

Musicians' Union 60-62 Clapham Rd London SW9 0JJ

Contact: Isabelle Gutierrez

MU response to the IPO's consultation on extending the benefits of collective licensing

- 1. The Musicians' Union (MU) welcomes the opportunity to respond to this consultation on behalf of our 30,000 members.
- 2. We understand that the Government's aim with the consultation is to ensure that more works are available. We are, however, concerned that the scheme suggested is unworkable and will end in more works being 'locked up'.
- 3. We do not believe that we would necessarily qualify as a 'relevant licensing body' because, whilst licensing is an important and significant element of our function, it is not the MU's 'sole or main purpose'.
- 4. It is also worth noting that a 75% threshold for membership support is entirely unworkable. Under the current MU system, a member signs up to the rules and regulations of the union when they join. The union is fully democratic and members have the right to object to union decisions at any point. This would have to be sufficient to demonstrate 'membership support' because it would be virtually impossible to secure a 75% consent rate for an authorisation.
- 5. The authorisation period of five years is far too short and the idea that an authorisation would need to be reapplied for every five years is flawed because users in our sector will rarely take a license on those terms. Note 3.72 on regulation 15 says that 'an authorisation will respect the need for business certainty', but this cannot be the case if any licence "terminates on or before the expiration... of the authorisation of the relevant licensing body" and a previously granted license may not be renewed after five years.
- 6. Imagine the difficulties for an international film company if the license for a piece of music used in a film was revoked after five years and they were required to remove it. In our experience of granting licenses, no-one will do so if the term can only be guaranteed for five years.
- 7. We are also concerned that little consideration has been given to our sector in the development of these proposals. One of the best examples of this is in the 'opt out' provisions.
- 8. In the music sector, a particular track is very often the work of more than one person. In many cases a whole orchestra may be involved. The idea that one of these musicians could choose to opt out would mean that there would be restraint of trade for the other musicians, who may wish to have their work

licensed. There would also be real issues for those looking to license the work. Similarly, under regulation 14(2)(b), this could occur retrospectively, leading to termination of existing licences.

9. In conclusion, it is clear that these proposals have been drawn up with a complete disregard for the way in which the MU licenses performances. Implementation of the proposals as they currently stand would lead to a total cessation of the licensing of existing UK orchestral recordings thus denying UK musicians a valuable source of secondary income. Furthermore, we believe that film companies will revert to sourcing the music they need from non-UK catalogue as well as increasing the already worrying trend of recording music for films outside of the UK on an all rights buy-out basis.