Public Interest Test Consultation on BBC iPlayer Proposals

1. UK Music is the umbrella body representing the collective interests of the UK’s commercial music industry, from songwriters and composers to artists and musicians, studio producers, music managers, music publishers, major and independent record labels, music licensing companies and the live music sector.

2. UK Music exists to represent the UK’s commercial music sector, to drive economic growth and promote the benefits of music to British society. A full list of UK Music members can be found in the annex.

3. The BBC is of considerable importance for the UK music industry (in turn, a considerable contributor to the UK GVA and a net exporter of music internationally). The BBC’s public services use a large and diverse range of music including commercial, film, and production music in which composers, performers, music publishers and record companies all have rights. UK Music and its members have been supporting the importance and diversity of the BBC’s use of music, for example during the discussions on the BBC Charter 2017.

4. Equally, music is of considerable importance to the BBC. Our members (or the rightsholders they represent) license BBC services for the music they use. Composers and performers as well as music publishers and record companies license specifically the use of music in audio-visual productions by operators such as the BBC, Amazon or Netflix. It is crucial for the continued success of the UK music industry that such licences continue to be acquired at a fair commercial level; this is also important to sustain a fair commercial market for audio-visual productions. We welcome the acknowledgement in the consultation that “these proposals are subject of course to the BBC’s budget, commercial negotiations and the cost of rights in the UK market.”

5. Amongst the other rightsholders represented by UK Music and its members, composers and performers deserve to be remunerated for their work; they depend on the income they receive from uses of their music such as repeated use in audio-visual programming. That income helps to ensure a dignified existence for these creators; in particular at a later stage in their career when other income streams are less readily available.

6. Under current licensing arrangements, composers and performers directly receive remuneration whenever TV programming using their music is broadcast or repeated; also, contracts for the use of their compositions and performances often consider the likely future income from repeat uses when negotiating fees. This should be taken into account when considering the proposed changes, which would impact on the type and extent of
availability of BBC programming; in relation to this, the remuneration received must still be equitable.

7. Should the BBC not pay a fair commercial rate for music rights in the context of the proposed changes, this may in turn also have an impact in relation to other audio-visual platforms and reduce the overall value of remuneration payable to composers and performers for their creative works.

8. A level playing field for the licensing of music will sustain a fair market for the value of music in audio-visual productions and between commercial operators. This applies to already existing as well as to future contracts.

9. In conclusion our answer to questions 3 and 4 is that the impact on fair and effective competition depends on the BBC obtaining appropriate licences at market value. In order to fully assess the impact on the UK Music industry, Ofcom needs to carry out a comprehensive market analysis.

Annex

UK Music's membership comprises of:

- AIM – The Association of Independent Music – the trade body for the independent music community, representing over 850 small and medium sized independent record labels and associated music businesses.

- BASCA exists to celebrate, support and protect the professional interests of all writers of music.

- BPI - the trade body of the recorded music industry representing 3 major record labels and over 300 independent record labels.

- FAC – The Featured Artists Coalition represents and promotes the interests of featured recording artists in the music industry.

- MMF – Music Managers Forum - representing over 650 UK managers of artists, songwriters and producers across the music industry with global businesses.

- MPG - Music Producers Guild - representing and promoting the interests of all those involved in the production of recorded music – including producers, engineers, mixers, remixers, programmers and mastering engineers.

- MPA - Music Publishers Association - with 260 major and independent music publishers in membership, representing close to 4,000 catalogues across all genres of music.

- Musicians’ Union representing 30,000 musicians.

- PPL is the music licensing company which works on behalf of over 100,000 record companies and performers to license recorded music played in public (at pubs, nightclubs, restaurants, shops, offices and many other business types) and broadcast (TV and radio) in the UK.
- **PRS for Music** is responsible for the collective licensing of rights in the musical works of 114,000 composers, songwriters and publishers and an international repertoire of 10 million songs.

- UK Live Music Group, representing the main trade associations and representative bodies of the live music sector

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