

DATE: 31 August 2022

PROMOTED EVENTS AND ELIGIBLE OUTDOOR EVENTS ONEMUSIC AUSTRALIA FINAL POSITION PAPER

OneMusic Australia is an initiative of APRA AMCOS and PPCA. Commencing in 2019, OneMusic Australia published a number of consultation papers covering the tariffs for the use of its music under the category of "Events". 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). See Events Consultation Paper <u>HERE</u>.

Since the release of the Events Consultation Paper, extensive feedback has been received from industry associations and stakeholders with respect to the event categories discussed in that paper. With the assistance of that feedback, OneMusic Australia has now reviewed and reconsidered the licensing structure as previously proposed in the Events Consultation Paper.

OneMusic Australia is still reviewing its approach to the licensing arrangements for *Ticketed Special Purpose Events*, and in that regard will consult further with industry.

The purpose of this paper is to publish the outcome of OneMusic Australia's consultation with industry regarding the rates and rate structures for the licensing of *Ticketed Promoted Events* and *Eligible Outdoor Events*.

In that regard, OneMusic Australia intends to implement the following rates, rate structures and Music Use Categories for all *Ticketed Promoted Events* (now called *Ticketed Music Events*) and *Eligible Outdoor Events* (now called *Eligible Temporary Music Events*) that occur on or after **1 November 2022**.

For updates regarding *General Entertainment Events* and *Free Music Events* and *Ticketed Special Purpose Performances*, please refer to the end of this paper.

EVENT CLASSIFICATION

The type of events that are licensable under the *Ticketed Music Events* licence scheme is unchanged from what was proposed in the Events Consultation Paper. In that regard, events covered as *Ticketed Music Events* are defined as follows:

Ticketed Music Event is any music event, festival or concert for which an Entry Fee is charged other than an *Eligible Temporary Music Event*.

The type of events that are licensable under the *Eligible Temporary Music Events* licence scheme has seen some significant changes from what was proposed for an *Eligible Outdoor Event* in the Events Consultation Paper, including that an eligible event is no longer restricted to being outdoors. In that regard, events covered as *Eligible Temporary Music Events* are now defined as follows:

An Eligible Temporary Music Event is any event:

- that occurs on at least one full day (being no less than 8 hours in advertised duration); and
- that is held at a place requiring temporary infrastructure to be constructed specifically for the purposes of the Event, including as a minimum:
 - a) the construction of performance areas / stages; and
 - b) the presence of temporary perimeter fencing or controlled access by other temporary means; and
 - c) the provision of toilet facilities and a clean water supply; and
- in which the staging of the event and all associated advertising is not dependent on any one or two advertised acts; and
- that includes at least six advertised acts.



RATES AND RATE STRUCTURES

Ticketed Music Events

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

APRA Works – Ticketed Promoted Events

2.2% of Gross Box Office Receipts

Subject to a Minimum Fee of \$82.50 per event

In response to feedback received in respect of the use of PPCA Sound Recordings at *Ticketed Music Events*, OneMusic Australia has introduced a new tier for *Changeover – Unbilled DJs*. This tier applies where the only use of PPCA Sound Recordings on a stage/ performance area is by an Unbilled DJ performing changeover music. The rate for this new tier is a set fee of \$0.25 per Attendee at a *Ticketed Music Event*, regardless of the ticket price for that event and this represents a significant reduction in the rate that would have otherwise been payable under Silver or Bronze (as applicable) for Unbilled DJ performances at a *Ticketed Music Event*.

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

PPCA Sound Recordings Per attendee rate (incl GST)						
		Average Ticket Price				
	<\$50	>\$50 - < \$70	>\$70 - < \$100	>\$100- <\$130	>\$130- <\$178	>\$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
Changeover – Unbilled DJs		\$0.25				
Changeover		\$0.0351				
Subject to a Minimum Fee of \$82.50 per event						

Eligible Temporary Music Events

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

APRA Works – Eligible Temporary Music Events

1.65% of Net Box Office Receipts

Subject to a Minimum Fee of \$82.50 per event



As with *Ticketed Music Events*, OneMusic Australia has introduced a new tier for *Changeover – Unbilled DJs* for *Eligible Temporary Music Events*. This tier applies where the only use of PPCA Sound Recordings on a stage/performance area is by an Unbilled DJ performing changeover music. The rate for this new tier is set fee of \$0.19 per Attendee at an *Eligible Temporary Music Event*, regardless of the ticket price is for that event and this represents a significant reduction in the rate that would have otherwise been payable under *Silver* or *Bronze* (as applicable) for Unbilled DJ performances at an *Eligible Temporary Music Events*.

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 (apart from CPI adjustment to the Changeover rate to maintain consistency with other OneMusic schemes) from those for *Eligible Outdoor Events* as published in the Events Consultation Paper. Coverage for the use of Music Videos has now been included for clarification.

OneMusic Australia notes that these *Eligible Temporary Music Event* rates retain the 25% discount for PPCA Sound Recordings under the *Gold*, *Silver* and *Bronze* rates as previously proposed in our Events Consultation Paper.

PPCA Sound Recordings and Music Videos Per attendee rate (incl GST)						
	Average Ticket Price					
	<\$50	>\$50 - < \$70	>\$70 - < \$100	>\$100 - <\$130	>\$130- <\$178	>\$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
Changeover – Unbilled DJs	\$0.19					
Changeover Use	\$0.1366					

Subject to a Minimum Fee of \$82.50

To assist licensees, OneMusic Australia has now added a definition of 'Attendees' and 'Average Ticket Price' for the purposes of calculating the Licence Fees under both the *Ticketed Music Events* and *Eligible Temporary Music Events* schemes.

Definitions			
Attendees	means the number of people (including complimentary ticket holders) attending an event or relevant stage of the event.		
Average Ticket Price	means the amount derived by dividing the Net Box Office Receipts by the number of tickets actually sold (i.e. excluding complementary tickets).		
Net Box Office Receipts	means the total amount paid for admission to the event, less Allowable Deductions.		

Similarly, OneMusic Australia has also added a definition of "Allowable Deductions" for the purposes of calculating the Net Box Office Receipts under both the *Ticketed Music Events* and *Eligible Temporary Music Events* schemes.

Definitions	
Allowable Deductions	means those amounts attributable to Third Party Booking Fees; third party credit card charges; government taxes, duties and charges (including GST); ticket package components such as camping or accommodation; parking; merchandise; artist meet and greets; and other non-music related uplifts as agreed. Amounts attributable to food and beverages in the ticket price are included as an allowable deduction, up to a maximum of 40% of each relevant ticket price.



	means those booking fees that are charged by:				
Third Party Booking Fees	 a third party unrelated to the Licensee; or a third party which, while related to the Licensee, has set the booking fees in accordance with standard industry practice and collects them on an arm's length basis. 				

As already happens, OneMusic would work co-operatively with promoters to identify the amount of the deduction where it is not clear in the actual ticket price, and of course if there remains a dispute promoters have the option of referring the matter to OneMusic's alternative dispute resolution service.

As a result of feedback, OneMusic Australia has also clarified the categories applicable to the use of PPCA Sound Recordings at *Ticketed Music Events* and *Eligible Temporary Music Events*.

Definitions	
Gold	 Applies to a stage at a Ticketed Music Event or Eligible Temporary Music Event where; the Headline Act for that stage/area uses PPCA Sound Recordings as a Performance Feature (see definition below) in more than one (1) individual song within that Headline Act's set; and either of the following applies: there are no acts supporting that Headline Act; or there is one (1) or more support acts performing on that stage/area and all of those support acts use PPCA Sound Recordings as a Performance Feature in more than one (1) individual song within each of those support act's sets.
Silver	 Applies to each stage at a Ticketed Music Event or Eligible Temporary Music Event where: the Headline Act uses PPCA sound Recordings as a Performance Feature in more than one (1) individual song within that Headline Act's set; and there is one (1) or more support acts on that stage and at least one, but <i>not all</i> of those support acts use PPCA sound Recordings as a Performance Feature in more than one (1) individual song within each of those support act's set.
Bronze	Applies to each stage at a Ticketed Music Event or Eligible Temporary Music Event where any PPCA Sound Recording is used (this includes when PPCA Sound Recordings are used as Production Elements), provided neither the <i>Gold</i> or <i>Silver</i> category applies.
Headline Act	 Headline Act means the performer on a stage at a Ticketed Music Event or Eligible Temporary Music Event: with the sole or most prominent billing for that stage; or where there are multiple prominent acts, the performer paid the highest fee for that performance.
Performance Feature	 Performance Feature means the use of PPCA Sound Recordings as a primary or essential source of music in a live performance, for example: as used in a DJ set; as used by a live electronic music producer; or when used as a substantial or key recorded vocal or musical accompaniment to an unrecorded source of music. The use of PPCA Sound Recordings as a Performance Feature does not include when used solely as Production Elements.



Production Elements	Production Elements means any PPCA Sound Recordings used intermittently and incidentally as short production elements to accompany an unrecorded source of music in a manner where it is unlikely an audience would know such a recording is being used (such as stems and loops).
Unbilled DJ Changeover	Applies to each stage 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 by an Unbilled DJ.
	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 (this does not include instances when a DJ is named simply for the purposes of publishing performance times for that DJ at that event).
	Fees for Unbilled DJ Changeover do not apply in circumstances where a Ticketed Music Event or Eligible Temporary Music Event licensee holds a <i>Gold, Silver</i> or <i>Bronze</i> licence for that stage/area.
Changeover Music	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).
	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</i> or <i>Bronze</i> licence for that stage/area.

DISCOUNTS

In addition to the proposals set out above, OneMusic Australia also proposes to offer the following discounts:

- for any national event promoter that is licensed under the current APRA blanket scheme (per the published list available at the URL https://onemusic.com.au/national-event-promoters-list/) and submits to OneMusic a valid new Ticketed Music Events blanket licence with a commencement of date of either 1 November 2022 or 1 December 2022, a 10% discount on all fees applicable to the use of APRA's musical works for all events held between that commencement date and 31 December 2023; and
- for all promoters that enter into a new *Ticketed Music Events* licence, a discount of 75% for the PPCA Sound Recording component of the Licence Fees applicable to all *Ticketed Music Events* taking place during the period from the commencement of that new Ticketed Music Events licence up to 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 November 2022.

Updates in respect of the other event categories discussed in the Events Consultation Paper is as follows:

	Update
General Entertainment Events and Free Music Events	The final position paper for the new OneMusic licence for <i>General Entertainment Events and Free Music Events</i> can be found HERE.
Ticketed Special Purpose Performances	Our proposed changes to the <i>Ticketed Special Purpose Events</i> scheme arising from the consultation so far are substantial. As a result, we intend to continue our consultation with industry in respect to this scheme, and have published a consultation paper for this scheme separately HERE. Until the consultation for this licence is complete, these events will continue to be licensed under the <i>APRA Special Purpose Featured Music Event</i> licence for APRA Works and the PPCA <i>Tariff B: Events and Festivals</i> licence for PPCA Sound Recordings.

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