

15 December 2021

GENERAL ENTERTAINMENT EVENTS OUR CONSULTATION PROCESS WITH YOU

OneMusic Australia has previously sought feedback, as part of its broader Concert/Event consultation, on the tariffs the subject of this paper. However, OneMusic Australia now believes a more targeted approach is preferable and accordingly has created a separate consultation paper to ensure a broader cross-section of views are represented.

This paper sets out the proposed rates to apply to events and performances where music is used as part of general entertainment events but is not the primary focus of that event (including where the event is free) and also to music events for which there is no entry free or charge to attend. OneMusic Australia is consulting separately for ticketed music events and music festivals, and that [consultation paper is available here](#).

OneMusic Australia intends to amend its methods and rates for licensing the use of our music use at General Entertainment Events and Free Music Events. These proposed amendments result from:

- a) information and perspectives we gathered over the course of the consultation process we commenced in 2019; and
- b) feedback and comments received from licensees since the launch of OneMusic Australia.

We believe that significant amendments to our licences are always best made in consultation with relevant industry stakeholders, so this paper describes our proposed changes and invites you to respond with feedback.

You may have been contacted about this industry consultation because you have taken out an APRA or PPCA licence for your event in the past. If so, it's likely you would previously have been charged a rate based on a percentage of expenditure by APRA and a per person rate by PPCA. In order to further simplify your licensing through OneMusic we now propose a single licence offering on a per-person rate, and we welcome your feedback. Information on how to provide your feedback can be found at the end of this paper.

We are keenly aware of the catastrophic effect the pandemic has had on the entertainment industry and indoor/outdoor events in general. In that context it may seem strange that we are initiating changes to a scheme at this time. We do so because we believe that having a simplified scheme with clear and accepted music rates in place ready for reopening will help support planning and budgeting, and let you get on with your core business of creating great events. We hope you share this view and take this opportunity to constructively contribute to this consultation.

The previous industry consultation on these rates began in May 2019, with an intention to finalise a new scheme by mid-2020. However, the considerable disruption caused by the COVID-19 pandemic has delayed that process, which has provided time to consider a new approach, resulting in this simplified proposal.

We hope to finalise the consultation process by the end of February, 2022.

PROPOSED NEW ONEMUSIC AUSTRALIA EVENT RATES

Please note that all rates listed in this consultation paper are inclusive of GST.

What is a General Entertainment Event?

General Entertainment Events are free or ticketed general events where music is not the primary focus, and the music use is not integral to the event, for example ticketed beer festivals, food and wine events, expos etc).

What is a Free Music Event?

This paper also applies to **Free Music Events** where the primary focus of the event is the performance of music, but for which there is no entry fee or charge to attend.

Use of PPCA Sound Recordings for these events would currently be licensed under the PPCA Tariff B for Music Events and Festivals, and APRA Works under the GCLN tariff for Music Performances (no box office) or GNPL/GNPM tariffs for Casual Public Performances.

General Entertainment Events and Free Music Events

What are the proposed rates?

Ticketed Promoted Events:

Background		APRA Works		PPCA Sound Recordings
Play OneMusic Australia's music and music videos as Background Music		\$0.0339 per day, per attendee	PLUS	\$0.0339 per day, per attendee

Subject to a minimum fee of \$82.50 for PPCA Sound Recordings and \$82.50 for APRA Works

Featured	Expenditure on Live Artist Performers	APRA Works		PPCA Sound Recordings
Play OneMusic Australia's music and music videos as Featured Music	\$50,000 or less	\$0.1359 per day, per attendee	PLUS	\$0.1359 per day, per attendee
	More than \$50,000	2.2% of Expenditure on Live Artist Performers		\$0.1359 per day, per attendee

Subject to a minimum fee of \$82.50 for PPCA Sound Recordings, \$82.50 for APRA Works

The rates for Background and Featured Music are each applied using the number of attendees relevant to the area or stage where that music is used.

Where both Background and Featured Music are used in the same area, both rates will be applied.

Minimum fee applies to each right (APRA Works and PPCA Sound Recordings) per event, regardless of the music use category (Background or Featured).

MUSIC USE CATEGORIES

Where relevant, the rates and music categories can be applied to different areas or stages of events.

Featured Music

Featured music applies where APRA Works, PPCA Sound Recordings and/or Music Videos are given prominence or used as a feature of the event (or any part of the event) or as otherwise advertised to the general public as forming part of the entertainment for that event. **Music is 'featured' when it is the focal point or is integral to the event (such as a fashion show).**

Background Music

Background Music means APRA Works and/or PPCA Sound Recordings and Music Videos are not used as a prominent feature and/or characteristic part of the entertainment of the event or otherwise advertised to the general public as forming part of the entertainment of the event. **This is incidental music where the music is not intended to be a focal point and is not performed by a Live Artist Performer.**

Example

A Beer Festival has a live stage including performances by live bands playing our music, and our music is also used as background music and played throughout the day, audible in all areas of the festival.

Ticket price: \$30 (no booking or credit card fee)

Tickets sold: 4,500

Attendance: 4,500

Attendees at live stage area: 750

Expenditure on Live Artist Performers: \$1,200

Licence Fee for Featured Music (from the live stage)

APRA: $\$0.1359 \times 750 = \mathbf{\$101.93}$ (Expenditure on Live Artist Performers is less than \$50,000, therefore per attendee rate applies)

PPCA: no use of PPCA Sound Recordings, therefore no licence fee.

Licence Fee for Background Music

APRA: $\$0.0339 \times 4,500 = \mathbf{\$152.55}$

PPCA: $\$0.0339 \times 4,500 = \mathbf{\$152.55}$

Background to the proposed change:

Rates applied for General Entertainment Events and Free Music Events take into consideration the type of music and the way it is used, and our proposal brings rates in line with similar music use across the range of existing OneMusic Australia licence schemes. The most significant proposed change to how General Entertainment Events are licensed is that the fee for APRA works will now be on a per-person basis for events with expenditure on Live Artist Performers of \$50,000 or less. We feel that a per-person rate better reflects the different scales of events that can fall into this category, and will harmonise the rates, where applicable.

For General Entertainment Events and Free Music Events where expenditure on Live Artist Performers is \$50,000 or less, rates are applied separately for APRA Works and PPCA Sound Recordings, so that if only one right is used (for example if background music is provided by a pianist without any sound recordings), this is reflected in the licence fee.

We propose that for larger General Entertainment Events and Free Music Events with expenditure on Live Artist Performers over \$50,000, APRA Works should be charged at the existing rate for free events from APRA's GCLN - Music Performances with no box office licence, which is 2.2% of Expenditure on Live Artist Performers. The \$50,000 expenditure threshold is in line with other OneMusic Australia licence schemes such as OneMusic Australia's Councils and Workplace Music licences and we have therefore applied the same threshold for the purpose of consistency. If there is Background Music in addition to live artist performers, Background Music will be charged in addition to Featured Music in the relevant areas.

There are different rates for **Featured** and **Background** music at General Entertainment Events and Free Music Events.

Under PPCA's Tariff B: Events and Festivals, the rate for sound recordings played as background entertainment is \$0.1895 per person per day and the rate for sound recordings played as featured musical entertainment is \$0.2772 per person per day.

OneMusic Australia's proposed rate for Featured Music for both APRA Works and PPCA Sound Recordings is **half** the current rate charged under PPCA's *Tariff B for Featured Musical Entertainment* for sound recordings only. The proposed rates for Featured and Background Music are informed by other OneMusic licences such as the *Hotels, Pubs, Taverns, Bars and Casinos* licence and the *Sporting Event* licence.

DEFINITIONS

What do the terms used in this paper mean?

APRA Work: A musical work is the underlying words and music of a song that have been written by a songwriter and/or composer. APRA has been given the right to license the APRA Works by the songwriters, composers and music publishers – so that those words and music can be played to the public by licence holders in their businesses

Expenditure on Live Artist Performers means all monies (excluding GST) and the monetary value of all benefits paid directly by the Licensee to the Live Artist Performer (or any agent, manager, assistant or associate of the Live Artist Performer), including all salaries, wages, profit shares, allowances & accommodation, travel & other expenses and any amounts paid to the Live Artist Performer;

Live Artist Performer means any performer participating in the performance of music including featured or associated singers, DJs, dancers, models, producers and conductors.

Music Video: This is a film that embodies a sound recording in which the copyright is owned or controlled by a PPCA licensor.

PPCA Sound Recording: A sound recording is simply a recording of a piece of music or song (such as what's on a CD or a digital file like an MP3) and a PPCA Sound Recording is a sound recording that PPCA is authorised by the copyright owners to license for performing in public. OneMusic Australia has been authorised by PPCA to license the PPCA Sound Recordings on its behalf.

REPORTING

What reporting will be required for General Entertainment Events?

To administer licences under this scheme, we'll ask for:

- number of attendees for each area where OneMusic Australia's music is used;
- if applicable, the total Expenditure on Live Artist Performers; and
- setlists for all Live Artist Performers.

Where total licence fees for an event fall under \$300 and/or depending on the particulars of your event, OneMusic Australia may waive the requirement to provide setlists for the Live Artist Performers

SCOPE OF LICENCE

Some feedback we have received from Events licensees regarding licensing APRA Works and PPCA Sound Recordings concerns the complexity involved when it comes to identifying each company's repertoire, particularly when it comes to identifying which of PPCA's sound recordings are 'protected sound recordings'.

OneMusic Australia's proposed General Entertainment Event licence is a single licence that covers both APRA AMCOS' repertoire of musical works as well as all sound recordings controlled by PPCA. APRA AMCOS owns or controls the rights to the vast majority of the world's commercially released musical works. PPCA administers the rights of thousands of individual licensors in Australia and coverage includes permission to publicly perform the bulk of musical recordings where a licence from copyright owners is required. Once licensed with OneMusic Australia, you are able to use any sound recordings from PPCA's repertoire, without the need to identify whether it's a protected sound recording or not.



PROVIDING FEEDBACK

OneMusic Australia welcomes your feedback to the proposed Events licences described in this paper.

Please provide your feedback in the form of a submission to consultations@onemusic.com.au by close of business 18 February 2022.

FURTHER QUESTIONS

If you have any questions or would like to discuss the proposal further, please email questions@onemusic.com.au and we will be in touch as soon as possible.