

Programme sales blanket licence

Guide and application form



Programme sales blanket licence

What does the licence framework do?

The blanket licence, which is issued by the *PRS for Music* licensing team to cover MCPS members' repertoire, is aimed at producers and distributors of UK-originating television programmes.

The licence allows licensees the right to supply/sell programmes containing MCPS members' music for all forms of television exploitation, in-flight entertainment, mobile TV and VoD platforms.

It provides a flexible and inclusive licensing solution, which removes the requirement to secure ongoing clearances of musical works. It also removes the need for the negotiation of new licence fees and terms each time a production is to be further exploited.

The key benefits are :

- The licence covers all MCPS members' repertoire (with the exception of commissioned music which needs to be licensed at source) including all the major commercial publishers and production music (library) companies;
- No prior approval of the music is required (except in limited circumstances for sales to USA/Canada);
- The licence allows sales worldwide;
- Licence fees are calculated as a percentage of sales revenue to reflect the music content;
- Standard terms and conditions are approved by the Producers Alliance for Cinema and Television (PACT).

Please see our website for a flowchart summarising how the licence works.

Who can apply for a licence?

The company must:

- be registered in the UK;
- be able to fully account for all sales within the timeframe required;
- be able to supply complete and accurate music cue sheets for each programme.

What are the criteria for qualifying programmes?

The programme must:

- have been commissioned for primary broadcast by a UK originating channel;
- have had the music cleared for the primary UK broadcast (under the broadcaster's blanket licence, the IPC blanket licence or on an individual basis); or
- be approved by the artists' current management and/or record company in relation to a music programme.

How much does a licence cost?

Licensees are required to commit to a non-returnable, negotiable advance against royalties. The advance will reflect the territories to be licensed, the number of programmes to be sold and their music content. The advance is recoupable against royalties generated by programme sales.

Royalties are calculated as a percentage claim against the value (the gross sales price) of each sale. The percentage claim reflects the actual amount of music in a programme relative to its duration.

The MCPS percentage claim is worked out in the following way:

$$\frac{\text{Duration of MCPS Music}}{\text{Total Duration of Programme}} \times 100 \times 8.5\% = \text{MCPS \% Claim in Programme}$$

Example: $\frac{20\text{m}18\text{s}}{60\text{m}} \times 100 \times 8.5\% = 2.86\%$

Except:

- sales to USA/Canada, where the base rate will be 17 percent rather than 8.5 percent; and
- programmes made or commissioned by an artist's record company and/or management company for distribution to UK analogue terrestrial channels will be charged at a flat rate of 17 percent of the gross sales price.

Notes:

This percentage claim licensing approach and the base rate used is the standard applied to programme sales deals with major broadcasters and in other media (for example, retail releases of television programmes on VHS/DVD).

Please note, that this licence does not cover VHS/DVD product releases. The terms and conditions of the relevant published licensing schemes (AVP and DVD1) are available on our website.

How do I apply for a licence?

Simply begin by completing the application form on our website.

There is also a copy attached to this document (see Schedule C).

What information do I need to provide to PRS for Music once I have a licence in place?

You will need to send us a full music cue sheet for each programme to be supplied, along with sales data on a quarterly basis to enable us to distribute the appropriate royalties to our members. We will supply you with a standard reporting specification pack when you become a licensee. The exact reporting requirements may be subject to change, although sample formats can be found at the back of this brochure (Schedules A and B).

Frequently Asked Questions

Why do I need a licence to distribute television programmes?

The copying or recording of copyright music is a restricted act under the Copyright Design & Patents Act 1988. MCPS members have appointed MCPS to be their agents in licensing the repertoire they control. The licences granted for the primary exploitation of UK originating programmes do not (with exception) include the right to subsequently exploit the programme. The rights granted under the programme sales blanket licence allow producers and distributors to do so.

Can I record different music into the programmes under this licence?

The licence provides the opportunity to replace the existing music with production music without incurring additional fees. If you do so, you will need to supply a revised cue sheet for the programme. However, the royalty percentage claim will be calculated as previously set out.

What is not covered by the licence?

UK analogue terrestrial channels

Distribution of UK-originating programming to UK analogue terrestrial channels is not permitted under the licence, unless the production was made by or commissioned by the artist's record company and/or management company. Music contained in any such programme would need to be licensed on an individual basis.

Non MCPS repertoire

MCPS only represents its members, and the members of affiliated societies with which we have a reciprocal agreement. In the unlikely event that a composer or publisher is not a member of MCPS or an associated foreign society, you will need to contact that composer or publisher directly for a licence to distribute their work(s).

Standard exclusions

Our agreements have standard exclusions, for example, in relation to unauthorised arrangements, parodies and dramatico-musical works unless prior approved by the relevant copyright owner.

What other licences do I need?

This MCPS licence does not grant any rights to the recipient of your programmes and additional licences will be required by the recipient in order to broadcast the programmes or communicate them to the public. Where the broadcast or communication takes place in the UK, the broadcaster should obtain the necessary licences from *PRS for Music* (prsformusic.com, telephone +44 (0)20 3741 4151). The broadcaster should seek licences from their local performing right societies where the programmes will be used outside the UK.

In order to distribute programmes containing commercial sound recordings, a licence will also need to be obtained from PPL (Phonographic Performance Ltd, ppluk.com, telephone +44 (0)20 7534 1000) or directly from the record company.

Please note: no licence, whether expressed or implied, shall be taken to have been granted by *PRS for Music* or its members merely by receiving this document.

Schedule B

Format for Reporting Information

PROGRAMME	ACQUIRING PARTY	TERRITORY	EXPLOITATION	GROSS PAYMENT	W/H TAX	GROSS SALE PRICE

Where:

- 'Programme' is the title of the Qualifying Programme;
- 'Acquiring Party' is the broadcaster, agent, company the sale is made to;
- 'Territory' is the territory (or territories) of broadcast the sale covers;
- 'Exploitation' is the type of exploitation for which the Qualifying Programme is supplied (see Clause 2.1);
- 'Gross Payment' is the full consideration of the sale (see Clause 6), before withholding tax (if any) is deducted but after deduction of VAT;
- 'W/H Tax' is withholding tax on the Gross Payment (if any) but only to the extent this is not recoverable by the Licensee;
- 'Gross Sale Price' is the Gross Payment less 'W/H Tax'.

Blanket Licence Application Form for Programme Sales Blanket Licence Schedule C



Please note: No Licence, whether expressed or implied, shall be taken to have been granted by MCPS or its members merely by completion of this questionnaire.

A	Applicant Details
Company Name:	
Company Registration Number:	
Registered Address:	
Telephone Number:	
Principle Owners/Shareholders:	

B	Contact Details
Contact Name:	
Job Position:	
Contact Address (if different):	
Contact Telephone Number:	
Contact Fax Number:	
E-mail Address:	
Website Address (URL):	

C	Key Information
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1) Please indicate your primary business:

- | | |
|---|---|
| <input type="checkbox"/> TV broadcaster | <input type="checkbox"/> Television Distributor |
| <input type="checkbox"/> Independent Production Company | <input type="checkbox"/> Record Company (Label) |
| <input type="checkbox"/> Other (please specify): | |

2) Are you seeking a Worldwide licence or one excluding USA and Canada? WW Ex USA/Canada

3) How many television programmes would you expect to fall under this licence?

4) Please estimate the average percentage of music contained within your programming?

5) Please estimate the annual gross sale value of the programming to be sold under the licence.

You will need to supply full music cue sheets and sales data quarterly in our specified format.

By signing this application form you are confirming the following:

The information contained in this document is accurate to the best of your knowledge.

SIGNED _____

Please print name

Job Position Date

Please sign and return this form to:

The IPC Team, Broadcast and Online, PRS for Music, 2 Pancras Square, London N1C 4AG

Alternatively, email the IPC Team on: tvprogrammes@prsformusic.com

For further information contact:

The IPC Team, Broadcast and
Online, PRS for Music, 2 Pancras
Square, London N1C 4AG

IPT Team

Tel: +44 (0)20 3741 4101

Email: tvprogrammes@prsformusic.com

Web: prsformusic.com/tv