OVERVIEW OF RESPONSES TO THE PRS FOR MUSIC CODE OF CONDUCT CONSULTATION

In order to present the suggested changes and comments we received on the new Code of Conduct in an easily to read form, we have compiled a list of key proposals. In total *PRS for Music* received ten responses to the Code of Conduct consultation and would like to thank all responders for taking the time to read and suggest how our code could be improved.

COMMENTS MADE BY THE FEDERATION OF SMALL BUSINESS (FSB)

1. Code needs to be cross checked against provision in the draft EU Directive on Collective Rights Management.

We agree with this premise and *PRS for Music* will cross check this code against the EU Directive on Collective Management in full as the directive is adopted and not in draft form.

Included in final version of code? ***Not at this stage but we commit to doing so.***

2. Additional clarity around the types of businesses that require a *PRS for Music* licence.
We agree and have put in a description detailing that all businesses using music require a *PRS for Music* licence to make this as clear and as simple as possible.

Included in final version of code? ***Yes***

3. The code should provide further details on when a licence (or licences) is required and the type of licences that PRS for Music provides.
Agreed and we think we've covered this point above in a clear and simple way.

Included in final version of code? ***Yes***

4. Code mentions several 'standard types of licences that are available on our website or upon request'. These should be available in an annex.

We feel an annex may lengthen the document too much and all of our licences for all different music uses are easily accessible on our website.

Businesses can also contact our call centre in confidence to discuss licensing requirements.

Included in final version of code? ***No due to concerns about making the code too long***

5. The code should set out the cost of each individual tariff that prospective licensees can expect to pay.

As above we don't feel this is practical in the code itself and is best displayed on our website.

Included in final version of code? ***No due to concerns about making the code too long***

6. Further information how licensees can obtain discounts (for instance, when their music use has been lower than expected) should also be provided in the code.

We don't technically offer licensees discount on music use so we haven't included that. Where a refund/credit may be due is if less music is used during the licence period, we've detailed that in the 'Licensee obligations' section for clarity. Similarly if more music is used than expected additional payment may be required and we've included that too for consistency.

Included in final version of code? ***Partially***

7. A firm commitment to consult on tariff changes should be in the code, as well as details of the consultation process.

We have included details of our commitment to consult on tariff changes in the code. The full details of our consultation processes are published on our website.

Included in final version of code? ***Yes***

8. Further guidance on the terms and conditions for joint licensing would be useful.

We don't feel this is practical in the Code of Conduct. We have committed to further joint licensing with PPL and as this comes into effect we can detail which licensee groups may obtain these joint licences. Currently it is out of scope for the current code in its present form.

Included in final version of code? ***Not at this stage***

9. We encourage *PRS for Music* to include further guidance on joint licensing solutions (where they apply, how they are administered, costs etc) and the circumstances under which individual licences music must be purchased from separate bodies.
See the previous comment for point 8.

Included in final version of code? ***Not at this stage***

10. Clarity on the circumstances in which multiple types of business may be subject to the same levy e.g. when a radio station has paid for music.
PRS for Music does not charge businesses twice to listen to music and the licence charged to a radio station to broadcast music and that to a business to use music are different.

Included in final version of code? ***Not included as this is part of a separate issue***

11. A good conduct guide for *PRS for Music* employees should be included in the code, setting out their obligations to licensees as customers.
We have committed that all of our staff be bound by our new Code of Conduct.

Included in final version of code? ***Yes***

12. On site visits should always be arranged in advance by telephone or email.
We have committed to this and it is included in the Code of Conduct

Included in final version of code? ***Yes – already included***

13. It would be helpful if the code included more information on *PRS for Music* distribution policies.
Our distribution policies are detailed in full on our website and available to all. There is a lot of detail in the policies and complete transparency and so to keep the Code of Conduct to a manageable size we feel it best to keep online.

Included in final version of code? ***No due to concerns about the length of the code document***

14. We would welcome clear, itemised information about deductions made by *PRS for Music* and how they are spent, including staff remuneration.

This information is included in our report and accounts that are published annually.

Included in final version of code? ***Not covered in the code but included in other documents***

15. Additional information on the cancellation process for both members and licensees alike. In particular, the code should include details of the notice period required for licensees wishing to cancel their licence and the process whereby licensees might apply for a refund upon cancellation.
We agree and have included this.

Included in final version of code? ***Yes***

16. It would be helpful if the code briefly explained the circumstances when recourse to a Copyright Tribunal would be appropriate.
We've added more detail in on this section as we agree it would be helpful.

Included in final version of code? ***Yes***

17. In the event of non-compliance being uncovered, we would also expect reactive reviews would be undertaken, possibly by an independent code reviewer.
We believe that an independent code reviewer may be appointed by the British Copyright Council. Until this is finalised we have left this point out but we have committed to review our progress against the code on an annual basis.

Included in final version of code? ***Not at this stage but a future commitment to do so***

18. *PRS for Music* should publish performance data (to be assessed against the code) annually and in an easily accessible and comparable manner.
We have committed to publish data annually on our performance.

Included in final version of code? ***Yes***

19. Overall the FSB believes the code could be clearer and vague language such as 'where appropriate' and 'generally' should be avoided as far as possible.

We've tried to make it as clear as possible but it is a broad document covering our diverse membership and also our diverse customer base. As such some of the points have to be general as they may not apply to all members or customers.

Included in final version of code? ***n/a***

20. Any external documents referred to in the code should be accompanied by a web link so that the reader can access the information easily.
We're going through the document and also updating our website to make sure this happens.

Included in final version of code? ***Yes***

21. Micro exemption for small businesses (businesses under 10 people).
This is a matter for commercial policy and not relevant for this particular Code of Conduct.

Included in final version of code? ***n/a***

COMMENTS MADE BY OMBUDSMAN SERVICES

22. There is no indication in the code as to what criteria will be applied in PRS' (or MCPS) consideration of the recommended course of action when a recommendation is provided to the society by Ombudsman services. We may wish to include?
PRS for Music is bound by the Ombudsman judgement - we've included this for clarity.

Included in final version of code? ***Yes***

23. Code fails to provide a timescale that should apply to the 'review of the review'; *PRS for Music* should again consider including in the code an indication as to how long the initial review will take place.
We agree and we have now included more detail within this section.

Included in final version of code? ***Yes***

24. It is unclear from the code whether PRS/MCPS is morally or actually obliged to do anything in response. If it is not, then PRS

should be transparent and make it clear that it may not act on any response made by the ombudsman.
We're bound by Ombudsman decisions so we've made that clearer in the code.

Included in final version of code? ***Yes***

25. It is OS view that the code could be strengthened and made more informative. The code should include a timescale limitation; we suggest three to six months from the notification of completions of your internal process.
Yes we agree and have included this.

Included in final version of code? ***Yes***

26. An indication of the level of award that may be made should be included (currently £5k).
Yes we agree and have included this.

Included in final version of code? ***Yes***

27. Suggest the code could use a snappier phrase, such as 'deadlock' which provides a clear indication to the complainant that there are no further actions PRS can take and the matter should be considered by OS (this is used in sectors such as energy).
Yes we agree and have included this.

Included in final version of code? ***Yes***

COMMENTS MADE BY THE CONCERT PROMOTERS ASSOCIATION (CPA)

28. It would be helpful to include a summarised version of the more detailed information available on the *PRS for Music* website within the code.
We think this would make the code too long so we haven't included this.

Included in final version of code? ***No due to concerns about the length of the code document***

COMMENTS MADE BY BOTH THE CONCERT PROMOTERS ASSOCIATION (CPA) AND THE MUSIC USERS' COUNCIL (MUC)

29. IPO standards should be included alongside the BCC principles of Good Practice for CMOs.
Yes we agree and have included this.

Included in final version of code? ***Yes***

30. Suggest a statement on adjustments being made on the basis of actual usage at the end of a licence period could be expanded slightly to make it clear that this could result in an additional charge or indeed a refund/credit against the following year's licence.
We agree and we've included this in the Licensee obligation section.

Included in final version of code? ***Yes***

31. When referring to consultation on the setting of tariffs the concept of 'negotiation' should be included too.
We have included a reference to this.

Included in final version of code? ***Yes***

32. The *PRS for Music* website describes four types of possible changes to tariffs. We believe it would be helpful to include these in this section. It would also be helpful to include an annexed non-exhaustive list of key trade bodies which *PRS for Music* recognises for consultation and negotiation purposes.
We've included details on how the tariffs may change but have not included the list of trade bodies due to this being a long list.

Included in final version of code? ***Yes partially***

33. Would be helpful to include a standard notice period for the introduction of new tariff schemes, for example three months.
This is commercial policy and often varies from tariff to tariff.

Included in final version of code? ***No***

34. In addition to the recourse of the independent copyright tribunal, it would be helpful to include a reference to the independent ombudsman too. Due process being followed with regard to consultation and negotiation of tariffs may be referred to the Ombudsman too.

We agree and have included this.

Included in final version of code? ***Yes***

COMMENTS MADE BY THE MUSIC USERS' COUNCIL (MUC)

35. Within the 'Our Licences' section it would be good to include a non-exhaustive list of some of the key tariffs/tariff areas, along the lines of the headings in the Music in Business section on the *PRS for Music* website.
We've made this simple by indicating all businesses require a licence.

Included in final version of code? ***Yes***

36. Licensee Obligations section - it may be helpful to refer again in this section to the higher royalty rate, which may be adaptable in the first year, should businesses neglect to obtain the correct PRS licence in advance.
We agree with this point and have included this.

Included in final version of code? ***Yes***

37. We assume that what is meant by 'further action' with regard to licensees that may be in breach of contract because they refuse to provide details of their music use, could include legal action, and we suggest that this is made clear.
Yes correct and we've included a reference to this.

Included in final version of code? ***Yes***

COMMENTS MADE BY THE MUSIC PUBLISHERS ASSOCIATION (MPA)

38. In the code it states "MCPS licences do not generally cover the right to copy sheet music. Instead, permissions are usually granted by the publisher. MCPS does grant licences to copy lyrics of songs to display on screens for karaoke machines." This should be amended to say "MCPS grants licences to copy lyrics of songs to display on screens for karaoke machines? MCPS does not otherwise licence the copying of printed music or lyrics."
We have amended the code to include this change.

Included in final version of code? ***Yes***

39. In the code it states "Exclusions: in some circumstances PRS for Music may not control all the rights you need to use music in your business. If that's the case we'll let you know and explain what you need to do to obtain these additional rights. For example, PRS for Music does not license rights known as "grand rights". These include rights to music used in live operas, ballets and musicals; you'll need to obtain permission directly from the publisher of the music in question." To clarify this for users you should add "Neither does PRS for Music license the copying or manufacture of printed music. Schools can obtain a limited licence to copy printed music from the Copyright Licensing Agency Ltd (see www.cla.co.uk) which acts on behalf of the Music Publishers Association. If you wish to produce scores of musical works or to make physical copies or electronic copies of musical scores then you'll need to get permission directly from the copyright owner.
We have amended the code to include this change.

Included in final version of code? ***Yes***