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Potential areas of improvement to the current trading arrangements with Mexico

Open Consultation

UK Music is the collective voice of the UK's world-leading music industry. UK Music represent all sectors of the music industry – bringing them together to collaborate, campaign, and champion music. UK Music promotes the music industry as a key national asset to all levels of Government and publishes research on the economic and social value of music.

Mexico is an important market for the UK music industry given the popularity of UK produced music internationally; the Mexican music market is growing; in particular music streaming. In 2019, the recorded music industry in Mexico generated revenues of US\$180.8 million, up from \$154.5 million a year earlier. UK artists as well as industry will benefit from a strong Mexican music market; this requires not only a strong copyright framework, but also efficient administration and enforcement of our music.

1. Piracy is rife in Mexico; but we are optimistic that recent changes at national level (to comply with the USMCA) regarding general intellectual property will strengthen the enforcement framework in law as well as in practice. The Federal Law for the Protection of Industrial Property (Ley Federal de Protección a la Propiedad Industrial) is a good example how a free trade agreement, in this case the USMCA, can positively influence national legislation.
- We recommend that UK Government uses the trade negotiations to discuss further improvements to the enforcement framework, including by exchange and best practice (such as simplified access to the courts in the UK, via the IP Enterprise Court). It is important that Mexican authorities have sufficient resources at their disposal to effectively deal with the high level of piracy in practice.

Additionally, the UK Government could present its education campaigns as a practical example of how to change the perception of copyright piracy is victimless crime still prevalent in Mexico.

2. Mexican copyright law already provides for website blocking orders; both the Mexican and the UK music industry will benefit from an exchange of information on the pertinent practical experience with such orders which have proven very effective in the UK.

- We recommend that UK Government initiates further discussions on cooperation regarding enforcement in practice including on website blocking orders; this should be referenced expressly in the free trade agreement.
3. UK musicians and rightholders rely on adequate administration of the music at national level. Collective management of rights is a crucial element of the music industry value chain; collective management organisations have a considerable responsibility in particular to its individual members, songwriters and composers and performers as well as music publishers and record companies. It is of utmost importance that those collective management organisations operate under the principles of transparency, accountability, and good governance. We note that the Continuity Agreement, which has been in force since 1 June 2021; contains an article on Cooperation on Collective Management of Rights. We welcome reference to the promotion of “transparency and non-discrimination among entitled members of collective management organisations, in particular as regards the rights revenue they collect, deductions they apply to such revenue, the use of the rights revenue collected, the distribution policy and their repertoire.”
- We recommend that in addition to this high level reference to further cooperation on collective management organisations, the UK Government enables an exchange in relation to the adoption of best practices; the operation of collective management organisations in Mexico directly impacts UK musicians and rightholders. Specifically, right holders should be free to serve the best interests of songwriters by placing rights for the licensing and administration of repertoire, in particular for multi-territorial licensing, with their society or partner of choice (based on such criteria as transparency, speed and accuracy of reporting) without being forced to use a local national collective management organisation. As referenced above, it is also important for collective management organisations to have robust enforcement powers, together with operating a fair independent market valuation of rights, to ensure that users pay properly for using these rights.

Annex

UK Music's membership comprises: -

- AIM – The Association of Independent Music – AIM – The Association of Independent Music – the trade body for the independent music community, representing 1000+ independent record labels and associated businesses, from globally recognised brands to the next generation of British music entrepreneurs.
- BPI - the trade body of the recorded music industry representing 3 major record labels and over 400 independent record labels.
- FAC – The Featured Artists Coalition is the UK trade body representing the specific rights and interests of music artists. A not-for-profit organisation, they represent a diverse, global membership of creators at all stages of their careers and provide a strong, collective voice for artists.
- The Ivors Academy - The Ivors Academy is an independent association representing professional songwriters and composers. As champions of music creators for over 70 years, the organisation works to support, protect and celebrate music creators including its internationally respected Ivors Awards.
- MMF – Music Managers Forum - representing over 1000 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 music studios, 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 over 32,000 musicians from all genres, both featured and non-featured.
- PPL is the music licensing company which works on behalf of over 110,000 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. PPL also collects royalties for members when their recorded music is played around the world through a network of international agreements with other collective management organisations (CMOs).
- PRS for Music is responsible for the collective licensing of rights in the musical works of 150,000 composers, songwriters and publishers and an international repertoire of 28 million songs.
- UK Music also has an informal association with LIVE (Live music Industry Venues & Entertainment), the voice of the UK's live music and entertainment business. LIVE members are a federation of 13 live music industry associations representing 3,150 businesses, over 4,000 artists and 2,000 backstage workers.