# PRS for Music response to Intellectual Property Office (IPO) consultation on extension of rights in sound recordings and performances to foreign nationals

**About PRS for Music**

PRS for Music is a world-leading music collective management organisation representing the rights of more than 165,000 songwriters, composers and music publishers around the globe. Headquartered in the UK, it works diligently on behalf of its members to grow and protect the value of their rights. With a focus on innovation and integrity, PRS for Music is redefining the global standard for music royalties to ensure creators are paid whenever their musical compositions and songs are streamed, downloaded, broadcast, performed and played in public. In 2022, PRS for Music collected £964m and paid out £836.2m in royalties.

# PRS for Music Response

PRS for Music welcomes the opportunity to respond to this consultation by the IPO on the extension of rights in sound recordings and performances to foreign nationals. As the consultation is of primary interest to the rightsholders represented by PPL, we have limited our comments to where we believe the options could, indirectly, impact PRS’ members rights.

As general observations, we note the Government’s aims for PPR in paragraph 30 and support its intention to ensure that UK law is compliant with international commitments, whilst making sure that any proposed changes do not result, as expressed by the IPO, “significant costs” to UK creative industries, users or consumers. However, we note there is no definition provided of what constitutes “significant costs” in the consultation and believe this would benefit from further clarification.

Furthermore, we are concerned there is insufficient evidence available at this stage to confidently assess the impact of the proposed Options. As noted in paragraph 39, all estimates provided in the Impact Assessment are uncertain. PRS for Music looks forward to engaging with the IPO further, once more information has been made available.

# Option 0 or Option 1

PRS for Music has no preference between Option 0 and Option 1 as we are unable, at this time, to identify any impact on the performing rights we represent.

# Option 2 – Provide public performance rights to producers and performers of sound recordings on material reciprocity terms

PRS for Music opposes Option 2, which would alter the scope of recorded music to which public performance rights apply and thereby lead to additional complexity and confusion in licensing, with the expected outcome that PPL would have to renegotiate tariffs with music users for public performance licences. This would create significant administrative burdens for PPL such as time required to explain new licensing arrangements and settle disputes, and increased costs. This added complexity and confusion amongst customers would complicate the overall licensing process, to the likely detriment of PRS licensing activities and by association our members.

# Option 3 – Apply Option 1 to pre-existing sound recording and performances, and apply Option 2 to new sound recordings and performances

PRS for Music opposes Option 3, which further compound the impacts of Option 2 (described above) with a further layer of complexity related to time of fixation by applying Option 1 to pre-existing sound recordings. This would cause confusion in licensing across the ecosystem, including indirectly to licences administered by PRS for Music, and substantial administrative costs for PPL. Moreover, market uncertainty could damage confidence in the UK music industry and thereby reduce investment in new UK music.