



Radio Advertising Production Music Licence (Formerly BR3 Agreement)

Application Pack

Checklist

- Completed and signed application form
- Completed 'Notification of Authorised Producer Form'

Please return your completed form to:

**Radio Licensing
Broadcast and Online Licensing
PRS for Music
Copyright House
29-33 Berners Street
London
W1T 3AB**

radiolicensing@prsformusic.com

Introduction

Who are we?

The Mechanical-Copyright Protection Society Ltd (MCPS) and The Performing Right Society Ltd (PRS) represent the vast majority of music composers and publishers in the UK and, by agreement with overseas societies, most of the world. We issue licences to allow the recording, public performance and broadcast of our members' musical works for most purposes (in accordance with the 1988 Copyright, Designs and Patents Act) and collect and distribute the royalties due to our members.

PRS for Music manages common activities, services both societies and is jointly owned by them.

What is Production Music?

Production music is specifically written for inclusion in audio and audio visual productions. Production music (or library music) is a cost effective alternative to commercial music and is simple and easy to access. MCPS acts as exclusive agent and administers the licensing process for over 100 Library members.

Production Music licences generally cover the right to reproduce both the musical work and the sound recording.

Can I Use Commercial Music under this Agreement?

No, this agreement gives access to MCPS members' production music only.

To find out about licensing requirements for commercial music please contact MCPS Licensing on 020 8378 7500 or visit www.prsformusic.com

Do I need any other licences to be able to use Production Music?

The Radio Production Music Licence is a reproduction licence only; it does not cover the right to broadcast the production music in the advertisement.

An MCPS licence is required to broadcast the Production Music sound recording and a PRS licence is needed to broadcast the Production Music musical work. If you currently do not have a Radio Broadcasting Licence from PRS for Music, please contact radiolicensing@prsformusic.com

Licence Term

The Radio Advertising Production Music Licence is a 'rolling' agreement but the fees are adjusted on a yearly basis. The fees are in effect from 1 October to 30 September for each year.

To ease time spent administering the Radio Production Music Licence each year; licensees will only need to sign the contract once. This means, unless indicated otherwise, your agreement will continue on a yearly basis. However, each year in August you will be required to complete a 'review' form. This is so we always have the most up to date information and can accurately determine your fees. Once we have the completed form back from you we will issue you with an invoice detailing your fee.

Licence Fees

The fees are based on a table which match a radio station's TSA against fee levels.

2010/11 Fees are as follows:

TSA	2010 / 2011 Base fee	Split Frequency 25% Uplift	Sharing Commercials 10% Uplift
0 – 100,000 or Digital only	£2,775.15	+ £694	+ £277
100,001 – 500,000	£4,401	+ £1,100	+ £440
500,001 – 1,000,000	£6,337	+ £1,584	+ £633
1,000,001 – 2,000,000	£8,448	+ £2,112	+ £844
2,000,001 – 5,000,000	£9,506	+ £2,376	+ £950
5,000,001 – 10,000,000 +	£10,562	+ £2,640	+ £1,056

Fees quoted exclude VAT

Fees and Commercial Sharing Uplifts will be increased in respect of each contract year by RPI using the annual change in RPI for the month of July.

The base fees are based on the TSA for the quarter previous to a new contract year. Licence fees would not be amended if significant changes take place during a contract year. However, these changes to audience may affect licence fees for the subsequent contract year. Licensees are required to notify MCPS of any change in TSA. If this change results in a change in fee bracket there will be an adjustment for the next licence period.

Uplifts

The 25% uplift is for any analogue stations operating a split frequency service.

The 10% uplift is for any station that wishes to share their adverts across their network of stations. Sharing means a commercial that is produced by one radio station but broadcast by another station within the company's network of stations.

In terms of making a decision to pay the sharing uplift, most licensees will want to focus on the 'providing' side of sharing. That is, does your station regularly create commercials for broadcast by other radio stations/groups? If yes, then the sharing uplift is the most economic way to proceed. Another way to describe it would be, if your station/group generates meaningful funds from producing ads that are distributed across the UK radio sector, you will want to select the sharing uplift option.

However, for stations that produce or broadcast few shared commercials, they may elect not to pay the sharing uplift, but will then have to license any shared commercials via the MCPS rate card (www.prsformusic.com) prior to broadcasting.

Please note, any advertisements which are produced for the public sector and are required to be broadcast nationally, will be exempt from this sharing provision.

Payment

Invoices will be issued bi-annually each contract year which runs from October to September each year. The first invoice is issued in October to cover the period October to March. A second invoice is issued in April to cover the period April to September. Group licensees will be issued one invoice bi-annually which will cover all stations in their group.

Payment must be received in full (including the VAT element) within 28 days of the date on which the invoice is issued.

What Your Licence Covers

The Radio Advertising Production Music Licence gives radio stations unlimited access to MCPS members' Production Music for use in radio advertisements.

Commercials may be shared between stations within the same network provided that:

1. each station you will be sharing the commercials with hold a valid Radio Production Music Licence
2. the station creating/providing the advertisements has paid the appropriate sharing uplift of 10% on their licence fees
3. each station reports the commercial in its MCPS music usage reports and declares the commercial as 'shared'.

Authorised Producers

Commercials made under your Radio Production Music Licence can be produced by up to four of the following:

1. the Licensee using its own in-house production facilities and its own staff
2. a duly appointed third party production company
3. in the case of group Radio Production Music licensees, the licensee's radio group creative department

In all cases, this is an exclusive agreement and is not transferable without the prior written consent of MCPS.

Commercials made under this agreement can only be produced for the licensee by four authorised producers. Any commercials made by additional producers would need to be licensed on an individual basis by using the online application form and rate card at: www.prsformusic.com

If two stations use the same production company to produce the same commercial this would not be considered 'sharing', provided that each station individually reports the music used to MCPS as standard.

Licensees must give a minimum of 14 working days written notice before changing any of their authorised producers. Appendix 2 (Notification of Nominated Producer) of your Agreement must be fully completed and submitted to MCPS.

Music Returns

The submission of full reporting data which details every piece of production music used is a conditional part of the Radio Production Music Licence. This data allows MCPS to distribute licence fees to the publishers and their composers of the tracks used.

Data must be supplied in an approved electronic format which is provided by MCPS. This should be e-mailed to MCPS on a quarterly basis and within 28 days of the end of the relevant quarter (for example, returns for the period January to March 2011 will need to be supplied to MCPS before the end of April 2011).

In exceptional circumstances, licensees may use a non-standard format to supply returns, provided that MCPS has granted explicit approval in its absolute discretion for this beforehand.

Termination of Agreement

From 1st October 2009, there is a 3 month notice period which is subject to written notice and MCPS's discretion. The date of termination must be the end of a calendar quarter.

If the contract needs to be terminated because the station is being sold, MCPS may at its discretion agree to terminate the Agreement from the date that ownership ceased, provided at least 28 days written notice has been received.

MCPS reserves the right to terminate the agreement at any time for material breach of contract with 14 days written notice.

If a new station is launched or acquired during the contract year MCPS must receive written notification before the station is acquired or, in the case of a new station, before transmissions commence. Fees will be based on that station's existing TSA.

If the contract needs to be terminated because the station is being sold MCPS may at its discretion agree to terminate the Agreement from the date that ownership ceased, provided at least 28 days written notice has been received.

Licence Application Radio Advertising Production Music



Licensee Details	
Company Name	
Company Registration No.	
Managing Director	
Registered Address	

Contact Details	
Contact Name	
Contact Email Address	
Contact Phone Number	
Contact Address	

Declaration - By signing this form you are confirming that: a) you wish to obtain a Radio Advertising Production Music Licence; and b) the information contained in this application form is accurate to the best of your knowledge.

.....
Signed

.....
Print name of signatory in full

.....
Date

.....
Position of signatory

This application form is subject to contract and has been produced to assist as regards the operation of the Radio Advertising Production Music licensing scheme. This application form should not be treated as a substitute for the Radio Advertising Production Music Licence Agreement, which will be issued for signature upon approval by the MCPS board of a particular licensee under the Radio Advertising Production Music licensing scheme. This application form is not intended to add to, detract from, or form part of that agreement, or the Radio Advertising Production Music licensing scheme.



NOTIFICATION OF AUTHORISED PRODUCER FORM

SECTION 1

Radio Station / Group to be covered by this licence:

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Will advertisements be shared with other Radio Stations? (Please tick):

NO <input type="checkbox"/>	YES <input type="checkbox"/>
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Licensee Details	Is the Radio Station under this agreement using any Authorised Producers to record music into the commercials?	Producer Details (if yes)						
Company Name:	<p>Please Tick</p> <table style="margin: auto;"> <tr> <td style="text-align: center;">NO</td> <td style="text-align: center;">YES</td> </tr> <tr> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> </tr> <tr> <td style="text-align: center;">↓</td> <td style="text-align: center;">→</td> </tr> </table>	NO	YES	<input type="checkbox"/>	<input type="checkbox"/>	↓	→	Producer 1:
NO		YES						
<input type="checkbox"/>		<input type="checkbox"/>						
↓		→						
Address:		Producer 2:						
Contact for Reporting:	Producer 3:							
Contact Number:	Producer 4:							
Email:								

In-House Production (if no)	
Contact for Reporting:	
Address (if different from above):	
Contact Number:	
Contact Fax:	Email:

Declaration - By signing this notification form you are confirming that the information contained in this document is accurate to the best of your knowledge.

Signed: _____

Please print name: _____

Job position: _____

NOTIFICATION OF AUTHORISED PRODUCER FORM



SECTION 2

Authorised Producer 1	
Company Name:	Contact Name:
Address:	Contact Number:
Email Address:	Contact Fax:

Authorised Producer 2	
Company Name:	Contact Name:
Address:	Contact Number:
Email Address:	Contact Fax:

Authorised Producer 3	
Company Name:	Contact Name:
Address:	Contact Number:
Email Address:	Contact Fax:

Authorised Producer 4	
Company Name:	Contact Name:
Address:	Contact Number:
Email Address:	Contact Fax: