



**APRA
AMCOS**

MUSIC IN EISTEDDFODAU

FREQUENTLY ASKED QUESTIONS

Customer enquiries 1300 852 388 eisteddfods@apra.com.au www.apraamcos.com.au

What is copyright?

For so many Australian artists, copyright is an important source of income. Copyright is federal law governed by the Copyright Act (1968). The Act exists to ensure that people who make creative content (musical, literary, dramatic or artistic) are able to protect that content, and are fairly paid when that content is used.

You will generally require permission from the copyright owner to perform, communicate, reproduce or adapt a copyright-protected work. If someone uses a copyright protected work without the right permission or licence in place, they are infringing the owner's rights.

In Australia, a musical work is protected for the life of the creator plus 70 years after their death (In 2005 this duration was increased to 70 years from 50 years).

By respecting copyright, you are ensuring that the next generation of Australian songwriters and composers are given a fair go, and rewarded for all of the great work that they do.

Who is APRA AMCOS?

So they can get on with the important business of creating and performing fresh work, songwriters, composers and publishers assign certain rights in their works to APRA AMCOS. Some 95,000 members have assigned their rights to APRA AMCOS. We are able to then license use of those works on their behalf to organisations in Australasia.

APRA AMCOS license organisations to play, perform, copy, record or reproduce music. It would be impossible for most music users to always know who owns the music they are using and how to reach them for permission, so we offer one point of contact to access legal use of over 1 million works.

We are affiliated with similar rights management organisations around the world which means that we not only represent works by creators from Australia and New Zealand but from around the world.

Apart from 13 per cent operational expenses, all of the licence fees we collect go directly back to the songwriters, composers and publishers who own the work you are using. By international comparison these expenses are very low.

Who is ARIA and PCCA?

When listening to a recording, there are two important creative features to consider – the underlying musical work, and the recorded version of that work. While APRA AMCOS represent the rights of composers and songwriters who write the musical works, ARIA and PCCA represent the rights of performers and recording artists who've created a particular recorded version of a song.

For you, this means that, whenever there is music use taking place that involves an existing recording, rights administered by ARIA and PCCA come in to play as well.

Many Eisteddfodau and Competitions may not have been aware that they required a licence with ARIA and PCCA so have not deliberately been unlawful. Because of this unique situation, **there will not be any retrospective charges.**

Now that we have advised the industry in full, it is very important and in the best interests of risk management for committees and organisers that all Eisteddfodau and Competitions make sure they have an appropriate licence in place from now on.

By bringing together all music copyright organisations under a one-stop-shop type licence, it is now much easier for Eisteddfod and Competition organisers to take care of all necessary licensing in one simple transaction.

Why did the licence for Eisteddfodau and Competitions have to change?

APRA AMCOS has been licensing Eisteddfodau for their music use for over 30 years.

While the 'one-size-fits-all' licensing structure suited the sector in the 1990s, changes to the Eisteddfod sector and the music industry meant it was due time to develop a new solution that suits the modern form of Eisteddfods and Competitions.

It was also more efficient to bring together all rights management organisations under one licence so we could make it easier for you.

We developed a licence for Eisteddfod organisers that has an annual fee based on the total number of competitor entries into all of the organiser's competitions over a 12-month period. Whether an Eisteddfod is run over one day, or three weeks, we believe this per entry fee will represent a fair remuneration for the songwriters, composers and publishers whose works are being used in any way that is outside a domestic setting. Just like the venues, costume makers, trophy makers, and adjudicators all deserve to be paid, it only seems fair that songwriters be fairly paid also. After all, without the music, there would be no Eisteddfod.



"I've been performing and writing music almost all my life. Those early opportunities to perform to a crowd were priceless! Hats off to all the Eisteddfod organisers and the teams of parents behind them that keep this amazing series of showcases alive in Australia.

We teach our kids they need to seek permission before using something belonging to someone else. By signing up for a music licence, you are continuing to set a positive example to the kids that copyright protection is important, it represents respect for individual ownership of work and that music has value."

John Foreman, pianist, composer and musical director

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How were the new rates set?

When setting the rates for the new Eisteddfod licence, APRA AMCOS took into account a number of different things. First and foremost, we looked at existing rates and licences across the different societies. Previously Eisteddfodau were required to take out separate licences with APRA AMCOS, ARIA and PPCA. It may be that some Eisteddfods were only partly licensed. By providing one central blanket licence, we ultimately aim to make things easier for Eisteddfod organisers.

We then reviewed a range of entry fees and ticket prices at different Eisteddfodau, and compared that to their entry numbers. The 'per entry' model was decided on as the most appropriate way of measuring the scale of an Eisteddfod.

The Association of Eisteddfod Societies of Australia (AESA) and their board worked with APRA AMCOS, ARIA and PPCA over a period of time to develop this licence and were consulted for feedback on this proposal.

Finally we reviewed the ratio of individual and group events at a small number of Eisteddfodau. A definition of 'entry' was decided on as follows. An **entry** is defined as being one person or one group entering one event. For example, if you are entering three separate solo events in a competition, this will be counted as three entries. A choir of 20 members entering five group events will be counted as five entries.

Fees payable are to be introduced over a four-year period (prices include GST)

Year	AESA Members	Non AESA Members
2017	76 cents	99 cents
2018	\$1.21	\$1.54
2019	\$1.87	\$2.31
2020	\$2.20	\$2.75

What is APRA AMCOS, ARIA and PPCA's relationship with the Association of Eisteddfod Societies of Australia (AESA)?

- APRA AMCOS, ARIA and PPCA partner with many associations in a number of different industries throughout Australia and New Zealand, from hotels and restaurants, to fitness, education and retail. By partnering with associations we are able to better ensure that association members receive accurate information, and are being correctly licensed in the easiest possible way.
- The rights management organisations' agreement with AESA means its members are offered a discounted rate when taking out the new Eisteddfod licence. One of the reasons we can offer this discounted rate is that it is administratively much simpler for us to transact with one organisation like AESA, rather than individually with AESA members.
- AESA were consulted extensively during the developmental stage of this new scheme. However it is important to note that the rates and structure were ultimately set by APRA AMCOS, ARIA and PPCA and we believe that the rates are fair and equitable, and relevant to all Eisteddfodau.
- By engaging with an existing association like AESA, we have been able to maximise our communication avenues and ensure accurate information is sent to licensees. Through this partnership, APRA AMCOS, ARIA and PPCA aim to extend our reach to Eisteddfod organisers who previously may have been unaware of their legal obligations to have a full suite of music licences in place to mitigate risk to committees and organisations.
- A challenge we face in the today's world of online information and social media is making sure that the information that reaches licensees is comprehensive and correct.

Why do I have to report numbers for entries who are performing classical music or public domain works?

In determining the fee structure for the new licence, we took into consideration that Public Domain works (that is, works out of copyright) may feature in certain Eisteddfod and Competition events.

Through consultation with AESA it was determined that it would be

too burdensome for each Eisteddfod to report whether each work was in or out of copyright.

The per entry rate was set, taking into account that the total entry number would include performances of Public Domain works. For example, if there are ten entries in a division, and one of the ten performances is of a Public Domain work, all entries must be counted. The entry number reported for that division is ten. Licence fees are based on a per entry rate in order to measure the scale of an Eisteddfod or Competition, rather than to reflect exactly how many times a piece of music gets performed. It is about gauging audience size.

However, a decision was made to exclude **entire** Divisions of Public Domain music from being counted. For example, if a Division within an Eisteddfod uses entirely Public Domain music (e.g. an under 18 Bach Sonata event) those entries do not need to be counted. However, if a Division contains **both** copyright-protected and public domain works, then **all** entries must be counted.

Where does the money go?

APRA AMCOS manages this licence scheme on behalf of itself and both ARIA and PPCA. All four organisations distribute your licence fees, minus the costs of administration, to their members, licensors and overseas affiliates as the case may be.

How do you know which songwriters and artists to pay royalties to?

Rights management organisations have to balance out the desire for 100% accurate distributions with the costs of administration and any over-burdensome obligations on Eisteddfodau. So that we can accurately distribute royalties to the right people, we ask specific events to provide us with a full list of what is performed. For those events, we are able to directly distribute those licence fees to the songwriters and composers. We understand that for a number of Eisteddfod and Competitions, providing detailed information is not possible.

The licence fees we receive from these types of events go in to royalty pools that are distributed based on different sources of data. Of course, we encourage music use reporting (setlists) on a voluntary basis from any event organiser.

When will I be invoiced?

The licence term commences on 1 January each year and incorporates all Eisteddfod and Competition events that take place in that coming calendar year. In the first year of the new licence scheme, we have been flexible with invoicing to allow organisers to prepare the necessary information and entry numbers required.

We will be moving into a pattern of invoicing in May/June of each year using the Eisteddfodau entry numbers from the previous year. That way, it will be one simple transaction at the same time each year.

If you need assistance to calculate the fees required, please contact your Account Manager and they can help.

We haven't kept record of our entry numbers before. What figure would we provide you with?

We understand that some Eisteddfod and Competition organisers may not be prepared with their entry numbers for the first licence year. If you do not have an accurate figure available to calculate the fee in your first year, please contact your Account Manager who can help.

What about entrants that don't show up on the day, do we still include them in our total entry number?

By using the previous year's figures, organisers are able to budget in advance for the fees they'll be paying the following year. They are also able to exclude those entrants who did not show up on the day. With this process in place, the fees will consecutively reflect the changes in the event's scale and music use.

If for some reason a change needs to be made to the number of entries you have reported, we can always process an adjustment for you.

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Dance schools also pay for a licence, isn't the copying of backing tracks already covered by their music licence for other events like Eisteddfods?

Dance schools have a licence which allows them to make copies of recordings for backing tracks. Those copies can be used by students at Dance School Events, and also when entering an Eisteddfod or Competition. The Dance Schools Licence does not cover public performance of that music at an Eisteddfod, and the Eisteddfod will always require their own licence.

The Eisteddfod Licence also permits entrants to copy backing tracks for the purpose of performance at their event. Any individual or group entrant not from a licensed dance school is therefore still able to copy their backing track.

It is important to remember that the Eisteddfod licence covers far more than copying backing tracks. The new licence covers the public performance of sound recordings, the making of audio and video recordings to be distributed to families of entrants, and adjudicator recordings provided to entrants as feedback. Some Eisteddfodau will use all those rights fully, others won't, and this has been taken into account in setting a standard rate for the industry.

Dance schools charge their students for classes, and Eisteddfods charge people to enter and attend. It makes sense that each of them pay a small fee back to the songwriters and composers whose music is used.

Why do I need a licence if I have already paid for the music on iTunes or bought a CD?

When you purchase a piece of music, whether that be a digital file, or a CD, you are granted the right to listen to that recording in a domestic setting (house, car, hospital bed, hotel room, etc). For any use in a business or event setting, further permission or licensing is always required.

Why were some Dance Competitions offered a different rate in 2017?

The Eisteddfod Licence was only ever intended to cover those events that fall under the definition of an Eisteddfod. That is:

- a competition in the arts;
- organised and presented by an incorporated not for profit association using primarily volunteers; and
- advertised or promoted as an Eisteddfod.

Dance Competitions are excluded from this definition and APRA AMCOS, ARIA and PPCA have been developing a more appropriate rate for those competitions.

In this interim period, until a rate was set, those dance competitions were required to take out their licences with APRA AMCOS, and ARIA and PPCA separately, as before.

APRA AMCOS made a decision to license a small number of competitions at half of the per-entry Eisteddfod rate, and advised these clients to then take out their ARIA and PPCA licences also. The rate has now been formally set for 2018.

What will Dance Competitions that are ineligible for the new Eisteddfod Licence be charged in 2018?

While most Dance Competitions will be licensed at the same per entry rate as Eisteddfodau, some large-scale competitions will be licensed more in-line with our Concert Promoter tariffs.

Dance Competitions will pay the greater of:

The Eisteddfod per-entry rate;

or

4.4% of Gross Box Office takings.

More commercial Competitions identified by high ticket prices and larger venues will be charged the same rate as regular concert promoters (APRA AMCOS' 2018 rate is 2.2% and that has been doubled to incorporate ARIA and PPCA rates).

What happens when a theatre or concert venue already holds an annual licence?

Some venues hold an annual APRA licence that covers certain eligible events. Eisteddfods are not eligible to be covered by these licences due to their pricing structure and the additional rights involved - such as copying of print music and backing tracks, and making recordings of the events for entrants and adjudicators.

If an Eisteddfod is being held in a venue that already has a licence, the venue simply excludes it from their reporting. A venue with an annual licence reports on box office takings and artist expenditure at events that don't hold their own licence. Because an Eisteddfod is not eligible to be covered under a venue's annual licence, a venue would never include an Eisteddfod in their reporting. Venues will contact us when they are unsure of what they should include in their reporting.

What happens if I don't take out a licence?

We will ask you to cease and desist unlawfully using any copyright protected music. APRA AMCOS may then decide to commence proceedings in the Federal Court. We always provide ample time for licensees to settle a dispute before escalating. Attending court may result in organisers having to pay the original fees as well as legal costs and debt recovery fees. While we are not a strongly litigious organisation, we do from time to time commence proceedings against infringing businesses and organisations. We find that most businesses and organisations we contact to make aware of their need for a licence are readily compliant.

If APRA AMCOS isn't a Government organisation, what power do you have?

Copyright law is federal law, established by the Australian Parliament. When a copyright owner's rights are infringed they may choose to take action in court.

Who should I contact if I organise a small Eisteddfod and I am worried I cannot afford the new licence fee?

The new licence fee represents a relatively small increase per entry, which if passed onto participants is unlikely to represent more than a tiny part of the total cost of Eisteddfod participation when you consider what is spent by entrants on costumes, travel, photos, hair and make-up, lessons and instruments. If you are wondering the best way to introduce this to your participants, please contact your Account Manager at APRA AMCOS.