

OUR CONSULTATION PROCESS WITH YOU

OneMusic Australia is consulting with nightclubs and other venues providing recorded music for dance use and would like to hear your views. If you have already provided us with comment, thank you – but as we've made a number of changes in this updated proposal your further feedback is welcome and encouraged.

If you operate a hotel, casino or similar multi-purpose venue that also provides recorded music for dance use, we suggest you read and reply to our separate consultation paper for hotels – [available here](#) – which covers the key range of rates often needed.

In your nightclub, you're likely to be paying licence fees to APRA AMCOS and PPCA, the caretakers of the copyright in the music you use. These fees ensure you're legally entitled to use music in your nightclub, and with your support music creators are paid for their contribution to your business.

This is the second consultation paper we've released on the proposed OneMusic Australia rate for Recorded Music For Dance Use. We've made some adjustments to our original proposal based on the feedback we've received so far – thank you.

We acknowledge that some submissions asserted that the existing APRA AMCOS, existing PPCA and/or proposed OneMusic rates are too high. However, these submissions did not include any underlying critical analysis - including relevant data, economic analysis or examination – necessary to give proper consideration or weight to these submissions. If the same assertions still apply to the revised fees in this paper, we invite submissions that include critical assessment and analysis. We'd like you to take a look, and let us know if you have any additional feedback. Remember, this is just a proposal, and may not become the final scheme.

What's different in the second consultation paper:

- We've listened to your concerns about basing licensing fees on the exact capacity of nightclubs, and instead propose to base licensing fees on capacity tiers. This way we still get a good idea of the relative size of your business to ensure there's a link between use of music and price, but we won't be charging a 'per person' fee based on capacity.
- We've kept the previous structure whereby the more nights per year you open, the lower your nightly fee is, and added an extra discount for each capacity configuration so that when you open 56 or more nights a year you will receive four free nights.
- According to the capacity and attendance figures supplied by venues the original proposal described in the first consultation paper would have led to an overall reduction in licence fees of almost 4%. Our modelling now shows that this proposal will financially benefit 60% of nightclubs holding both an APRA and PPCA licence and lead to a reduction in total licence fees of around 8%.
- In addition, for those nightclubs where entry is by paid ticket only, the nightclub keeps accurate nightly attendance figures, and the nightclub can and agrees to provide an annual statement of attendance warranting the veracity of those figures, licence fees will be assessed on attendance.
- We've explained how we'd like you to report your capacity to us, and how to report a modified capacity depending on how the venue space is configured on different nights, such as reporting a reduced capacity on nights where only one level or room is open.
- The rate for background music now includes coverage for up to two concurrent lines for telephone hold music and use of music in corporate and workplace areas of your business, such as offices and staff areas, under the background music rate at no extra cost.
- We've answered some of your questions and addressed some of your concerns, based on the feedback we received on the first consultation paper.

To see how the proposed OneMusic Australia scheme will apply to your specific circumstances, you can use the calculator found [here: www.jotform.com/apraamcos/recordedmusicfordance](http://www.jotform.com/apraamcos/recordedmusicfordance). To use the calculator, review:

- The capacity of your nightclub each night of the week. If you use a different configuration on some nights, the capacity for those nights may be different to the overall venue capacity.
- How many nights the nightclub operates in each configuration per year.
- Using the above two pieces of information (capacity and nights of operation) you can determine what capacity tier(s) you fall into and what the annual fees for your venue would be under this proposal compared to your current total licence fees for APRA AMCOS and PPCA. Remember – these cost comparisons will only be valid if you currently hold a licence with both APRA AMCOS and PPCA.

What should I do next?

If you have any questions about OneMusic Australia during this consultation, feel free to ask them at questions@onemusic.com.au

If you'd like to take part in the consultation process and provide some feedback, we'd love to hear your thoughts at consultations@onemusic.com.au

YOUR PROPOSED NEW ONEMUSIC LICENCE FEES

The proposed fee structure for the use of recorded music for dance use (inclusive of GST) is illustrated in the table below. The rest of this consultation paper contains information about why and how we developed and amended these proposed fees in response to your feedback, and lets you know how to further take part in the consultation process.

NIGHTCLUB (RECORDED MUSIC FOR DANCE USE) PER NIGHT RATE					
CAPACITY	OFFERED UP TO 56 NIGHTS PER YEAR	OFFERED 57 TO 104 NIGHTS PER YEAR*	OFFERED 105 TO 156 NIGHTS PER YEAR*	OFFERED 157 TO 208 NIGHTS PER YEAR*	OFFERED 209 TO 365 NIGHTS PER YEAR*
1 to 25	\$44	\$43	\$42	\$39	\$37
26 to 50	\$87	\$85	\$83	\$79	\$75
51 to 75	\$131	\$128	\$125	\$118	\$112
76 to 100	\$174	\$170	\$166	\$158	\$149
101 to 200	\$349	\$340	\$332	\$315	\$299
201 to 350	\$610	\$596	\$581	\$552	\$523
351 to 500	\$872	\$851	\$830	\$789	\$747
501 to 750	\$1,307	\$1,276	\$1,245	\$1,183	\$1,121
751 to 1000	\$1,743	\$1,702	\$1,660	\$1,577	\$1,494
1001 +	\$1,917	\$1,872	\$1,826	\$1,735	\$1,643

RECORDED MUSIC FOR DANCE USE (NIGHTCLUBS) - PER ATTENDEE RATE
\$2.52

We have included some examples of how the fee structures look when applied to actual nightclubs later in this document, in the 'Revised Fee Structure' section.

For the purposes of this scheme, a venue which provides recorded music for dance use means an establishment or a specific area within a multi-function establishment that:

- a) Provides recorded music for dance use by patrons; and
- b) Has a dance floor or other area for dancing or charges an entry fee (even if the fee is not charged to all patrons); and
- c) Is not being used for
 - i. a non-ticketed private function;
 - ii. a dance or dance party;
 - iii. an event that features ballroom or similar traditional dancing;
 - iv. An event promoted by a National Event Promoter; or
 - v. An event for underaged persons (such as a 'blue light' disco).

This definition covers venues which are stand-alone businesses providing recorded music for dance use, such as nightclubs, as well as venues which are operating as part of a multi-purpose venue, or within a multi-purpose premises in a physically separate area of that premises, where that separate area satisfies the above criteria.

The scheme does not cover other types of public performance that may occur at the venue – for example a live performance by a band, featured music performances where DJs perform and there is no dancing, or the use of background music across other areas in the venue or when the venue is not operating for the purpose of, or with an area for, dance use. These rights will be covered under separate schemes to be offered by OneMusic Australia.

DATE: 1 November 2018

RECORDED MUSIC FOR DANCE USE SECOND CONSULTATION PAPER

OneMusic Australia is a joint initiative of APRA AMCOS and PPCA. On 13 October 2017, OneMusic Australia released a consultation paper seeking feedback on a proposed music licensing scheme for Recorded Music For Dance Use.

OneMusic Australia received welcome feedback on that paper from nightclubs, hotels and industry stakeholders which has been very helpful and has led us to refine the original proposal.

This paper is not for the purpose of consultation on the individual distribution processes undertaken by APRA AMCOS and PPCA.

On current timings, the proposed scheme set out below will commence with the launch of OneMusic Australia in mid 2019. OneMusic Australia will provide notice to individual venues of the date of migration from their existing licences in due course. It is anticipated that each venue will be provided with at least six months' notice before being impacted by any changes arising from the introduction of the new joint licence scheme.

FEEDBACK RECEIVED

The feedback received by OneMusic Australia was straightforward and covered in the most part similar issues and common themes, each of which are addressed individually below. The majority of responses from licensees contained a list of concerns, but only a few responses suggested alternatives, particularly when compared to the feedback received in response to other consultation papers. Some responses suggested that OneMusic Australia has not been sufficiently consultative or transparent, whereas others indicated that the complexity of the consultation documents warranted more time for respondents to make submissions. Such claims are not valid, given that the consultation paper was released on 13 October 2017 and in response to requests, the consultation period was extended to 12 January 2018, providing a total response period of 13 weeks.

We note that with other consultation papers we received some constructive feedback, including proposals for alternative approaches and structures that allowed us to conduct further modelling and testing, resulting in changes to the proposed licence schemes for those industry sectors. We strongly encourage suggestions and feedback from the nightclub sector on the content of this second round paper and the proposed licence scheme it outlines.

For the sake of convenience we have used the term 'nightclub' throughout this paper but note that the actual tariff covers the use of recorded music for dance use wherever it occurs.

ONEMUSIC NEW ZEALAND

A number of respondents commented on the differences in the rates for nightclubs proposed by OneMusic Australia and those offered by OneMusic New Zealand under their licensing scheme for hospitality businesses. OneMusic Australia has sought to harmonise existing Australian APRA AMCOS and PPCA fees, neither of which are based on music licensing fees in New Zealand.

The fees and licensing schemes in both territories have been developed from a different historical basis and are not linked, indeed they have varied between the two countries for some considerable time. Licensing schemes and rates for nightclubs differ greatly across international territories and markets due to historical, structural, and developmental variables, and a comparison of any two will reveal disparities for those reasons.

Matching the fees offered by OneMusic New Zealand, which are lower, would also indicate that the value of music to nightclubs in Australia is lower than it was prior to the launch of OneMusic Australia. In our view, the value of music to nightclubs has not decreased.

ATTENDANCE VS. CAPACITY

We received a substantial number of submissions concerned about the ‘move’ to a capacity-based scheme. It should be noted that PPCA has licensed nightclubs under a capacity-based scheme for ten years (and the APRA attendance-based rate is subject to a capacity threshold). It is our view when considering the options of attendance or capacity as the basis of the proposed OneMusic Australia licence fee, that capacity is the best means of providing a convenient and transparent indication of a nightclub’s size. Other indicators might be things such as revenue or floor area, however capacity represents a much simpler, clearer metric on which to base fees.

Understanding the size and potential revenue of each business licensed to use music is an important consideration to ensure fairness across the industry, but simplicity and accuracy of reporting is also a priority. The capacity of a nightclub is a good indicator of size, and far easier to report accurately than attendance. Furthermore capacity, unlike turnover, is not subject to commercial sensitivities about disclosure.

The Copyright Tribunal acknowledged that nightclubs do not always operate at capacity, and took this into account when setting what it considered to be fair and equitable licence fees. The OneMusic proposal is derived from the rates set by the Tribunal and therefore follows that logic. Indeed, whilst a nightclub may regularly operate below capacity, it is equally true that the number of customers that visit a nightclub throughout the night may often exceed its capacity. Proposed fees for other industry sectors have also been based on metrics tailored to deliver the simplest indicators of size and use, such as a metric based on the number of members of a gym, the premise size of a retail business, or the seating capacity of a restaurant. We note that not all members of gyms attend every day, retail shops have busy and quiet periods and restaurants may not be full all the time.

However, OneMusic Australia accepts the feedback received that a per person capacity fee applied per night of operation as described in the first consultation paper is unpopular. While OneMusic Australia still considers capacity to be an appropriate and practical measure of the relative size of a nightclub, we understand that a per-person fee based on capacity is problematic to some licensees.

Accordingly, we propose two significant changes to the original proposal.

For the majority of venues we have further simplified the structure of the proposed licence scheme, arranging capacity into tiers that indicate the relative size of the nightclub, rather than multiplying the per-night fee by the nightclub’s exact capacity. After extensive testing that modelled different tiers and fees based on capacity and number of nights open per week, we settled on the modelling that resulted in a fee reduction (from current APRA AMCOS and PPCA tariffs) for the highest number of venues – 60% of those with both licences. The modelling also indicates that across all those nightclubs, total licence fees will decrease in each of the capacity tiers and by approximately 8% overall.

Nightclubs are still able to adjust the capacity reported on nights where their capacity is reduced, for example when only one floor or room of the nightclub is open for business.

OneMusic has previously noted its compliance concerns about an attendance-based metric but note also the concern expressed in submissions about applying a capacity-based metric for both the APRA AMCOS and PPCA fees under the OneMusic licence. Seeking to find a balance between those two positions, OneMusic proposes to allow venues to use an attendance rate subject to certain provisions. Namely that:

- it only applies to nightclub venues where entry is by paid ticket or entry fee only;
- the venue keeps accurate nightly attendance figures;
- the OneMusic Australia licensee can and agrees to provide an annual statement of attendance and nights of operation with a written declaration by an authorised person warranting the veracity of those figures.

Under this option the four ‘free’ nights and the decreasing fee according to number of operating nights – both measures offered to address industry concerns about capacity-based reporting - are not available. This option is conditional upon the nightclub making the election¹ meeting the criteria outlined above, including the provision of the necessary declaration and information. If those conditions are not met the licence fees will be recalculated based on OneMusic’s reasonable assessment of relevant capacity and nights of operation.

¹Election to use attendance subject to the provisions is fixed for the year and the fee is not subject to review against the capacity-based fee structure.

MEASURING CAPACITY

Notwithstanding that PPCA has charged on capacity, many submissions queried how capacity would be established. Both current schemes use capacity (either as the metric or the cap) and OneMusic does not intend to change the current approach on measuring capacity. Below are examples of the kind of official sources licensees can use when determining the capacity of their venue:

- ACT: the occupancy loading for each relevant area from the venue's Licensed Premises Plan;
- NSW: the patron capacity from the venue's liquor licence, or capacity from the venue's Development Consent;
- NT: the maximum number of persons permitted to occupy the licensed premises as assessed by the Northern Territory Fire and Rescue Service;
- QLD: the occupancy limit from the venue's occupancy notice provided by the Office of the Commissioner of the QFES;
- SA: the total capacity from the venue's liquor licence, or capacity set by local council or a registered private certifier;
- TAS: from the venue's council Occupancy Permit;
- VIC: the maximum patron capacity from the venue's liquor licence or Council occupancy permit;
- WA: the maximum accommodation from the venue's Department of Health Certificate of Approval.

Where official sources are not available, or in cases where a nightclub operates at a lower capacity than the capacity stated on official sources, (for example where a nightclub area is partitioned to make it smaller during slow periods, or if areas of the nightclub are regularly closed to patrons on particular nights), OneMusic may agree to a variation to the reported capacity provided supporting documentation is supplied. Where a layout plan of the premises is supplied delineating the operating nightclub area, OneMusic Australia will calculate capacity at 1 person per 0.75 square metres of space accessible by patrons.

"PHYSICALLY SEPARATE"

Questions have been raised regarding the meaning of the continued use of 'physically separate' when defining nightclub areas in multi-purpose premises. APRA AMCOS' current definition of a nightclub includes 'a venue operating as a licensed premises that:

- a) *is used for providing music for dancing; and*
- b) *uses recorded APRA AMCOS Works as the primary form of music for dancing; and*
- c) *has a dance floor or other area for dancing or charges an entry fee (even if the fee is not charged to all patrons); and*
- d) *is not being used for: (i) a private function; (ii) a Dance or Dance Party; (iii) an event that features ballroom or similar traditional dancing; or (iv) an event for underage persons (such as a "blue light" disco).*

*The definition includes a Venue operating within a multi purpose premises in a **physically separate area** [emphasis added] of that premises, where that separate area satisfies the above criteria.*

While this element of the definition is not new, OneMusic understands that the release of the first consultation paper has rightly caused licensees to look more closely at relevant definitions. Generally speaking 'physically separate' means distinguishable from other areas of the venue. For example if there is a cover charge to enter that area, the area has its own entrance or it is a separate room, separate floor or other space within the venue that has a clearly defined perimeter or access rules. Our licensing reps will liaise with nightclub operators as required if a question arises and where agreement cannot be reached the licensee or potential licensees has recourse to Resolution Pathways (APRA AMCOS' independent ADR service that will be available to all OneMusic clients).

LICENCE FEE 'INCREASES'

If a nightclub is adequately licensed with both APRA AMCOS and PPCA, and has reported accurate attendance and capacity to each society, then the proposed OneMusic Australia licence fee outlined in the first consultation paper is unlikely to represent a significant fee increase for most nightclubs. However, OneMusic Australia understands that for nightclubs that are not adequately licensed with both APRA AMCOS and PPCA and/or have not been reporting accurate attendance and capacity to each society, the proposed OneMusic Australia fees may then represent a fee increase greater than our modelling, but we note that any such increase is a factor of non-compliance, not the rate or tariff structure.

The modelling and fee comparisons conducted by OneMusic in the first and this consultation paper are based on attendance and capacity figures supplied by nightclubs to APRA AMCOS and PPCA respectively. While there have been claims that licence fees for some clubs will increase several-fold, we have not been presented with any figures to back up such claims. If there are nightclubs that believe they will see such increases, we urge them to contact us so we can discuss and if necessary further revise our proposal.

AUSTRALIAN ARTISTS

Feedback has been received stating that the vast majority of music played in nightclubs is not Australian, but that Australian nightclubs pay some of the highest fees in the world. OneMusic Australia licences cover the overwhelming majority of electronic/dance music available worldwide, including that of individual songwriters and recording artists from the USA, UK, Germany, France and The Netherlands, in addition to our own local artists. This is of great benefit to nightclubs as it negates the need for them to obtain multiple licences for Australian and international dance music.

OneMusic Australia notes the difference in the equivalent rate between Australia and other countries but further notes that insofar as we are aware, Australia is currently the only country where the appropriate rate has been reviewed and considered by an independent authority in the form of the Copyright Tribunal.

DISTRIBUTION OF LICENCE FEES

Questions have been raised regarding the potential difficulty of discovering how licensing fees are distributed to music creators under OneMusic Australia. OneMusic Australia is not involved in the distribution of licensing fees, and the responsibility for distribution will remain with both APRA AMCOS and PPCA. APRA AMCOS and PPCA have employed music recognition technology (MRT) in a number of nightclubs to assist with producing more accurate allocations back to rightholders and those practices have in part been informed by ongoing discussions with the Club Music Advisory Group². Both societies will continue to set their own distribution policies and practices and relevant information regarding the distribution policies of both organisations is freely available from each organisation. Currently, both APRA AMCOS and PPCA distribute nightclub licence fees based on a mix of data including: MRT (45%), ARIA Club Chart (45%) and selected radio airplay logs (10%).

ONEMUSIC AUSTRALIA AS A NEW 'MONOPOLY'

Many respondents have claimed that OneMusic Australia creates a "new and unnecessary monopoly", however the scope of rights represented by OneMusic Australia are exactly those currently represented by APRA AMCOS and PPCA. APRA AMCOS and PPCA are not in competition with each other as the two organisations represent completely separate rights. Accordingly in our view the venture does not lead to a further concentration of market power.

Moreover, the rights licensed by APRA AMCOS and PPCA are available from other sources, and the same current alternatives to licensing music through APRA AMCOS and PPCA will still exist under OneMusic Australia. For example, licensing the rights directly from the copyright owners, or using only music that APRA AMCOS and PPCA do not represent. If a nightclub is using APRA's repertoire but not PPCA's, then a reduced rate will apply. Furthermore, nightclubs will receive the added benefit that all their dealings with OneMusic Australia will be covered under APRA's authorisation from the ACCC including its relatively new alternative dispute resolution procedures³.

²The Club Music Advisory Group (CMAG) is a diverse group of key industry stakeholders from the dance and electronic music sector. Their role is to inform and advise APRA AMCOS on issues related to the dance/electronic music industry and to also inform our distribution practices to ensure they are as fair and transparent as possible.

³APRA AMCOS' has an independent alternative dispute resolution process, details of which are available at www.resolutionpathways.com.au. The facility won the Australian Disputes Centre's ADR Corporate Team of the Year Award in 2016.

ONEMUSIC AUSTRALIA AS A 'MERGER'

OneMusic Australia is not a merger, and APRA AMCOS and PPCA are not becoming one company. OneMusic Australia is a joint initiative of APRA AMCOS and PPCA to provide a combined public performance licensing capability. The two companies will remain separate entities with separate boards and membership, and will continue to make distributions back to copyright owners, serve their respective membership base and affiliated societies, and offer licences in areas other than public performance.

The trading name 'OneMusic Australia' is the vehicle through which joint licences covering both musical work and sound recording rights will be issued to music users. OneMusic Australia is not a new company or a merger, but a branded joint licensing arrangement.

INDIVIDUALLY NEGOTIATED AGREEMENTS

Claims have been made by some respondents to the first paper that APRA AMCOS and PPCA representatives have individually negotiated confidential agreements with numerous licensees enabling those licensees to pay licensing fees significantly lower than those published by each organisation. APRA AMCOS and PPCA deny these claims, have not been provided with nor can see any evidence of these individually negotiated confidential agreements.

APRA AMCOS and PPCA are aware of individual arrangements with specific businesses in settlement of legal disputes, however these are not ongoing licensing arrangements.

PRIVACY

Concerns regarding privacy have been expressed by some respondents, due to the personal information that is being shared between APRA AMCOS and PPCA for the purposes of establishing OneMusic Australia, including the data-matching and alignment of renewal cycles required to do so.

Both APRA AMCOS and PPCA are each committed to ensuring that personal information collected from licensees is handled strictly in accordance with each organisation's privacy policy. In that regard, the personal information shared between APRA AMCOS and PPCA for the purposes of OneMusic Australia is done so on a confidential basis and limited to only such personal information necessary to allow for the continued and effective administration of music licensing in preparation for, and for the operation of, that joint licensing initiative. Such disclosure is consistent with the terms of the each organisation's privacy policy, being limited to sharing only with associated collecting societies in Australia and for the purposes of administering the licensing and distribution of royalties.

PASSING ON OF SAVINGS

Some submissions received assume that OneMusic Australia will result in a reduction in administrative costs for APRA AMCOS and PPCA, and have called for 'savings' to be passed on to licensees. Certainly for the foreseeable future, due to the work necessary to develop, test, adjust, implement and consult with industry regarding the new licensing schemes, no cost savings for APRA AMCOS and PPCA are predicted.

OneMusic also notes that licence fees have never been linked to either APRA AMCOS' or PPCA's cost of operations – that is, the licence fee isn't a 'fair and equitable' rate for the use of music PLUS the costs of administering the licence. Those costs are borne by the members and licensors of APRA and PPCA respectively out of the payment of the licence fee.

That said, and as stated elsewhere in this paper our modelling of equivalent licence fee revenues under OneMusic – based on the attendance and capacity figures supplied by matched nightclubs to APRA AMCOS and PPCA respectively under current licence agreements – shows an overall decrease of 8%.

PARTIAL RIGHTS

Some submissions queried why OneMusic Australia did not offer a partial rights adjustment as is the case in other proposed schemes. OneMusic Australia is not aware of any nightclub that operates without using both APRA-represented music and PPCA-represented recordings. Given this situation, it is arguable that there is simply no need for such an adjustment mechanism, nonetheless, OneMusic Australia will offer such an adjustment.

OneMusic notes that in general for a nightclub, the PPCA annual licence fee tends to be higher than the APRA AMCOS fee. Any adjustment for partial rights needs to reflect this so that licensees are not unfairly impacted. Accordingly, under OneMusic Australia, in the first year of operation of OneMusic any nightclub that only has need of the APRA rights will be eligible for a 60% discount from the licence fee and in future years the discount will be reduced to 48.25%. If a nightclub uses PPCA recordings but has no requirement of the APRA licence, the discount will be 35% in the first year of operation (moving then to 48.25%).

REVISED FEE STRUCTURE

We have revised the proposed fee structure for the Recorded Music For Dance Use to address the feedback received. Under the revised fee structure:

CAPACITY-BASED METRIC

- Nightclubs will not be required to multiply their per-night rate by exact capacity per person. Instead, OneMusic proposes to introduce a per-night rate based on broad capacity tiers. Capacity can thus be clearly seen as an indication only of the relative size of a business, not the number of people expected to attend at full capacity.
- We have, however, retained an important element of the previous structure whereby the more nights a nightclub opens per year, the lower the per-night rate will be.
- For nights when nightclubs open at a lower capacity, for example when only one level of a two-level venue is open, the per-night fee for the lower capacity tier will apply for those nights only.

A discount of four free nights will apply for each capacity configuration that operates for 56 or more nights per year. For example, if the venue operates at a single capacity and is open 200 nights a year, OneMusic would only charge for 196 nights. Nightclubs should report the total number of nights open.

Additionally, coverage for up to two concurrent lines for telephone hold music and use of music in corporate and workplace areas of your nightclub, such as offices and staff areas, has now been included under the background music rate at no extra cost.

Following are five examples of how the revised fees would be applied, based on the number of opening nights and capacities of actual nightclubs currently licensed by APRA AMCOS and PPCA (the identity of each nightclub has been removed for reasons of confidentiality).

EXAMPLE 1

A nightclub in a hotel with a capacity of 170 is open 1 night per week (52 nights per year), and currently pays \$8,454.75 to APRA AMCOS under a GFN tariff, and \$11,580.40 to PPCA under its E1 tariff. Under the new proposal the nightclub would pay a per night licence fee of \$349 for 52 nights of operation.

CURRENT APRA AMCOS FEE	CURRENT PPCA FEE	TOTAL CURRENT FEE	ONEMUSIC FEE (\$349 X 52 NIGHTS)
\$8,454.75	\$11,580.40	\$20,035.15	\$18,148.00

EXAMPLE 2

A multi-level pub operates two levels as a nightclub one night per week, or 52 nights per year. One area has a capacity of 200, and the other has a capacity of 400.

CURRENT APRA AMCOS FEE	CURRENT PPCA FEE	TOTAL CURRENT FEE	ONEMUSIC FEE AREA 1 (\$349 X 52 NIGHTS)	ONEMUSIC FEE AREA 2 (\$872 X 52 NIGHTS)	TOTAL ONEMUSIC FEE
\$43,912.00	\$40,872.00	\$84,784.00	\$18,148.00	\$45,344.00	\$63,492.00

EXAMPLE 3

A stand-alone nightclub with a capacity of 150 opens 111 nights per year. The OneMusic fee will only be applied for 107 nights, as nightclubs that open 56 or more nights per year receive 4 nights at no charge.

CURRENT APRA AMCOS FEE	CURRENT PPCA FEE	TOTAL CURRENT FEE	ONEMUSIC FEE (\$332 X 107 NIGHTS)
\$13,458.59	\$21,811.50	\$35,270.09	\$35,524.00

EXAMPLE 4

A nightclub open three nights a week most weeks of the year (a total of 150 nights per year) has a capacity of 300. The OneMusic fee will only be applied for 146 nights, as nightclubs that open 56 or more nights per year receive 4 nights at no charge.

CURRENT APRA AMCOS FEE	CURRENT PPCA FEE	TOTAL CURRENT FEE	ONEMUSIC FEE (\$581 X 146 NIGHTS)
\$20,187.88	\$58,950.00	\$79,137.88	\$84,826.00

EXAMPLE 5

A cocktail bar with a capacity of 100 operates as a nightclub for 144 nights per year. The OneMusic fee will only be applied for 140 nights, as nightclubs that open 56 or more nights per year receive 4 nights at no charge.

CURRENT APRA AMCOS FEE	CURRENT PPCA FEE	TOTAL CURRENT FEE	ONEMUSIC FEE (\$166 X 140 NIGHTS)
\$7,764.57	\$18,864.00	\$26,628.57	\$23,240.00

ATTENDANCE-BASED METRIC

For those nightclubs that can meet the necessary minimum criteria (i.e. where entry is by paid ticket or cover charge only, the nightclub keeps accurate nightly attendance figures, and the nightclub can and agrees to provide an annual statement of attendance with a written declaration by an authorised person warranting the veracity of those figures) and elect to pay on attendance, the following are two further examples of how the revised fees would be applied, based on the number of opening nights and capacities as licensed by APRA AMCOS and PPCA.

EXAMPLE 1

A nightclub with a capacity of 140 open 3 nights a week for 52 weeks a year with attendance averages per night of 140, 115 and 100.

CURRENT APRA AMCOS FEE	CURRENT PPCA FEE	TOTAL CURRENT FEE	ONEMUSIC FEE (@ \$2.52 PER ATTENDEE)
\$16,702.40	\$28,610.40	\$45,312.80	\$47,829.60

EXAMPLE 2

A pub operating on two levels and using the upper floor as a nightclub two nights a week over the summer period only (20 weeks per year) with a capacity of 180 but with average attendance of 150 on one night and 120 on the other.

CURRENT APRA AMCOS FEE	CURRENT PPCA FEE	TOTAL CURRENT FEE	ONEMUSIC FEE (@ \$2.52 PER ATTENDEE)
\$4,752.00	\$9,432.00	\$14,184.00	\$13,608.00

SUBMITTING YOUR FEEDBACK

OneMusic Australia, having regard to the submissions it has received to the initial consultation paper, intend to implement the new Recorded Music for Dance Use Scheme as varied and set out above in mid 2019, subject to any new and substantive arguments that are received by 31 December 2018.

Please provide your feedback in the form of a submission to consultations@onemusic.com.au. Submissions are preferred in a Microsoft Word or PDF format.

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.