

# *PRS for Music* Passenger Vessels Tariff

**Response Summary** 

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#### Introduction

In November 2016 *PRS for Music* launched a five-week consultation proposing a new Passenger Vessels tariff\* as part of its Licence Simplification Programme\*\*. The principal aim of the consultation was to invite customers and other interested parties to comment on the proposed new charging structure.

The consultation was undertaken in accordance with *PRS for Music*'s Code of Conduct, which provides that *PRS for Music* will consult relevant parties whenever significant changes regarding our Public Performance Tariffs are proposed.

As part of the consultation process we approached our current customers and invited comments from other interested parties. We accepted responses via email (to our consultation mailbox) and/ or by web form through the dedicated Passenger Vessels consultation section on the *PRS for Music* website, which hosted all relevant consultation materials and documents.

A copy of the consultation document and associated questionnaire can be accessed at <u>www.prsformusic.</u> <u>com/licences/tariff-simplification/passenger-vessels</u>. The questions asked were designed to highlight the main changes in how *PRS for Music* proposes to license passenger vessels.

We received and considered one response, from British Marine on behalf of their passenger boat operator members.

The following sections of this document set out PRS' response to British Marine's specific submission on the consultation document and questionnaire, together with our proposed way forward.

The consultation did not include the licence required for the sound recordings, when recorded music, including radio and TV, is played in public. At the time of the consultation this licence was administered by the Phonographic Performance Limited (PPL) who are a separate independent Collective Management Organisation.

*PRS for Music* and PPL have recently joined forces to set up PPL PRS Ltd, a joint venture combining the two societies' public performance licensing activities. PPL PRS Ltd launched the joint licence on 26th February 2018 and offers a single licence, called 'TheMusicLicence', on behalf of both *PRS for Music* and PPL, to play or perform music in public.

<sup>\*</sup> www.prsformusic.com/-/media/files/prs-for-music/licensing/tariff-simplification/ships-consultation-2016.pdf

<sup>\*\*</sup>The aim of the programme is to simplify, streamline and consolidate over 40 public performance tariffs, creating a smoother experience for *PRS for Music* customers that makes it easy to purchase and manage a licence, and allows businesses to receive the full benefits and value of music in a simpler way.

## **Background Music**

## What are your views on our intention to exclude fees for individual audio and/or audio-visual device from the proposed tariff?

Currently *PRS for Music* applies its Passenger Vessels tariff 'Tariff PV' to charge for the use of copyright music on cruise liners and other sea-going vessels, local ferries, lake, river and pleasure craft and all other vessels. The tariff uses fragmented metrics to determine annual licence fees and follows a lengthy "checklist" structure. As a result, gathering and declaring the required licence information can require considerable time and effort from our customers.

To simplify the way *PRS for Music* charges for background music on passenger vessels, we proposed to remove the current provision for charging dependent on the types of audio or audio-visual devices used. Background music charges will be based on the size of the area in which music is audible regardless of the device by which music is performed.

**British Marine response:** British Marine support this proposal. In some cases, passenger vessels will not provide any audio devices as part of the cost of hire. Private individuals will however play their own music during passage on individual devices.

**PRS for Music response**: In line with this view PRS for Music intends to proceed with the proposal.

## **Additional Comments**

#### If you are a Trade Body member, please include any additional comments you would like to make here:

British Marine welcome the opportunity to respond to this short consultation on behalf of our passenger boat members. To ensure that this consultation and all parties are clear on the scope and definition of "Passenger vessels", British Marine have restricted our response to only cover those who, by virtue of the Marine & Coastguard Agency's (MCA) Merchant Shipping Notice (MSN 1823) are defined as a "Passenger ship". MSN 1823 defines a Passenger ship as "a ship carrying more than 12 passengers".

#### www.gov.uk/government/uploads/system/uploads/attachment\_data/file/444549/MSN\_1823\_-\_Final.pdf

British Marine support the simplification of the music licensing process for our Passenger boat operators. Functions and events held on board passenger vessels can vary dramatically. Due to the seasonality of boating, a significant amount of activity will happen during the summer months, tailing off during winter. British Marine members will often be unable to predict the regularity of events and if music is being played on board a vessel. British Marine therefore would welcome further dialogue with PRS to establish simple guidance and form to make the reporting mechanism simple for operators.

**PRS for Music response**: Our standard contract terms require our customers to declare their anticipated music usage to us a year in advance. We do acknowledge the difficulty some passenger vessel customers may experience estimating the exact number of functions and events in advance. To assist we often permit allow our customers to provide a music usage declaration based on a reasonable estimate or a declaration based on last year's licence period. Licence fees are retrospectively adjustable at the next annual review to account for any variances from the previous year's music usage declaration.

#### **Next Steps**

*PRS for Music* will continue developing the Passenger Vessels Tariff with the aim to publish a simplified tariff in March 2019.

The simplification website will be regularly updated with the details of the Tariff, as well as all other Public Performance tariffs that are currently part of the Simplification project.

Visit **www.prsformusic.com/tariffsimplification** for more information.

*PRS for Music* would like to thank British Marine for providing a response to the consultation and we are open to further dialogue ahead of launching the tariff.



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