Response ID ANON-AXEP-YQG2-H

Submitted to Consultation on extension of rights in sound recordings and performances to foreign nationals Submitted on 2024-03-22 16:26:58

# Introduction

## What is your name?

Name:

Jennifer Hunter

## What is your organisation?

Organisation:

Creators' Rights Alliance

## What is your email address?

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# Option 0: Maintain the status quo - Questions

## Question 1 Do you consider the way UK currently provides PPR to foreign nationals to be consistent with the UK's international obligations, including those in the Rome Convention and the WPPT? Why or why not? If not, what are the changes needed to bring UK law into line with those obligations?

Provide answer here:

Creators’ Rights Alliance does not consider the current system for providing PPR to Foreign Nationals to be consistent with the UKs international obligations. There should be a consistent approach for performers and producers.

The decision to extend rights to foreign nationals presents an opportunity to contribute to retaining the UK’s status as a world leading nation in intellectual property and the creative industries. As such, the UK should opt to protect performers' rights for all internationally, instead of staying within the status quo or introducing reciprocity.

Furthermore, granting rights for foreign performers would protect UK performers income, should any other country decide to introduce reciprocity in future.

# Option 1: Provide PPR to producers and performers of sound recordings on a broad basis - Questions

## Question 2 Do you agree with the assessment of the impacts of Option 1? If you disagree, why?

Provide answer here:

Creators’ Rights Alliance agree that Option 1 would be consistent with the Rome Convention and the WPPT. Option 1 is the preferred option for Creators’ Rights Alliance.

£230million (if an accurate measure), over nine years would be less than £25million annually, amounting to around £0.5million per US State annually; and we do not consider this to be a significant barrier for US record labels.

Option 1 would support a fairer system that would ultimately strengthen the wider music industry worldwide, by directly investing in creation. We have seen no evidence that there is any form of ringfencing of income by labels towards artists’ development or support despite claimed concerns around ‘supporting the talent pipeline. In our view, the best way to support talent is for the creators to be paid. We imagine that the general public concur with this view and would be deeply concerned that currently some of their best loved music does not reward the performers they are listening to.

Simple systems are preferable to complex systems for those who work internationally, as creators tend to do.

It should also be considered that Option 1 would not alter existing licensing arrangements within the UK and through PRSfM and PPL’s international agreements and mandates. Therefore, in the CRA’s view Option 1 is not only the fairest option but also the one that elegantly prevents business uncertainty.

This makes option 1 the most attractive for the CRA.

## Question 3 Do you have any other comments on Option 1?

Provide answer here:

Having different systems for different countries could be discriminatory, the UK should therefore extend PPR to all performers internationally.

The CRA notes that Option 1 would support the position of the British Equity Collecting Society who are concerned that their members income could be put at risk (due to any decisions made setting a precedent and potentially impacting the way the Beijing Treaty is ratified) if option two or three were introduced. For example: UK performers in audio-visual recordings (who do not benefit from statutory equitable renumeration for broadcasting to the public in the UK), though who do benefit from international renumerations rights (which don’t require reciprocity) in various countries worldwide, would no longer benefit from income derived from audio-visual recordings internationally or at home, if we had a situation where countries worldwide decided to move to statutory equitable remuneration with reciprocity requirements.

This position is also supported by the Musicians’ Union and more widely by the International Federation of Musicians. In particular, whilst performers do not benefit from ER for analogue radio in the USA they do receive income for digital broadcasts and UK performers are also paid despite US performers being excluded from UK analogue broadcast income.

Efforts to encourage better rights internationally (of which the CRA’s members are key actors) are more likely to succeed by the UK setting the best example in terms of fairness and as a net exporter of music this will also benefit the UK financially.

Option 1 is the preference for the CRA.

Option 2: Provide PPR to producers and performers of sound recordings on material reciprocity terms - Questions Question 4 How will/ should licence prices for the broadcasting and public playing of recorded music change under this option? Provide answer here:

## Question 5 What would be the benefits of savings for UK broadcasters or those that play music in public under this option?

Provide answer here:

## Question 6 What would be the benefits or costs in terms of increased or reduced remuneration to UK record labels and performers under this option?

Provide answer here:

## Question 7 What upfront and ongoing administration and legal costs (such as the costs of renegotiating licences) might arise under this option? Can you quantify these?

Provide answer here:

## Question 8 Do you think this option will cause users to reduce the amount of UK music they play? If so, why, and to what extent will this effect take place? How will this affect the UK music industry?

Provide answer here:

## Question 9 How might the costs on foreign (especially US) record labels under this option indirectly affect the UK music industry or UK consumers?

Provide answer here:

## Question 10 Do you have any other comments on Option 2?

Provide answer here:

The decision to extend rights to foreign nationals presents an opportunity to contribute to retaining the UK status as a leading soft power nation. As such, the UK should lead the way and opt to protect performers' rights for all internationally, instead of staying within the status quo or introducing reciprocity requirements.

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

## Question 11 How will/ should license prices for the broadcasting and public playing of recorded music change under this option?

Provide answer here:

## Question 12 What would be the benefits of savings for UK broadcasters or those that play music in public under this option?

Provide answer here:

## Question 13 What would be the benefits or costs in terms of increased or reduced remuneration to UK record labels and performers under this option?

Provide answer here:

## Question 14 What upfront and ongoing administration and legal costs (such as the costs of renegotiating licences) might arise under this option? Can you quantify these?

Provide answer here:

## Question 15 Do you think this option will cause users to reduce the amount of UK music they play? If so, why, and to what extent will this effect take place? How will this affect the UK music industry?

Provide answer here:

## Question 16 How might the costs on foreign (especially US) record labels under this option indirectly affect the UK music industry or UK consumers?

Provide answer here:

## Question 17 Do you have any other comments on Option 3?

Provide answer here:

Option 3 would add an extra layer of unnecessary complexity in the administration of rights income and licensing schemes quite aside from the lack of fairness it would inevitably entail.

Option 3 could create business uncertainty regarding what music would or wouldn’t be covered under existing licenses and complicate negotiating processes in the future. This would create additional financial burdens for all concerned.

Option 3 would not, in the view of CRA members, lead to any front-loading of compensation in lieu of ER meaning that those performers working currently would be treated less fairly than those who have performed in the past. We would be interested to know what Equalities Impact Assessment has been undertaken on this option.

# Preferred Option

## Question 18 What is your preferred option and why?

Option 1

Provide answer here:

The preferred option is Option 1.

Creators’ Rights Alliance does not consider the current system for providing PPR to Foreign Nationals to be consistent with the UKs international obligations. There should be a consistent approach for performers and producers.

The decision to extend rights to foreign nationals presents an opportunity to contribute to retaining the UK status as a leading soft power nation. As such, the UK should lead the way and opt to protect performers' rights for all internationally, instead of staying within the status quo or introducing reciprocity requirements.

Option 3 could create business uncertainty regarding what music would or wouldn’t be covered under existing licenses and complicate negotiating processes in the future. This would create additional financial burdens for all concerned.

Furthermore, granting rights for foreign performers could protect UK performers income, should any other country decide to introduce reciprocity in future.

# Confidentiality and data protection

## Confidentiality request:

Provide answer here: