

## Legal Analysis of the Difference in Views Between Aksi Versus Visi on Direct License in the Music Copyright Protection System

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**ABSTRACT:** This study discusses the differing perspectives between AKS) and (VISI) regarding licensing mechanisms and royalty payment systems for musical works in Indonesia, particularly focusing on the implementation of the direct license system. AKSI, consisting of composers and songwriters, supports direct licensing as a means of protecting the exclusive rights of creators to authorize the use of their works directly. In contrast, VISI, composed of singers and performers, prefers a royalty payment system through Collective Management Organizations (LMKs) without requiring direct permission from the creators, arguing that it offers legal certainty and administrative efficiency. These differing views have led to polemics in the management of copyright in Indonesia, especially amid public scrutiny of the transparency and accountability of royalty collection by LMKs and the National Collective Management Organization (LMKN). This research employs a qualitative method with a normative doctrinal approach and uses descriptive-analytical specifications. The data used is secondary data consisting of primary, secondary, and tertiary legal materials, obtained through literature and internet-based studies. The data were analyzed using a qualitative analytical technique. The results show that the direct license mechanism has a strong legal foundation in Law Number 28 of 2014 concerning Copyright, particularly in Articles 9, 80, and 87, which affirm the exclusive rights of authors to license their works directly. This study is expected to contribute to clarifying the limits and authority between LMK, LMKN, and the autonomous rights of creators within Indonesia's copyright protection framework.

**KEYWORDS:** Copyright, Direct License, Royalty, AKSI, VISI, LMK, and LMKN.

### I. INTRODUCTION

Intellectual Property Rights is a legal regime that provides protection for human intellectual works, including in the fields of art and culture. In the context of the music industry, legal protection of copyright is very important, because songs and music are forms of creative expression that have high economic value. In the current digital era and advances in information technology, the existence of copyright protection is increasingly vital because the process of distribution, utilization, and exploitation of musical works is increasingly broad and complex, no longer limited to physical distribution, but also through various digital platforms, social media, and streaming services.

Normatively, copyright protection in Indonesia is regulated in Law Number 28 of 2014 concerning Copyright, which was later strengthened by Government Regulation Number 56 of 2021 concerning Management of Song and/or Music Copyright Royalties. The regulation emphasizes that copyright and related rights owners, such as songwriters (composers), singers (performers), and recording producers have exclusive rights to the use of their works, and are entitled to receive royalties for any commercial use of the work by third parties. However, in its implementation, the copyright and royalty management system in Indonesia often causes polemics, especially regarding transparency, efficiency, and fairness of royalty distribution between the parties involved.

One important mechanism in copyright management is the licensing mechanism, where users of musical works must obtain permission before using the work and pay royalties to the rights owner. In this context, two main approaches have emerged: a collective licensing system through the Collective Management Institution (LMK) registered under the supervision of the National Collective Management Institution (LMKN), and a direct licensing system, namely direct licensing from the copyright owner to the user without going through a collective institution.

The collective licensing mechanism is indeed designed to simplify the process of managing and distributing royalties. LMK acts as an intermediary that collects royalties from users of works, then distributes them to the rights owners. However, in practice, this system has not escaped various criticisms, especially regarding the lack of transparency in data collection, calculation, and

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distribution of royalties to creators. Many music composers complain that their rights are not paid proportionally, and often do not receive accurate reports regarding the use of their works.

This situation has raised protests and criticism from a number of songwriters who are members of the AKSI (Asosiasi Komposer Seluruh Indonesia)). AKSI, whose members include famous musicians such as Ahmad Dhani, Anji (Drive), Piyu (Padi), and others, emphasizes the importance of implementing a direct license system, as a form of direct control from creators over permission to use their works. According to AKSI, with a direct license, creators can ensure that permission is only given to parties they truly agree with, and can receive royalties directly and transparently without having to go through bureaucracy that is considered ineffective.

On the other hand, an organization has also emerged that represents performers or singers, namely VISI (Vibrasi Suara Indonesia), whose members include famous artists such as Judika, Agnez Mo, Armand Maulana, Ariel Noah, and others. VISI emphasizes the importance of maintaining a collective system through LMK, because according to them this system makes it easier for users (such as restaurants, cafes, event organizers, etc.) to obtain permission and pay royalties without having to contact each creator or rights owner one by one. VISI believes that the collective system is more efficient administratively, and also allows royalties to be distributed to all entitled parties, including performers who also contribute to the success of the work.

The polemic between AKSI and VISI is what then became the main focus in the debate around the royalty management system in Indonesia. Each party has strong arguments: AKSI fights for the rights of creators that are often neglected, while VISI highlights the need for efficiency and ease of access for users. This difference in position further exacerbates the structural problems in the management of music copyrights, especially in the context of transparency and accountability of LMK and LMKCN which have not yet fully met the expectations of copyright owners.

Based on the description above, this problem is not only a polemic among musicians and music industry players, but also an important issue in the realm of business law and intellectual property law in Indonesia. Therefore, it is necessary to conduct a legal analysis of the regulations governing the direct license system, as well as identify the differences in views between AKSI and VISION, so that a fair, balanced solution can be found that can accommodate the interests of all parties by making it in one journal writing entitled “**Legal Analysis of The Difference in Views Between AKSI And VISI On Direct License In The Music Copyright Protection System**”.

## **II. RESEARCH METHOD**

The research method used by the author is normative legal research. Research using normative legal research is based on the approach and analysis of legislation. This approach is used by the author in this study is by means of literature study (library research). The data collected comes from scientific works such as scientific journals, books, dictionaries and so on. The writing that has been analyzed will be described to see the relationship between variables.

## **III. DISCUSSION**

### **Legal Regulations Regarding The Direct Licensing Mechanism in The Song Copyright Protection System In Indonesia**

#### **Introduction: The Position of Song Copyright in the Indonesian Legal System**

Copyright in Indonesian law is part of Intellectual Property Rights (IPR) which is protected by Law Number 28 of 2014 concerning Copyright (Copyright Law). In the context of songs or music, there are two categories of rights that are regulated by law:

- 1) Copyright, owned by the songwriter or composer.
- 2) Related Rights, owned by performers (singers), sound recording producers, and broadcasting institutions.

Copyright provides two forms of protection:

- 1) Moral Rights (Article 5): the right to keep the name and integrity of the creation affixed.
- 2) Economic Rights (Article 8): the right to obtain economic benefits from the use of his creation.

One form of implementation of economic rights is the granting of a license for the use of works, including songs or music. This license can be given directly by the creator to the user (direct license), or through intermediaries such as the Collective Management Institution (LMK) and the National Collective Management Institution (LMKN).

#### **Definition and Characteristics of Direct License**

Direct License is a mechanism for granting permission to use a work by the copyright owner (composer/songwriter) directly to the user, without going through the LMK. Main characteristics:

- 1) Done personally between the creator and the user.
- 2) Must be made in writing (Article 80 of the Copyright Law).
- 3) Does not eliminate the obligation to pay royalties, but is transferred directly to the creator, not through the LMK.
- 4) Does not conflict with the law, as long as it does not violate the rights of other parties (e.g. co-creators, performers, producers).

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In the international context, direct license is also known as an exclusive license regime, which is the prerogative of the creator to manage their own work.

### Legal Basis for Direct License in Copyright Law

Table 1: Legal Basis for Direct License in Copyright Law

| Article                                     | Main Content Article                                                                        | Relevance Direct Lisence                                                                                                                        |
|---------------------------------------------|---------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Article 8</b>                            | Economic Rights are owned by the Creator or Copyright Holder to                             | It is the basis for creators to have the right to economic benefits from                                                                        |
|                                             | obtain economic benefits from their creations.                                              | their work, including through direct licensing.                                                                                                 |
| <b>Article 9</b>                            | Exclusive rights to allow or prohibit other parties from using their work.                  | Gives full power to the creator to give permission directly to the user (direct license).                                                       |
| <b>Article 80</b>                           | Copyright holders may grant licenses to other parties based on a written agreement.         | Licensing must be carried out with a written agreement, including direct licensing.                                                             |
| <b>Article 87</b>                           | Licenses can be granted by the Creator directly or through LMK.                             | Affirming the legality of the direct licensing mechanism, does not require it to go through LMK.                                                |
| <b>Article 89 paragraph (2)</b>             | LMK acts based on a power of attorney from the Creator/Copyright Holder.                    | LMK only has the authority if given the power, it is not automatic. Creators are free to choose to grant a direct license.                      |
| <b>Article 92</b>                           | LMKN is tasked with coordinating, supervising and distributing royalties collected by LMK.. | LMKN does not have the authority to regulate licensing for the use of works, only the aspect of collecting and distributing royalties from LMK. |
| <b>Article 105</b>                          | LMKN sets royalty rates and establishes a distribution system for royalty proceeds.         | Does not remove the creator's right to make direct agreements outside the LMK system, as long as it is in accordance with the law.              |
| <b>General Explanation of Copyright Law</b> | Recognizing the creator's exclusive right to manage his own work.                           | Strengthening the position of direct licensing as part of a legally recognized licensing system.                                                |

In the polemic between AKSI and VISI, direct licensing is a central issue. AKSI views direct licensing as a solution to injustice in the collective system, while VISI views direct licensing as a threat to the order of the system and can harm performers. In this case, the law gives creators room to choose, as long as they do not violate the terms of the agreement that has been made. However, technical regulations or a management system are needed that guarantee:

- 1) Clarity of license status;
- 2) Accountability of the licensor;
- 3) Reporting and monitoring mechanisms to avoid conflict.

Normatively, direct licensing is a legitimate mechanism and is guaranteed by the Copyright Law. However, in practice, this system faces major challenges in terms of technical regulations, institutions, and data governance and supervision.

The polemic between AKSI and VISI reflects the tension between the exclusive rights of creators and the efficiency of the collective system. The solution is not to eliminate one of them, but to build an ecosystem that allows both to run side by side in a fair, transparent, and supervised manner.

### The Differences of Views Between AKSI And VISI Regarding Licensing and Royalty Payment

The royalty management system in the Indonesian music industry has been a topic that continues to be in the spotlight, especially when two major associations, namely AKSI (Asosiasi Komposer Seluruh Indonesia) and VISI (Vibrasi Suara Indonesia),

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have expressed conflicting views regarding the licensing and royalty payment system. These two organizations represent two different legal entities in the realm of music copyright, namely the creator (composer) and the performer, each of whom has exclusive rights to their work or artistic contribution.

### **AKSI: Pushing Direct License, to Protect Composer Rights**

AKSI is an organization whose members are famous songwriters and composers in Indonesia, such as Ahmad Dhani, Piyu (Padi), Anji (Drive), etc. AKSI was formed in response to the dissatisfaction of composers with the collective royalty management system by the Collective Management Institute (LMK) and the National Collective Management Institute (LMKN). In general, AKSI's views emphasize the following:

#### **1) Criticism of The Lack of Transparency of LMK And LMKN**

AKSI members feel that the royalty collection and distribution system has not been running transparently. Composers often do not receive clear and detailed reports on the use of their works, so their economic rights are not fully fulfilled. This violates the principle of accountability that should be the foundation in managing intellectual property.

#### **2) Advocacy for Direct License**

AKSI encourages the direct license system to become the main mechanism in copyright management. In this system, composers grant direct permission to users of their works, without going through LMK intermediaries. Thus, the negotiation process becomes more open and creators have full control over the use of their works, both in terms of permission and nominal royalties.

#### **3) The Importance of Direct Control Over Intellectual Work**

In AKSI's perspective, musical works are personal and economic expressions of creators that cannot be simply released to collective institutions. They argue that the current collective system actually weakens the bargaining position of creators and places them in an unfair position in the music industry value chain.

#### **4) Legal Arguments**

AKSI refers to Article 80 of the 2014 Copyright Law, which normatively gives creators the right to regulate the use of their own work, including in the form of direct licensing. In this case, AKSI views that the direct licensing system does not conflict with positive law, and instead strengthens the exclusive rights of creators as guaranteed by law.

### **VISI: Rejecting Direct License, to Support Collectivism Through LMK**

Unlike AKSI, VISI is an association whose members are singers or performers, such as Judika, Agnez Mo, Armand Maulana, Ariel NOAH, and others. VISI was formed to voice the interests of performers, and has a different view on the licensing and royalty system, namely:

#### **1) Supporting Collective Systems Through LMK and LMKN**

VISI believes that the collective system is more efficient and practical, both for rights owners and users of works. With the existence of LMK, users do not need to negotiate one by one with the creator, so that the licensing process becomes easier and royalties can still be distributed en masse.

#### **2) Concerns About Industry Fragmentation**

VISI believes that the widespread implementation of the direct licensing system will create industry fragmentation, where users have difficulty accessing licensing because they have to deal directly with various different creators. This could have an impact on the decline in the use of musical works, as well as potential losses for performers.

#### **3) Protection of Performers' Rights**

VISI believes that in the direct license system, the rights of performers are actually marginalized. This is because users can negotiate directly with the creator, but this does not automatically include the rights of singers, supporting musicians, or recording artists. With a collective system, these rights can be guaranteed through agreements that have been standardized in the LMK structure.

#### **4) Urgency of LMK Reform, Not Elimination**

VISI is aware of the weaknesses in the LMK and LMKN systems, especially related to transparency and accountability. However, instead of replacing the system with a direct license, VISI is pushing for institutional reform of LMK through strengthening supervision, digitizing data collection, and openness of information.

**Table 2: The Following Table Shows The Differences Between The AKSI and VISI Views Along With An Explanation Of The Context In Each Point**

| Aspect                | AKSI                                                            | VISI                                                       | Explanation Context                                                                           |
|-----------------------|-----------------------------------------------------------------|------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| <b>Legal Position</b> | Representing the creator/composer (copyright owner of the song) | Mewakili pelaku pertunjukan/penyanyi (pemilik hak terkait) | Law No. 28 of 2014 distinguishes between copyright (composer) and related rights (performer). |

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|                                              |                                                                                                                              |                                                                                                         |                                                                                                                                                             |
|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Position towards Direct License</b>       | Fully supports direct license                                                                                                | Reject direct license                                                                                   | AKSI wants creators to have exclusive rights to grant permission                                                                                            |
|                                              |                                                                                                                              |                                                                                                         | directly to users without intermediaries.                                                                                                                   |
| <b>Position towards LMK and LMKN</b>         | Strongly criticizing LMK and LMKN because they are considered nontransparent and unprofessional.                             | Supporting the existence of LMK and LMKN, but with demands for internal reform                          | AKSI considers the distribution of royalties by LMK to be unfair, while VISI wants to improve LMK management without eliminating the collective system..    |
| <b>Licensing for Use of Works</b>            | You must get permission directly from the creator (composer), it is not enough to just pay royalties to LMK                  | No direct permission is needed, just pay royalties to LMK according to the collective system            | AKSI considers payment without permission to directly violate the creator's exclusive rights. VISI sees it as an efficiency of legalizing the use of works. |
| <b>Main Objective of View</b>                | Guaranteeing full control of the creator over the work, as well as ensuring that economic rights are obtained transparently. | Facilitate access to use of works for users and ensure that performers' rights remain protected.        | Both parties demand justice, but their approaches and emphasis are different: control vs efficiency.                                                        |
| <b>Main Problems Faced</b>                   | Not receiving proper royalties, weak transparency and accountability of LMK                                                  | Potential loss of performers' rights if all licensing is done directly without involving the performers | The direct licensing system risks forgetting the contribution of performers who are also entitled to royalties through related rights.                      |
| <b>Proposed Solution</b>                     | Encourage direct licensing and open up space for direct negotiations between creators and users.                             | Strengthening the role of LMK with a transparent system, digitalization, and strict supervision         | AKSI is more revolutionary (change the system), VISI is more reformist (improve from within).                                                               |
| <b>Impact on Users of Works</b>              | Users must negotiate individually with the creator                                                                           | Users simply pay to LMK without individual permissions.                                                 | The direct licensing system is more complicated for users, the collective system is more practical but less transparent for creators..                      |
| <b>Impact on Music Performers in General</b> | Increases the creator's bargaining power, but can make it more difficult for users to access the work.                       | Makes it easier for users and gives space to performers, but can suppress composer rights               | Both approaches have advantages and disadvantages depending on the position in the music industry.                                                          |

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These differences on table 2 declares not only reflect conflicts between individuals or groups, but also indicate structural tensions in the intellectual property law system in Indonesia. On the one hand, direct licensing offers a solution for transparency and control of rights by creators; on the other hand, the collective system offers efficiency and simplification of the legal process. This situation indicates the need for more detailed and technical legal regulations regarding the limitations, requirements, and procedures for implementing direct licenses, as well as the roles of LMK and LMKN so that there is no overlapping authority. The government, as a regulator, is expected to be able to formulate policies that bridge these two interests, so that the music royalty management system can run fairly, efficiently, and accountably for all parties.

### IV. CONCLUSION

Based on the research results, it can be concluded that the direct license mechanism in the copyright protection system for songs in Indonesia is a legitimate mechanism and has a strong legal basis in Law Number 28 of 2014 concerning Copyright. The provisions in Article 8, Article 9, Article 80, and Article 87 emphasize that creators have exclusive rights to grant permission to use works directly to other parties without having to go through the Collective Management Institution (LMK), as long as it is done based on a written agreement. This shows that a direct license is a concrete form of implementing the economic rights and autonomy of creators over their works.

The dispute between AKSI and VISI reflects different points of view on licensing governance and royalty distribution. AKSI supports the direct license mechanism as a form of protection for the moral and economic rights of creators, which have so far been considered suboptimal due to the lack of transparency in the management of royalties by LMK and LMKN. On the other hand, VISI supports the collective system through LMK because it is considered more practical and guarantees legal certainty for users of works. This difference shows the need for more detailed regulations and strengthening of the accountability system in royalty management in order to bridge the interests of creators, performers, and users of works. Thus, the harmonization of the principle of exclusive rights of creators with collective mechanisms through LMK and LMKN needs to be continuously developed, in order to create a fair copyright protection system for the development of the music industry in the digital era.

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