

DATE: 17 November 2022

TICKETED MUSIC EVENTS AND ELIGIBLE TEMPORARY MUSIC EVENTS ADDENDUM TO ONEMUSIC AUSTRALIA FINAL POSITION PAPER

On 15 December 2021, OneMusic Australia published a single consultation paper in respect of several classes of event, including *Ticketed Promoted Events and Eligible Outdoor Events, Dance Parties and Ticketed Special Purpose Events* (**Events Consultation Paper**) and on 31 August 2022, OneMusic Australia published a Final Position Paper titled *Promoted Events and Eligible Outdoor Events* (**Final Position Paper**). Copies of the past papers published in this consultation can be found [HERE](#).

As a result of additional feedback received in relation to the Final Position Paper and in response to ongoing discussions with Live Performance Australia (LPA) and Australian Festivals Association (AFA), OneMusic has made a number of amendments to the OneMusic Australia licence schemes for all *Ticketed Promoted Events* (now called *Ticketed Music Events*) and *Eligible Outdoor Events* (now called *Eligible Temporary Music Events*) as set out below.

The purpose of this paper is to publish changes to the schemes arising from those discussions and to thank LPA and AFA for their involvement and engagement in the consultation process. The first part of this addendum describes in general terms the changes we have agreed to make, the details of which are then set out in the appendix.

Given the changed structure and obligations we think it is provident to carefully evaluate the operation of the *Ticketed Music Event* and the *Eligible Ticketed Music Event* schemes, with a review to be conducted by OneMusic (in consultation with the industry) as to the schemes' workability and effectiveness. We would expect this to commence around July 2024.

These schemes will apply to all *Ticketed Music Events* and *Eligible Temporary Music Events* that occur on or after **1 January 2023**.

EVENT CLASSIFICATION

The type of events that are licensable under the *Ticketed Music Events* licence scheme and the *Eligible Temporary Music Events* scheme are unchanged from what was proposed in the Final Position Paper.

RATES AND RATE STRUCTURES

APRA Works

The rates and rate structures applicable to the use of APRA Works at *Ticketed Music Events* and *Eligible Temporary Music Events* are unchanged from those published in the Events Consultation Paper and Final Consultation Paper.

PPCA Sound Recordings and Music Videos

'Unbilled DJ – Changeover' Music Use Category

While not increasing the rate, we have widened the scope of this Music Use Category to include some performances that would have previously been classified as *Bronze* or *Silver*, and we have consequently changed the name of the category to '**Base**' because uses of sound recordings other than by unbilled DJs are now picked up by the category. The new definition is now:

Base means the use of PPCA Sound Recordings on a stage:

- a) as changeover music by an Unbilled DJ between the advertised performers;
- b) as Production Elements by either the Headline Act and/or support act(s); and/or
- c) as a Performance Feature in circumstances where the updated categories of Gold, Silver or Bronze do not apply (i.e. where no act uses PPCA Sound Recordings as a Performance Feature in more than five songs).

Other updates to the Music Use Category definitions

In addition to the change to the 'Base' Music Use Category, we have made a number of definitional changes for other Music Use Categories, in summary:

- we have replaced the description of stage/area to 'stage', noting that a stage for the purpose of this licence scheme includes any area where Live Artist Performers perform at an event;
- we have increased thresholds from 'two or more songs' to 'six or more songs' for the use of sound recordings as Performance Features, thereby ensuring fewer events are likely to require the higher priced Gold and Silver categories; and
- we have made some minor changes to the definition of 'Headline Act' and the 'Silver' and 'Bronze' music use categories for clarification purposes

There are no changes to other relevant definitions such as Attendees, Average Ticket Price, Net Box Office Receipts, Allowable Deductions and Third Party Booking Fees as set out in the Final Position Paper.

We understand that these changes may be difficult to process, and have, therefore, produced the table below as a simple guide to assist in interpretation. The table should be read in conjunction with relevant definitions, which can be found in the appendix.

Music Use Category	PPCA Sound Recordings performed as Performance Feature				Production Element	Changeover – Unbilled DJs	Changeover – Recorded Music
	Headline Act with one or more Support Act			Headline Act (no support act)			
	Headline Act	All support acts	Some support acts				
Gold	6 or more	6 or more	N/A	6 or more	Unlimited	Unlimited	Unlimited
Silver	6 or more	N/A	6 or more	N/A	Unlimited	Unlimited	Unlimited
Bronze	< 6	6 or more	6 or more	N/A	Unlimited	Unlimited	Unlimited
	6 or more	< 6	< 6	N/A	Unlimited	Unlimited	Unlimited
Base	< 6	< 6	< 6	< 6	Unlimited	Unlimited	Unlimited
Changeover	None	None	None	None	None	None	Unlimited

Introduce a Pro Rata Adjustment

OneMusic Australia will also now include an alternative method of calculating licence fees payable for PPCA Sound Recordings at Ticketed Music Events and Eligible Temporary Music Events (**Pro Rata Adjustment**).

Pro Rata Calculation

On receipt of a pro ration request and accurate and timely reporting, OneMusic will calculate the licence fees payable for PPCA Sound Recordings using the formula: **A x B x (C/D)** where:

A = the relevant *Gold* Music Use Category per Attendee rate applicable to the Average Ticket Price for that Event (see tables below);

B = number of Attendees;

C = total number of songs performed which included music sound recordings, excluding any intervals or intermissions; and

D = the total number of all songs performed, excluding any intervals or intermissions.

If an event has multiple stages or is a tour with multiple dates, each stage or performance date will be reviewed separately to determine the relevant percentage of sound recordings performed on each stage or performance date.

This pro-rating option is only available for events where *Gold*, *Silver* or *Bronze* would ordinarily apply. That is – if an event only requires a licence under the ‘Base’ music use category or the Changeover Music category – no prorating is available and the standard rates for ‘Base’ or Changeover Music under the *Ticketed Music Event* or *Eligible Temporary Music Event* scheme will apply as relevant.

PPCA Sound Recordings and Music Videos - Ticketed Music Events Pro Rata Adjustment

	Average Ticket Price					
	<\$50	\$50 - <\$70	\$70 - <\$100	\$100-<\$130	\$130-<\$177	\$178+
Per Attendee rate (inclusive of GST)		\$1.30	\$1.85	\$2.55	\$3.40	\$3.92

Subject to a Minimum Fee of the greater of (a) \$82.50 per event and (b) \$0.0351 per Attendee

PPCA Sound Recordings and Music Videos - Eligible Temporary Music Events Pro Rata Adjustment

	Average Ticket Price					
	<\$50	\$50 - <\$70	\$70 - <\$100	\$100-<\$130	\$130-<\$177	\$178+
Per Attendee rate (inclusive of GST)	\$0.56	\$0.98	\$1.39	\$1.91	\$2.55	\$2.95

Subject to a Minimum Fee of the greater of (a) \$82.50 per event and (b) \$0.0351 per Attendee

The rates for *Eligible Temporary Music Events* retain the 25% discount for PPCA Sound Recordings as previously proposed in our Events Consultation Paper for the standard *Gold*, *Silver* and *Bronze* categories.

Other than this change above, the rates and rate structures applicable to the use of PPCA Sound Recordings at *Eligible Temporary Music Events* are unchanged from those for *Eligible Outdoor Events* as published in the Events Consultation Paper (apart from CPI adjustment to the Changeover rate to maintain consistency with other OneMusic schemes). Coverage for the use of Music Videos has now been included for clarification.

Clarification for Multi Day and Multi Stage Events

We have received a query in relation to how licence fees would be calculated for multi day and/or multi stage events under the *Ticketed Music Events* and *Eligible Temporary Music Events* schemes.

We confirm that licence fees for PPCA Sound Recordings at *Ticketed Music Events* and *Eligible Temporary Music Events* are calculated on a per Attendee, per event basis. That is, each Attendee is counted once within the licence fee calculations.

A different Music Use Category may apply for each stage and each day of that stage and so the total number of attendees at the event are divided across the stages in proportion to capacity of each stage and then divided equally by the number of days that stage is operating during the event.

OneMusic will provide some example licence fee calculations for multi day and/or multistage events in the Information Guide(s) published to accompany the *Ticketed Music Events* and *Eligible Temporary Music Events* schemes.

Direct Licensing Procedures for Sound Recordings

As is the case under the current PPCA Tariff E4: Music Events and Festivals licence scheme, where a valid direct licence for sound recordings is in place, no licence is required from OneMusic Australia for those same sound recordings and licence fees may be adjusted accordingly. We have refined the process in consultation with LPA and AFA, which is set out below.

- If a direct licence is in place for all sound recordings performed by a Live Artist Performer, that artist will be treated as if they do not use sound recordings for the purpose of determining the applicable Music Use Category for their *Ticketed Music Event* or *Eligible Temporary Music Event*.
- If a direct licence is in place for some but not all sound recordings performed by a Live Artist Performer, then those directly licensed sound recordings will not be included for the purpose of determining the applicable Music Use Category for their

Ticketed Music Event or Eligible Temporary Music Event.

- For example, if a Headline Artist uses PPCA Sound Recordings as a Performance Feature during 6 songs in their set but 3 of these 6 songs are directly licensed via the relevant copyright holder(s) for those songs, this Headline Artist will be treated, for the purpose of calculating licence fees under the scheme, as performing PPCA Sound Recordings as a Performance Feature for just 3 songs.
- Under the Pro Rata Alternative model set out above, if a valid direct licence is in place for the use of a sound recording, then this sound recording will not be included in total number of songs utilising sound recordings in the calculation of “C” in the pro rata alternative above.

DISCOUNTS FOR TICKETED MUSIC EVENTS

As set out in the Final Consultation Paper, OneMusic Australia confirms that the following discount will be offered in respect of *Ticketed Music Events*.

PPCA Sound Recordings

There is no change to the discount offered in the Final Position Paper for PPCA Sound Recordings for promoters that enter into a new *Ticketed Music Events* licence between 1 January 2023 and 31 December 2023.

That is, OneMusic will apply a discount of 75% for the PPCA Sound Recording component of the Licence Fees applicable to all *Ticketed Music Events* taking place between 1 January 2023 and 31 December 2023.

NEXT STEPS

As noted above, it is OneMusic Australia’s intention to license under the above rates and rate structures for all *Ticketed Music Events* and *Eligible Temporary Music Events* occurring on or after **1 January 2023**.

Updates in respect of *General Entertainment Events and Free Music Events* and *Ticketed Special Purpose Performances* can be found **[HERE](#)**

If you have any questions or would like to discuss this further, please email events@onemusic.com.au.

APPENDIX

PPCA Sound Recordings and Music Videos - Ticketed Music Events Per Attendee rate (inclusive of GST)

	Average Ticket Price					
	<\$50	\$50 - <\$70	\$70 - <\$100	\$100-<\$130	\$130-<\$177	\$178+
Gold	\$0.75	\$1.30	\$1.85	\$2.55	\$3.40	\$3.92
Silver	\$0.45	\$0.80	\$1.10	\$1.55	\$2.05	\$2.35
Bronze	\$0.25	\$0.45	\$0.65	\$0.90	\$1.20	\$1.35
Base	\$0.25					
Changeover	\$0.0351					
Subject to a Minimum Fee of \$82.50 per event						

PPCA Sound Recordings and Music Videos - Eligible Temporary Music Events Per Attendee rate (inclusive of GST)

	Average Ticket Price					
	<\$50	\$50 - <\$70	\$70 - <\$100	\$100-<\$130	\$130-<\$177	\$178+
Gold	\$0.56	\$0.98	\$1.39	\$1.91	\$2.55	\$2.95
Silver	\$0.34	\$0.60	\$0.83	\$1.16	\$1.54	\$1.76
Bronze	\$0.19	\$0.34	\$0.49	\$0.68	\$0.90	\$1.01
Base	\$0.19					
Changeover	\$0.1366					
Subject to a Minimum Fee of \$82.50 per event						

Definitions	
Gold	<p>Applies to a stage at a Ticketed Music Event or Eligible Temporary Music Event where;</p> <ul style="list-style-type: none"> ■ the Headline Act for that stage uses PPCA Sound Recordings as a Performance Feature (see definition below) in six (6) or more individual songs within that Headline Act's set; and ■ either of the following applies: <ul style="list-style-type: none"> ■ there are no acts supporting that Headline Act; or ■ there is one (1) or more support acts performing on that stage and all of those support acts use PPCA Sound Recordings as a Performance Feature in six (6) or more individual songs within each of those support act's sets.
Silver	<p>Applies to each stage at a Ticketed Music Event or Eligible Temporary Music Event where:</p> <ul style="list-style-type: none"> ■ the Headline Act uses PPCA Sound Recordings as a Performance Feature in six (6) or more individual songs within that Headline Act's set; and ■ there is one (1) support act on stage and it does not use; or ■ more than one (1) support acts on that stage and at least one, but not all, of those support acts use PPCA sound Recordings as a Performance Feature in six (6) or more individual songs within each of those support act's set.
Bronze	<p>Applies to each stage at a Ticketed Music Event or Eligible Temporary Music Event where either:</p> <ul style="list-style-type: none"> ■ the Headline Act uses PPCA Sound Recordings as a Performance Feature in one (1) to five (5) individual songs within that Headline Act's set; and ■ there is one (1) or more support acts on that stage and at least one support act performing on that stage uses PPCA Sound Recordings as a Performance Feature in six (6) or more individual songs within that support act's set; or ■ the Headline Act uses PPCA Sound Recordings as a Performance Feature in six (6) or more individual songs within that Headline Act's set and there is one (1) or more support acts performing on that stage and all of those support acts use PPCA Sound Recordings as a Performance Feature in one (1) to five (5) individual songs within each of those support act's sets.
Base	<p>Applies to each stage at a Ticketed Music Event or Eligible Temporary Music Events where the only use of PPCA Sound Recordings is:</p> <ul style="list-style-type: none"> ■ as recorded music played between acts by an Unbilled DJ; ■ as Production Elements; and/or ■ as a Performance Feature, provided the <i>Gold</i> or <i>Silver</i> or <i>Bronze</i> categories do not apply. <p>Unbilled DJ means a DJ that is playing live and on-stage for the purpose of changeover between other acts, but whose name does not appear in any marketing material for that event, including a 'line up' list. For clarity, this includes DJ who are named simply for the purposes of publishing performance times for that DJ at that event).</p> <p>Fees for Base do not apply in circumstances where a Ticketed Music Event or Eligible Temporary Music Event licensee holds a <i>Gold</i>, <i>Silver</i> or <i>Bronze</i> licence for that stage.</p>
Headline Act	<p>Headline Act means the performer on a stage at a Ticketed Music Event or Eligible Temporary Music Event:</p> <ul style="list-style-type: none"> ■ with the sole or most prominent billing for that stage; or ■ where there are multiple prominent acts (including co-headline acts), the performer paid the highest fee for that performance.

<p>Performance Feature</p>	<p>Performance Feature means the use of PPCA Sound Recordings as a primary or essential source of music in a live performance.</p> <p>The following are some examples of performances where the use of PPCA Sound Recordings may be considered a Performance Feature:</p> <ul style="list-style-type: none"> ■ Where PPCA Sound Recordings are used in a DJ set for a billed DJ; or ■ Where PPCA Sound Recordings are used by a live electronic music producer where no instruments are played; or ■ Where PPCA Sound Recordings are used by a singer as backing music to a song performed on stage without a band or the live playing of instruments; or ■ Where PPCA Sound Recordings are used to provide one of the vocals in a duet that is otherwise performed live; or ■ Where PPCA Sound Recordings are used as a substantial or key recorded vocal or musical accompaniment to an unrecorded source of music and the recording is commercially available in the same form.. <p>The use of PPCA Sound Recordings as a Performance Feature does not include when used solely as Production Elements.</p>
<p>Production Elements</p>	<p>Production Elements means any PPCA Sound Recordings used intermittently or incidentally as short production elements to accompany or augment an unrecorded source of music.</p> <p>The following are some examples of performances where the use of PPCA Sound Recordings may be considered a Production Element and, therefore, not a Performance Feature:</p> <ul style="list-style-type: none"> ■ Where PPCA Sound Recordings are used intermittently or incidentally as stems and loops; ■ Where PPCA Sound Recordings are used intermittently or incidentally as backing tracks that provide rhythmic accompaniments, additional instrumentation (strings, brass) or accompanying backing vocals; ■ Where PPCA Sound Recordings are used intermittently or incidentally and as an accompaniment or augmentation of the performance in a manner where it is unlikely that a member of the audience would know such a recording is being used.
<p>Changeover Music</p>	<p>Applies to each stage/area at a Ticketed Music Event or Eligible Temporary Music Events where the only use of PPCA Sound Recordings is as recorded music played between acts, with no live presence on stage (Changeover Music).</p> <p>Fees for Changeover Music do not apply in circumstances where a Ticketed Music Event or Eligible Temporary Music Event licensee holds a <i>Gold, Silver, Bronze</i> or <i>Base</i> licence for that stage/area.</p>