



PRS for Music
Hair & Beauty Tariff
Customer Consultation

Published: April 2016



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1. Introduction

PRS for Music is undertaking a consultation on the charging structure used to license the use of copyright music within the Hair and Beauty sector.

The key objectives of the consultation are to invite views on the proposal for a revised tariff from those affected.

The consultation is being undertaken in accordance with the *PRS for Music* Code of Conduct. This outlines our commitment to undertake fair, reasonable and proportionate consultations when proposing to introduce a new tariff or to make significant changes to an existing tariff. *PRS for Music* aims to set reasonable terms and to apply and administer all licensing schemes fairly and consistently. The Copyright Tribunal has jurisdiction over all existing and proposed licensing schemes operated by *PRS for Music*.

The consultation will run from a period of 6 weeks from 25th April 2016 until 6th June 2016. *PRS for Music* will review all responses received on or before the closing date. Details on how to respond to the consultation can be found in Section 5.

This consultation does not obligate *PRS for Music* to implement any of the changes proposed. *PRS for Music* may propose an alternative tariff in the light of responses to this consultation.

The consultation does not cover the use of copyright sound recordings by the sector. The right to play sound recordings in public (e.g. by means of CD player or reception of a radio broadcast) is administered by the Phonographic Performance Limited (PPL). PPL and *PRS for Music* are two separate independent Collective Management Organisations and in most instances a licence is required from both organisations to lawfully play recorded music in public. While both organisations licence the use of music and collect royalties for the music industry, each represents different rights holders and have separate licences and terms and conditions. PPL collects and distributes money for the use of recorded music on behalf of record companies and performers. *PRS for Music* collects and distributes money for the use of the musical composition and lyrics on behalf of authors, songwriters, composers and publishers. For further details on PPL, please visit www.ppluk.com.

In early 2016 *PRS for Music* and PPL confirmed plans to create a new joint venture for public performance licensing (details can be found [here](#)). The plans do not affect this consultation as the two Societies will continue to develop their tariffs separately.

2. PRS for Music

Performing Right Society Limited (“*PRS for Music*”) represents the rights of 118,000 songwriters, composers and music publishers in the UK. As a membership organisation it ensures creators are paid when their music is played, performed or reproduced and champions the importance of copyright to protect and support the UK music industry. *PRS for Music* provides business and community groups with easy access to over 10 million songs through its music licences. *PRS for Music* is one of the world’s most efficient performing rights organisations. With over 100 representation agreements in place globally, *PRS for Music*’s network represents over two million music creators. *PRS for Music* is a not for profit organisation. After deducting running costs, the income received from licence fees is distributed to members and other right holders who have an interest in the works used by our licensees.

For businesses and organisations, *PRS for Music* plays a valuable role. *PRS for Music* members have entrusted the organisation to make their copyrighted songs available to be used in exchange for fair compensation and *PRS for Music* provide the required licences for this in a simple and cost effective way. This gives businesses and individuals the right to use millions of copyrighted songs from around the world, without the need to negotiate individual licensing terms for these works with the songwriters or publishers.

PRS for Music surveys thousands of businesses, including hairdressers and beauty salons to find out what music they are playing. Similar information is also supplied by TV and Radio broadcasters, as well as concert venues. Based on this information, *PRS for Music* distributes royalties to the composers and publishers of the music that has been played.

3. Rationale for the changes

The proposals set out in this consultation are part of an extensive programme to review and simplify the *PRS for Music* public performance tariffs. Many public performance tariffs have been in use for many years and ad-hoc changes to keep them up to date with how music is performed and consumed has made some tariffs too long and complicated.

The aim is to create revised tariffs that are easy to understand, simple and efficient for customers to use, whilst fairly reflecting the value to our customers of music and the scope of our repertoire.

Tariff structures overall will be based on a core charge and bolt-on options. The core will be a single metric which covers the main and most frequent music usage within the sector, with additional music usage charged for in the “bolt-on” if necessary. Thereby allowing individual customers to tailor their licence to their particular needs. Tariffs will be based on industry groups, with each tariff designed with a specific sector in mind. This will allow metrics and rates to be aligned and ensure similar customers are charged using the same tariffs. A reduction in the number of questions when applying for a licence and taking part in the annual review will also make the process quicker and simpler.

PRS for Music is seeking to simplify its tariffs whilst remaining broadly cost neutral for the average customer (although variances for some customers may occur when moving to a new tariff) and whilst *PRS for Music* is not currently reviewing the value of the rates charged for the Hair and Beauty sector it reserves the right to do so.

Currently, *PRS for Music* applies one of two tariffs to the Hair & Beauty sector; i.e. Tariff HDB – Hairdressers and Beauty Salons and Tariff GP – General Purpose (when the premises has more than 30 chairs).

The key charging element of each current tariff is as follows;

Tariff HDB:

- **Background Music:**

For Radio and Television only – Fixed price for up to 30 Stylist/treatment chairs

For all other devices – Charge per 5 stylist/treatment chairs (or part thereof)

Tariffs GP:

- **Background Music:**

Charge based on type and number of device(s) used for up to 30 seats and for each additional 20 seating capacity (or part thereof) thereafter

The Appendix sets out where to view the current tariffs in full.

4. Proposals and impact

4.1 The proposed charging structure

The scope of the proposed Tariff will cover Hairdressers, Barbers, Beauticians, Nail Bars, Tanning Salons, and all other establishments offering similar services. The proposed tariff will allow customers to purchase the use of background music irrespective of the number of devices instead of the current charge of per device. The tariff will include both hairdressers up to and over 30 stylist chairs/treatment tables, where a customer receives treatment (which excludes chairs exclusively designated for waiting and or hair washing). Training academies are not considered an educational establishment.

The key aspects of the proposed charging structure are as follows:

CORE ("Background Music")

Unlimited use of background music within Hair & Beauty premises throughout the year with a flat fee dependent on the total number of stylist chairs/treatment tables. The removal of charging per device (the annual royalty per room for performances by television system, radio, compact disc etc.) allows a premises to use multiple devices (instruments) whilst the charge for background music remains unaffected. Therefore creating a 'future proof' tariff that allows premises to change, add or remove devices to suit their individual needs.

Charges will be per 5 stylist chairs/treatment tables (or part thereof) and will start at £79 for the first 5 chairs.

4.2 The Proposed Hair & Beauty Tariff

Based on the charging structure the proposed Hair & Beauty Tariff is set out in Figure 1:

Figure 1.

Core						
• Background music:						
Breakdown of charges per premises: Number of Stylist Chairs/Treatment Tables						
0-5	6-10	11-15	16-20	21-25	26-30	31+
£79	£104.25	£129.50	£154.75	£180	£202.25	£350

N.B All rates are exclusive of VAT indicative based on 2015 figures and will be adjusted annually in line with inflation.

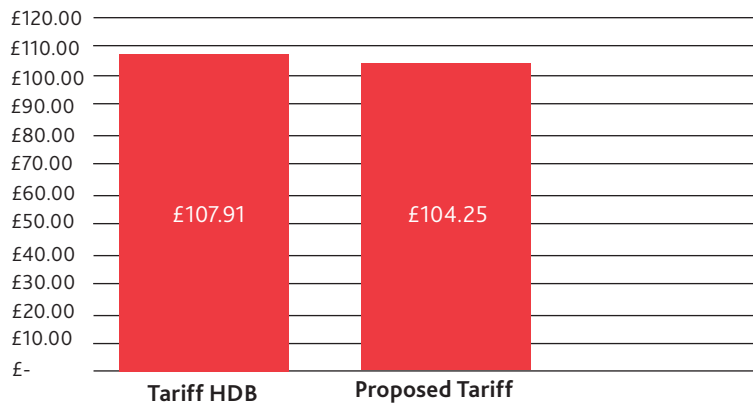
4.3 The impact of the proposals

PRS for Music has compared charges under the current Tariffs HDB & GP, and the proposed Tariff to illustrate the impact of the changes proposed in the following four representative examples.

Example 1.

A hairdresser has 10 stylist chairs and plays music through a PC and televisions throughout the premises.

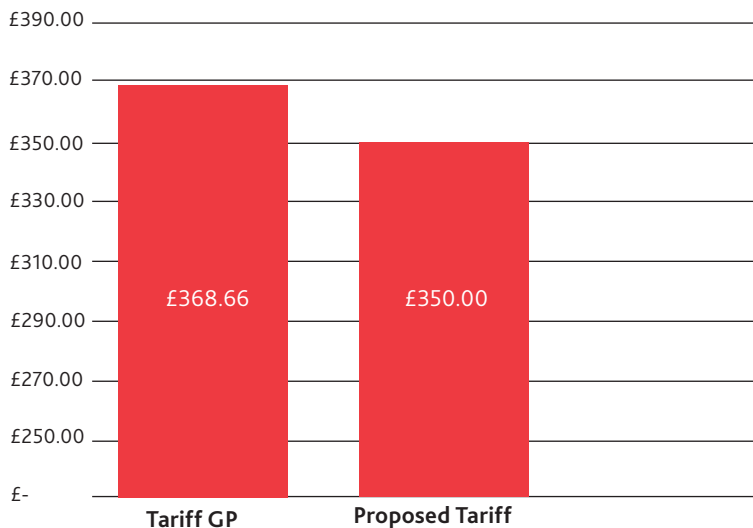
Figure 2. Comparison of a hairdresser assessed under Tariff HDB and the proposed Hair & Beauty Tariff



Example 2.

A stylist school with 60 stylist chairs, which plays music through an MP3 player.

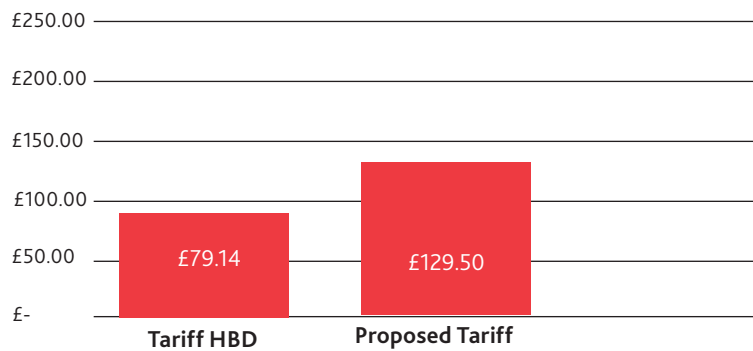
Figure 3. Comparison of a stylist school assessed under Tariff GP and the proposed Hair & Beauty Tariff



Example 3.

A nail studio with 13 stylist chairs, plays music to its customers via a radio

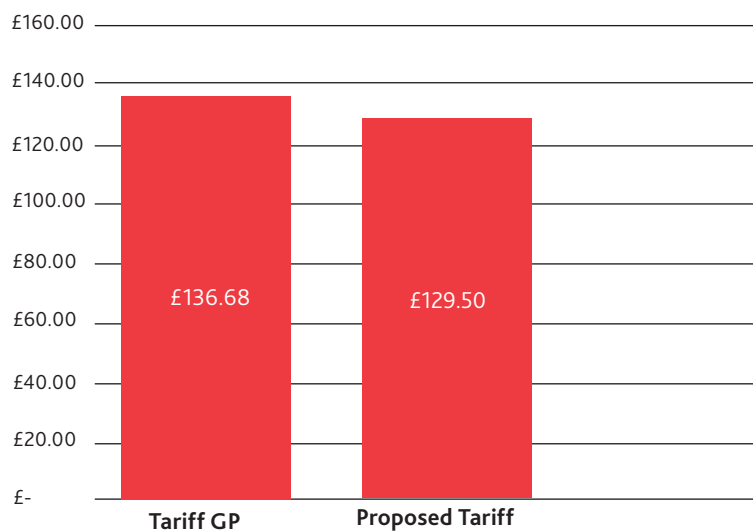
Figure 4. Comparison of a nail studio assessed under Tariff HDB and the proposed Hair & Beauty Tariff



Example 4.

A Tanning Salon with 11 treatment tables plays music through a CD player.

Figure 5. Comparison of a tanning salon assessed under Tariff GP and the proposed Hair & Beauty Tariff



5. How to respond to the consultation

All the details of this review, and any updates, are available on the *PRS for Music* website:

www.prsformusic.com/hairandbeautyconsultation

It has been agreed that an invitation to participate will be sent to the National Hairdressers Federation.

To submit your comments to the consultation, please complete the response form provided on the website above.

Online responses are preferred.

Written responses can be posted to:

Tariff Consultation Responses

PRS for Music

2 Pancras Square

London

N1C 4AG

Or by email to:

handb.consultation@prsformusic.com

Please entitle your response 'Hair & Beauty Consultation'

[Click here to download a paper form](#)

Or visit: **www.prsformusic.com/hairandbeautyconsultation**

All responses should be received by 6th June 2016

PRS for Music will consider all comments received and we have also provided some questions for you to consider when formulating your response which can be found on the website above. If you would like *PRS for Music* to keep your response confidential, or if you wish to provide confidential data in support of your response, please let *PRS for Music* know by stating this on the response form.

5.1 Next Steps

Following the deadline for submission of the consultation responses, we will carry out a review of all the responses received and publish a summary of these on our website. We will seek to hold discussions with customers and representative bodies, as required, and announce a new tariff based on the consultation feedback and subsequent discussions.

6. Appendix

Full details of the current Tariffs can be found as follows:

GP – General purpose

<https://www.prsformusic.com/SiteCollectionDocuments/PPS%20Tariffs/gp-tariff.pdf>

HDB – Hairdressers and Beauty Salons

<https://www.prsformusic.com/SiteCollectionDocuments/PPS%20Tariffs/hdb-tariff.pdf>



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