Google must extend payments across Europe for use of content

(Reuters) - Google [1] Inc must extend its offer made last week to pay French publishers for use of their content to all media companies across Europe, the head of the European Publishers Council said on Thursday.

Last week, the internet search giant agreed to pay 60 million euros ($80 million) into a special fund to help French media develop their presence on the Internet. It will not pay them for posting links to their content.

French publishers had demanded licensing fees for headlines and snippets of articles in its search engine results.

Google [1] settled a similar case with Belgian publishers in December by helping them boost online revenue, but still faces a dispute with publishers in Germany [2].

"Search engines get more than 90 percent of revenues from online advertising [3] and a substantial part of these come directly or indirectly from the free access to professional news or entertainment content produced by the media," Francisco Pinto Balsemao told Reuters.

"The situation is very bad for media groups (in Europe). This use is carried out without the authorization from copyright holders or without any payment in return. So, all aggregators, like Google, should pay.

"Google's openness to negotiate and talk looks like a good step that must now be followed in other (European) countries."

The EPC represents 26 of the main media groups operating in Europe, including Thomson Reuters, Prisa, News International, Axel Springer and Impresa.

Advertising [3] revenues in Portugal [4] fell by 90 million euros last year to 526 million euros, its lowest since 1997.

Balsemao is also Chief Executive Officer of Portuguese media group Impresa, which owns Portugal's best-selling weekly Expresso and television channel SIC.

($1=0.7469 euros)

(Reporting by Filipe Alves; Writing by Daniel Alvarenga, editing by Axel Bugge and Mike Nesbit)

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