296,659	268,462	383	76
200k-350k	19,718,300	3,571,529	543,683	98,715	77	14
350k-500k	17,735,875	4,891,014	357,429	93,205	43	11
500k+	95,351,785	30,985,491	779,149	294,879	78	30
SUB TOTAL	198,699,414	55,432,512	4,139,112	1,087,356	3,745	952
	78%	22%	79%	21%	80%	20%
TOTAL	€254,131,926		€5,226,468		4,697	
2009	Total sales €		Total royalties €		No. of sales	
	Auction houses	Dealers	Auction houses	Dealers	Auction houses	Dealers
Up to 50K	29,901,804	4,391,449	1,196,072	175,658	3,020	493
50k-200k	30,351,189	2,204,858	1,072,535	77,645	324	23
200k-350k	12,929,326	1,274,889	354,293	35,248	50	5
350k-500k	12,040,400	0	241,452	0	29	0
500k+	40,953,687	5,796,125	354,648	49,630	35	5
SUB TOTAL	126,176,406	13,667,321	3,219,000	338,181	3,458	526
	90%	10%	90%	10%	87%	13%
TOTAL	€139,843,727		€3,557,181		3,984	
2010	Total sales €		Total royalties €		No. of sales	
	Auction houses	Dealers	Auction houses	Dealers	Auction houses	Dealers
Up to 50K	18,287,593	5,190,945	731,503	207,637	2,217	614
50k-200k	19,219,149	2,281,176	675,074	81,935	197	27
200k-350k	16,042,449	1,269,571	416,924	35,195	57	5
350k-500k	13,641,803	1,235,614	261,959	24,928	31	3
500k+	36,655,102	6,500,408	314,171	50,262	31	5
SUB TOTAL	103,846,096	16,477,714	2,399,631	399,957	2,533	654
	86%	14%	86%	14%	79%	21%
TOTAL	€120,323,810		€2,799,588		3,187	