

# ▶ **ANNUAL PERFORMER REVIEW** ●

**2019–2020**  
**Standing up for music rights**

ppluk.com



# ▶ ANNUAL PERFORMER REVIEW ● 2019–2020

Founded in 1934, we are the UK music industry's music licensing company for over 115,000 performers and recording rightsholders.

We remain committed to offering excellent service to our members and to maximising the royalties due when their performances on recorded music are played in public or broadcast on TV and radio, whether in the UK or internationally.

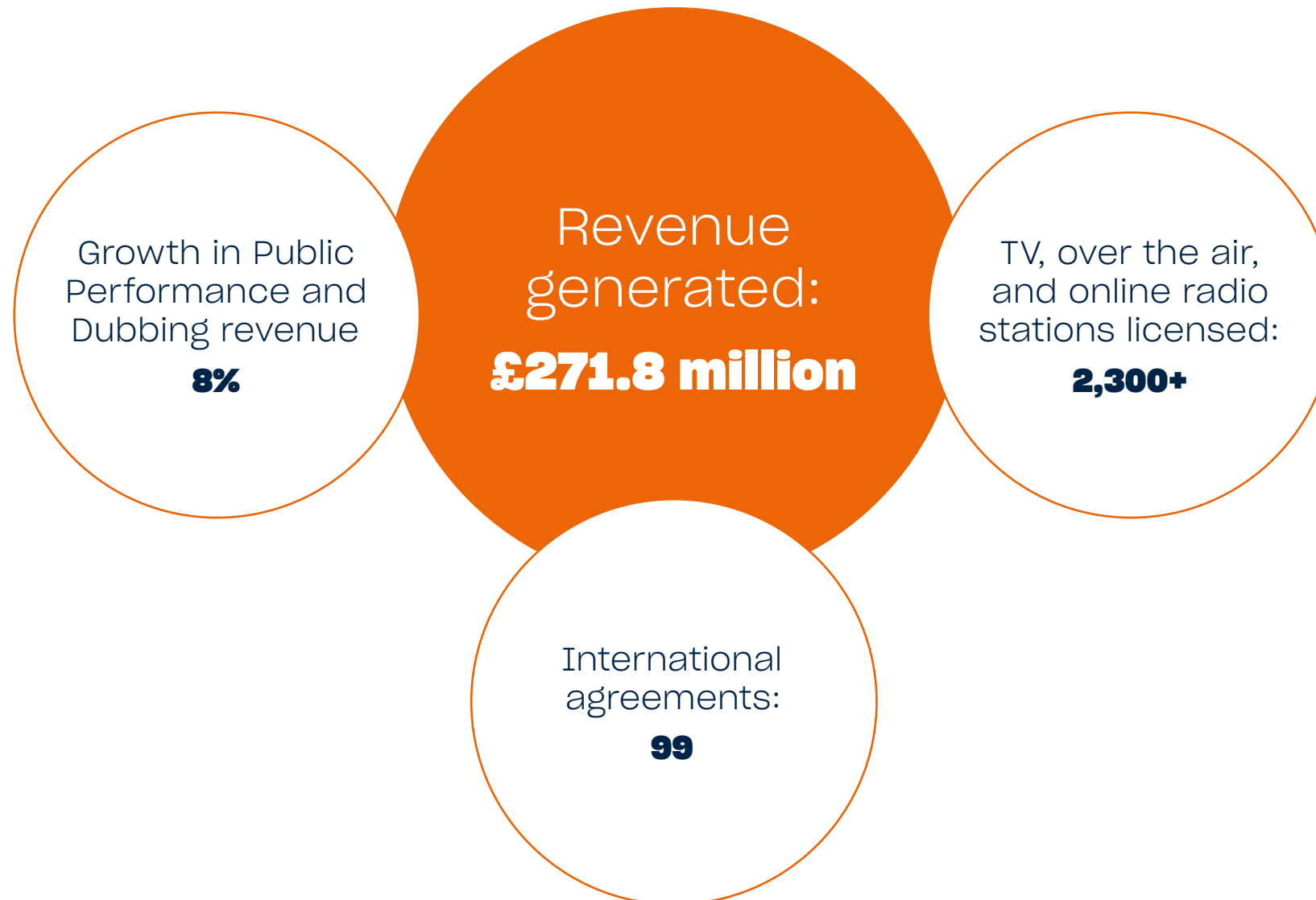
This Annual Performer Review focuses on our key achievements in 2019 and outlines how we have been seeking to build on those successes in the current year.

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# 2019 in numbers



Seconds of  
airplay reported  
and processed:

**805 billion**

Net Distributable  
Revenue:

**£233.7 million**

Performers  
and recording  
rightsholders paid:

**119,710**

# Chairman's statement

**Looking back on 2019, I am pleased to report that it was another great year for PPL as we continued to represent the rights of performers and recording rightsholders.**



# John Smith Chairman's statement

Continued revenue growth, an increased number of international agreements, involvement in developing IFPI and WIN's global data exchange initiative RDX (Repertoire Data Exchange), and greater engagement with members through events and outreach, both in the UK and internationally, are just some of the year's highlights.

We continued to provide support to a number of good causes across the UK, including Music for Youth, the Midlands Youth Jazz Orchestra and PRS Foundation. Through our closer collaboration with the latter, we welcomed the renaming of their flagship fund as the PPL Momentum Music Fund.

Such achievements in the company's 85th year were a fitting way to mark our anniversary, which we formally celebrated in July. We were delighted that so many from across the entire UK music industry, and internationally, came to celebrate with us, including some of those who have been pivotal in leading PPL's growth and development throughout the years.

It also marked how far and how fast the company has grown, not just in this century, but also specifically in this past decade. From 2000 to 2009, PPL collected over £950 million for performers and recording rightsholders; however, in the ten years just gone, we collected more than double this figure (£1.98 billion). The revenues we collect and distribute have not just grown in size, making them more important, but have become more critical and relevant to our members as the modern record industry has gone through significant change in the last twenty years.

As we publish this Annual Performer Review, we approach the end of a challenging year – one where a global pandemic has led us into uncharted territory. We know that our members have been significantly impacted; recordings and releases have faced delays whilst live performances have been postponed or cancelled.

## ► THE REVENUES WE COLLECT AND DISTRIBUTE HAVE NOT JUST GROWN IN SIZE, MAKING THEM MORE IMPORTANT, BUT HAVE BECOME MORE CRITICAL AND RELEVANT TO OUR MEMBERS ●

The impact of COVID-19 has been felt by all. The music community, and indeed the wider creative sector, has been working together, more now than ever, to safeguard the future for

creators. And PPL has been – and continues to be – committed to playing its part.

To date in 2020, whilst continuing with our core business operations, we have pledged over £1 million to emergency hardship funds to help the music community. We also made an advance payment in April to bridge the gap between payments made in March and June as part of PPL's annual distribution schedule and to provide much needed support for our members during these times of crisis. We have continued to work closely with *PRS for Music* to alleviate the pressures faced by businesses that have a licence via PPL PRS Ltd to play music in public; and we have supported the Music Venue Trust in their efforts to protect all-important grassroots music venues from closure.

As we near the end of 2020, we do not know what the new year will bring, not just in terms of emerging from a global pandemic but also with the uncertainty of Brexit looming. However, with Peter Leatham leading the company, and with the support of his Executive Management Team and wider staff at PPL, we will continue to stand up for music rights, for your rights, to play our part in helping the music economy, which is so vital to the UK in both jobs and exports, to get back on track.

John F. Smith OBE  
CHAIRMAN

# Chief Executive Officer's statement

**In 2019, PPL celebrated 85 years of supporting the music community; the anniversary provided a moment for us to come together with our friends and partners to reflect upon our achievements as well as focus on our future. I would like to thank all of those who joined us in our celebrations.**



# Peter Leathem Chief Executive Officer's statement

2019 was a strong year for PPL; we collected a total of £271.8 million, an increase of £25 million (10%) from 2018, with growth achieved across all three of our core revenue streams. In the UK, broadcast and online licensing revenues totalled £85.5 million, an increase of £1.9 million (2%) on the prior year, whilst revenues from public performance and dubbing increased to £99.6 million, up by £7.3 million (8%) in 2018. To achieve such growth in only the second year of our joint venture for public performance licensing with *PRS for Music* - PPL PRS Ltd - is recognition of the successful collaboration between our three companies in transitioning customers to TheMusicLicence and promoting the value of music.

Turning to our international collections, our revenues grew by £15.8 million (22%) to £86.7 million, up from £70.9 million in 2018. This was an exceptional result in a year where we received strong payments from a number of territories as well as one-off backdated payments from our overseas counterparts. By the end of 2019, we had 99 agreements in place with collective management organisations (CMOs) around the world, allowing us to collect monies where our members' repertoire is used overseas.

We also distributed money to over 119,000 individuals and music companies - amongst them more than 100,000 performers. This is the first time that PPL has paid more than 100,000 performers in a single financial year, a new level of success in our anniversary year.

With a growing membership and increased international collections, we are now managing record volumes of data. By the end of 2019, we had details of more than 15 million recordings in our Repertoire Database, receiving tens of thousands more each week throughout the year. We are a company that is truly driven by data.

► **THIS IS THE FIRST TIME THAT PPL HAS PAID MORE THAN 100,000 PERFORMERS IN A SINGLE FINANCIAL YEAR, A NEW LEVEL OF SUCCESS IN OUR ANNIVERSARY YEAR** ●

Our in-house expertise in this field was recognised in 2019 as we were selected by IFPI and WIN, representing the global recorded music industry, to deliver and operate a new technical

service for the industry. In the past year, PPL has been building RDx (Repertoire Data Exchange), a centralised industry data exchange service that enables record companies and CMOs to submit and access authoritative recording data via a single point. Now launched, this will help to improve the timeliness, accuracy and efficiency of CMOs' revenue distributions to performers and recording rightsholders worldwide and represents a significant step forward in global data management for our industry. As ever, we remain committed to growing the global market for neighbouring rights and improving global data standards.

Underpinning all of our achievements is the expertise of the dedicated teams of people at PPL working on your behalf. Our success is the result of a real team effort and I would like to thank all of my colleagues for their support.

At the time of writing, we are all navigating the uncertainty that COVID-19 continues to bring. However, while we all face challenging times ahead, from both a domestic and business point of view, I know that PPL will continue to innovate, develop its services and work hard on behalf of performers and recording rightsholders throughout the remaining weeks of 2020 and beyond.

Peter Leathem  
**CHIEF EXECUTIVE OFFICER**

# ▶ WORKING FOR PERFORMERS ●



# Working for performers

## The legal framework

The law (Copyright, Designs and Patents Act 1988) gives performers the right to receive a fair payment (known as equitable remuneration) when recordings of their performances are played in public or broadcast on TV and radio. Performers' rights in their recorded performances are also protected, to varying degrees, under the copyright laws of other countries around the world.

## UK and international revenue streams

PPL has three main revenue streams: public performance and dubbing, broadcast and international. In the UK, we license hundreds of thousands of businesses playing recorded music in public, together with thousands of TV and radio broadcasters.

Internationally, by the end of 2019, we had 99 agreements with other collective management organisations (CMOs). These agreements ensure we can collect monies on your behalf when your music is played around the world, if you choose to use our market-leading international collections service.

## Our distribution process

We process vast quantities of information, including billions of seconds of airplay data, to build up a picture of the music used by our licensees. We then match this usage data to the PPL Repertoire Database, which contains data pertaining to over 15 million recordings, together with information about the performers and performances on those recordings. Investing in data and technology in this way enables us to distribute revenues fairly and efficiently to performers and recording rightsholders, and report to you in detail about your PPL payments.

# What you can do as a performer to benefit from PPL's work

Here are five simple things you can do to make sure you are earning the most you can from your recorded performances.

- 1. Register as a performer with PPL to get access to our secure online account management portal, myPPL, and the services that we provide.**
- 2. Sign up for PPL's market-leading international collections service so we can collect royalties on your behalf when your recordings are played overseas.**
- 3. Check PPL's Repertoire Database to make sure you are linked to all of the recordings on which you have performed.**
- 4. Make claims against tracks on which you have performed and are not currently linked to, but should be.**
- 5. Keep all of your personal details, such as your bank account and contact information, up to date in myPPL so we know how best to contact and pay you.**

# ► FINANCIAL SUMMARY ●



# Financial summary



**Net Distributable Revenue:**  
£233.7 million

**Net Distributable Revenue for performers:**  
£121.2 million (52% of Net Distributable Revenue)

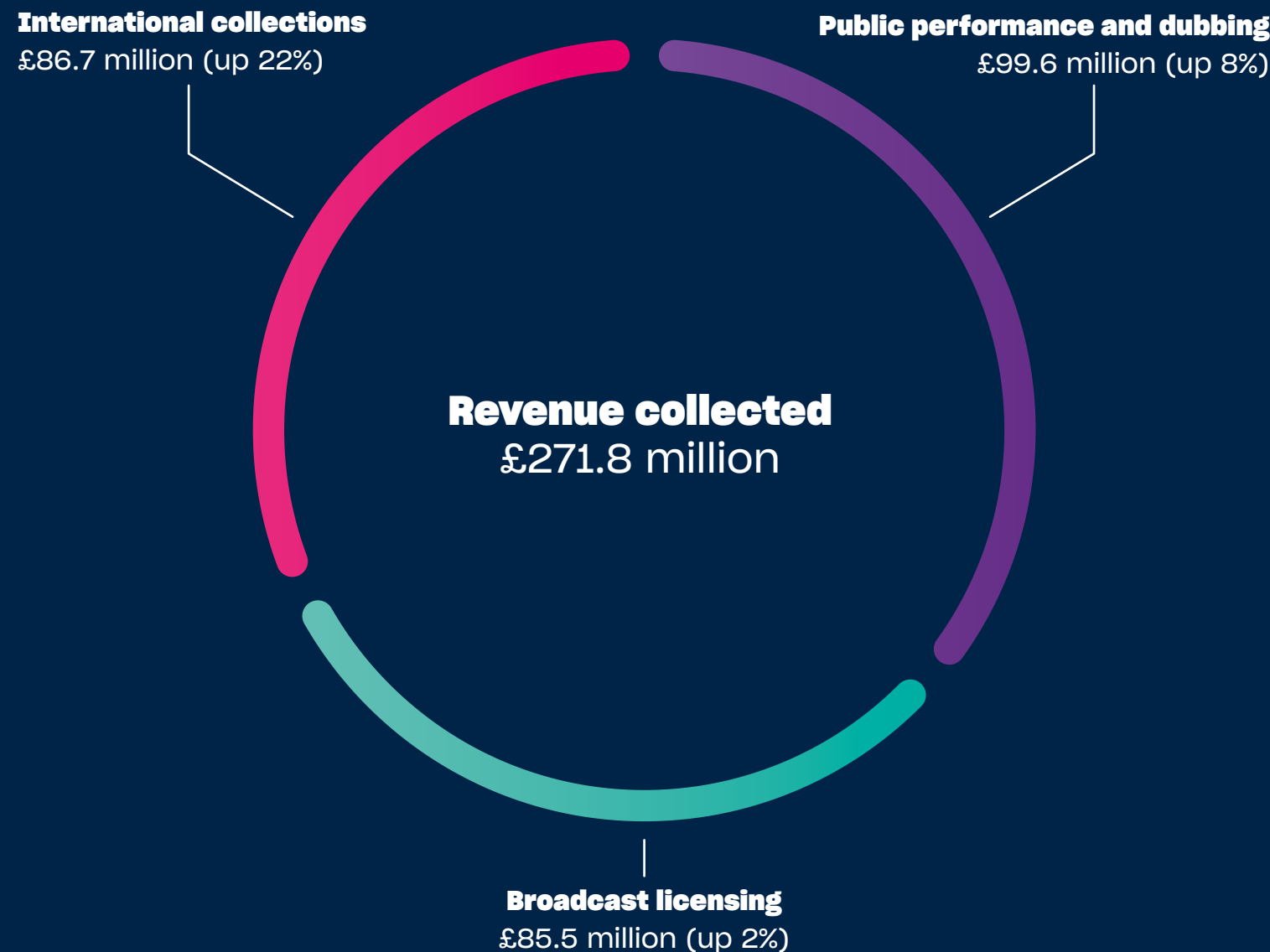


# 2019 revenue

## Growing PPL's revenues

2019 saw continued growth for PPL with total licence fee income of £271.8 million and Net Distributable Revenue of £233.7 million. Our growth was derived from strong performances across all of PPL's three core revenue streams, namely public performance and dubbing, broadcast licensing and international collections. UK licensing revenues grew by 5% whilst our international revenues grew by 22%. The latter reflects the extent of PPL's market coverage, the efficiencies derived from effective collaboration with international counterparts and the company's investment in leading-edge technology and data infrastructure.

The cost to income ratio was 13.4% in 2019, compared to 13.9% in 2018; this reduction was the result of continued growth in income, ongoing management of our cost base and a lower level of required investment in our joint venture for public performance licensing, PPL PRS Ltd. In this next section, we look in more detail at our core revenue streams as well as the activities that underpinned another strong and successful year for PPL.



# UK licensing

PPL's licensing activity in the UK is centred on public performance, dubbing and broadcast licensing.

**Public performance** is the playing of recorded music in public such as in shops, restaurants, offices, gyms and hairdressers. **Dubbing** is the licensing of the commercial copying of music by specialist companies that supply music systems to businesses for the playing of recorded music. **Broadcast licensing** refers to our licensing of radio stations, TV channels and some online services to include recorded music in their broadcasts.

## Public performance and dubbing

Revenue from public performance and dubbing in 2019 totalled £99.6 million. This represents an increase of 8% (or £7.3 million) from the prior year and is a positive result from the second year of our public performance joint venture with *PRS for Music* - PPL PRS Ltd - based in Leicester.

In the past year, we have continued to work closely with PPL PRS (led by its new Managing Director, Andrea Gray, appointed in November 2019) to support customers of TheMusicLicence. Customers now benefit from a streamlined service, a single point of contact and one licence covering both the rights of PPL and *PRS for Music*, thereby simplifying the administration and making it easier to acquire a licence to play and perform music in public.

The efforts of PPL PRS focused particularly on completing the transition of former PPL and PRS licensees to the TheMusicLicence, ensuring existing licensees were licensed correctly, increasing the number of businesses licensed, and enhanced engagement with businesses across the nations and regions. We would like to thank all customers who worked with PPL PRS throughout 2019.

## Broadcast licensing

In 2019, broadcast licensing revenue grew year-on-year by 2% (or £1.9 million) to £85.5 million, representing a further year of growth for this important revenue stream.

For radio, this growth was driven in part by a rise in advertising income from the commercial radio sector and by an increase in the number of smaller radio broadcasters and online linear webcasters acquiring licences. 2019 saw the successful completion of new licences with Global Radio - for their online-only radio channels available via the Global Player app - and the linear webcast service, Digitally Imported.

TV licensing remains a core part of PPL's activity with recorded music being used extensively on many television services. In 2019, major long-term licensing deals for a range of public service and commercial broadcasters and TV programme distributors were signed with major UK broadcasters including the BBC - covering all of its public service radio, TV, iPlayer and BBC Sounds - Sky and Channel Four. Agreements were also signed with Columbia Pictures, Fremantle, NBC Universal, TRACE, Virgin Media and for BritBox - the digital video subscription service launched by the BBC and ITV featuring British TV content.

As ever, we sought to engage with the broadcast community through a number of events and initiatives. We continued to be a Patron of the Radio Academy and supported their annual awards, the ARIAS; we continued our sponsorship of the Jazz FM Awards, presenting the Lifetime Achievement Award to Don Was and Blue Note Records; and we took part in a number of educational and celebratory events for the student, community and hospital radio sectors.



# ► **INTERNATIONAL COLLECTIONS** ●



# International collections

2019 saw a further year of growth for PPL's international collections, reaching £86.7 million by the end of the year.

This represents the highest ever annual returns for both performers and recording rightsholders with notable payments received from a number of CMOs, including GVL (Germany), SPEDIDAM (France), SoundExchange (USA) and SENA (The Netherlands). Throughout the year, more than 62,000 performers and recording rightsholders were allocated international revenue, collected for the use of their recorded music around the world.

New international agreements were signed in 2019 with Amanat (Kazakhstan) and ULCRR (Ukraine) on behalf of performers and IPF (Slovenia), STAP (The Netherlands), SOPROQ (Canada) and ULCRR (Ukraine) on behalf of recording rightsholders. By the end of 2019, PPL had 99 agreements with its counterparts around the world and monies for performers had been received for the first time from Albania, Georgia, Panama and Paraguay.

PPL is always keen to exchange best practice and share knowledge with its counterparts around the world. Once again, in 2019, we welcomed to our offices a delegation of senior officials from developing countries to learn more about performance rights management in the UK and the work of PPL, as part of their participation in the annual training programme run by the British Copyright Council and WIPO (the World Intellectual Property Organisation). We took part in an IFPI delegation to meet with Sub-Saharan industry representatives in Kenya and also hosted a three-day workshop for our CMO colleagues from the Caribbean and Latin America on the collective management of sound recording rights.

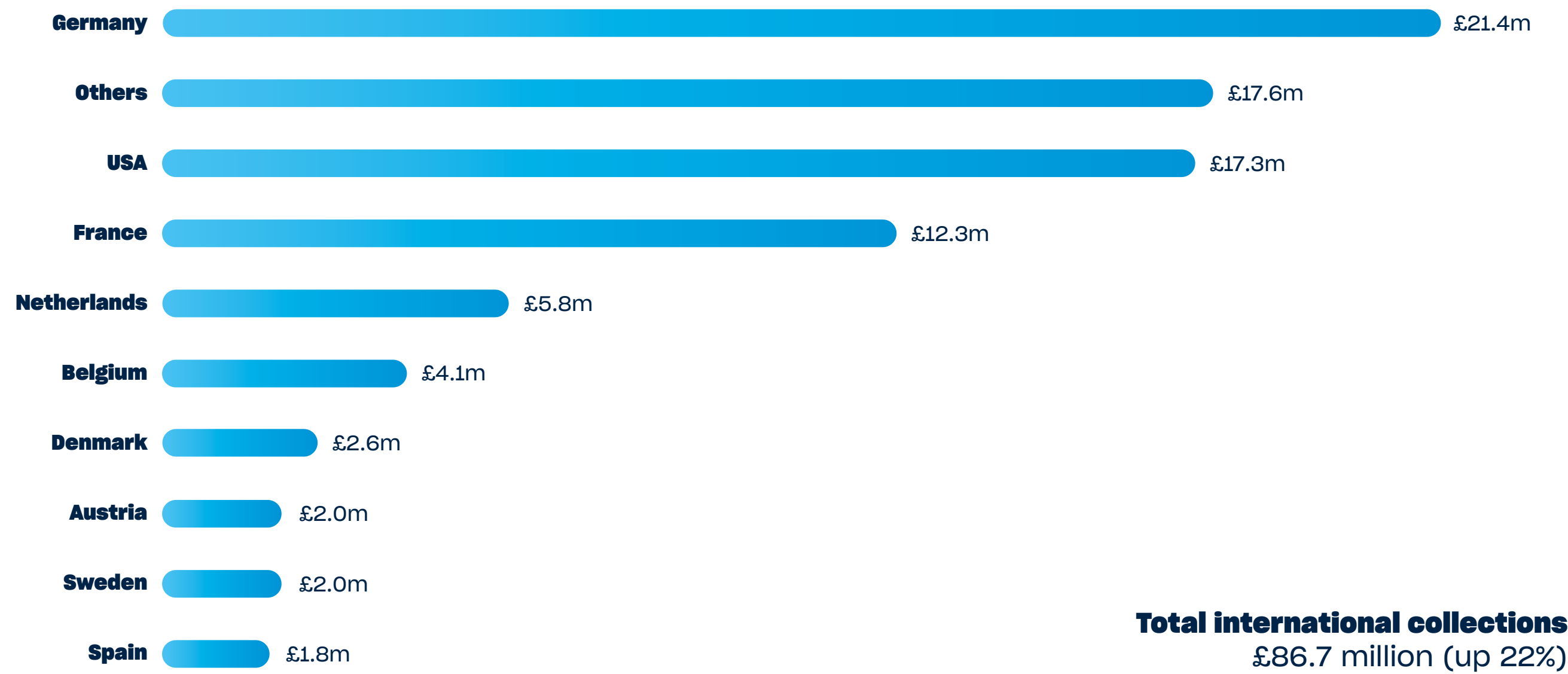
## Supporting CMOs internationally via Business Services

At PPL, we have built sophisticated technology, in-depth neighbouring rights knowledge, and extensive data expertise to manage our own operations. We are happy to share this experience and best practice with others around the world. This is the basis of what we call our Business Services offering.

In 2019, via Business Services, PPL supported the delivery of four distributions to the CMOs PPI (Ireland) and Audiogest (Portugal) and provided related support services to five other CMOs in Estonia, Lithuania, Malaysia, Nigeria, and Switzerland. This work helped CMOs to make quicker, more complete onward distributions to their local members.

We also extended the current service being provided to PPI in Ireland to cover certain broadcast licensing activities. On behalf of PPI, we contacted and undertook negotiations with a number of TV broadcasters and provided consultative licensing advice to support PPI's licensing activities.

# International collections



# ▶ DELIVERING MORE FOR MEMBERS ●



# Delivering more for members

## More payments than ever before

In 2019, we made at least one payment to over 11,000 recording rightsholders and more than 108,000 performers – making it the first time PPL has paid more than 100,000 performers in a single year. These include not just our direct members but also those performers and recording rightsholders we represent in the UK via the agreements that we have in place with overseas CMOs.

## High quality service delivery remained a priority

Throughout the year, the Member Services Operations Team continued to engage positively with PPL's tens of thousands of members. Collectively, they processed more than 550,000 repertoire claims, answered 27,000 phone calls, 18,000 emails, and 8,000 portal queries, and registered over 8,000 new members.

## Roster of international mandates continued to grow

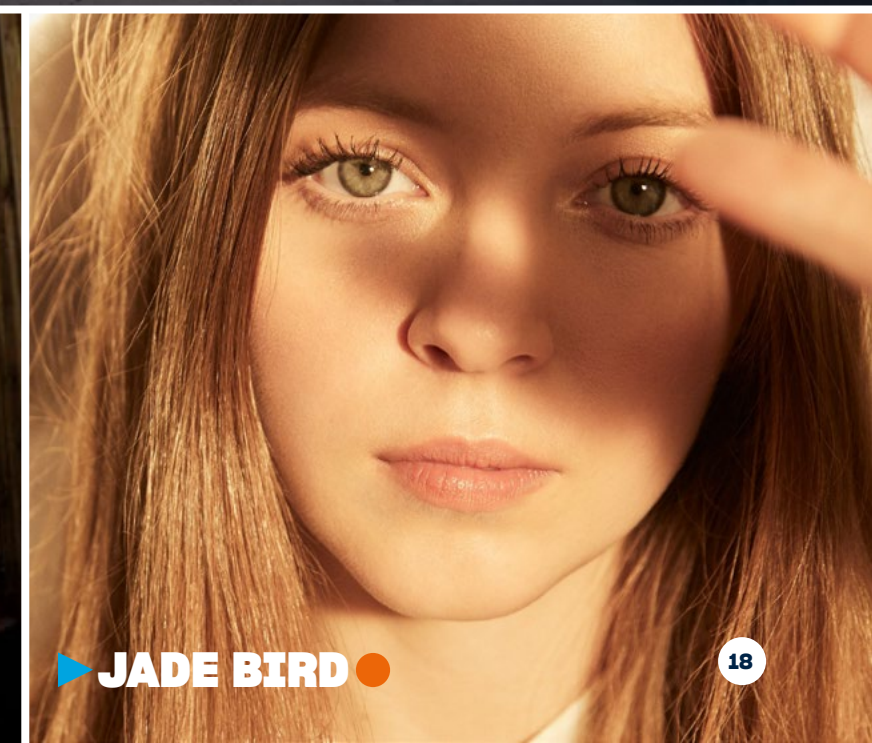
PPL has a leading international collections service and represents tens of thousands of performers and recording rightsholders who appoint (or “mandate”) PPL to collect monies for the use of their recorded music overseas. Maintaining and growing this roster of international mandates continued to contribute to PPL's positive financial position in 2019, as many more high profile performers asked PPL to collect their royalties. We were delighted to announce recently that those performers now include Björn Ulvaeus, Happy Mondays, and Jade Bird.



▶ **HAPPY MONDAYS** ●



▶ **BJÖRN ULVAEUS** ●



▶ **JADE BIRD** ●

# Closer collaboration with PRS Foundation

We continued to collaborate with PRS Foundation, contributing funding for emerging talent through the charity's Momentum Music and International Showcase Funds. Through the Foundation, in 2019, we supported more than 140 diverse acts from England, Northern Ireland, Scotland and Wales to develop their careers both in the UK and around the world. Towards the end of 2019, we agreed a closer collaboration between PPL and the charity which has resulted in the renaming of their flagship fund to the PPL Momentum Music Fund.



PPL Annual Performer Review 2019-2020



# Greater engagement through member communications

In 2019, we launched a new and more user-friendly website full of helpful information, resources and Frequently Asked Questions to support members with any queries they may have about PPL's work. We revamped our member communications, leading to the creation of a forward-looking monthly bulletin containing key dates and information for the weeks ahead and a more in-depth quarterly newsletter, providing more detail on the company's core activities. Our social media efforts and press activity also supported more communication with the member community.



# Meeting with members through events and outreach

Throughout 2019, PPL hosted or supported 210 events in the UK and internationally with more than a quarter of those held across the UK's nations and regions. On several occasions, we met with members in Belfast, Birmingham, Brighton, Bristol, Cardiff, Edinburgh, Glasgow, Leeds, Leicester, Liverpool, Manchester, Newcastle, Sheffield and more. We also attended a number of events outside of the UK including SXSW (US), Amsterdam Dance Event (The Netherlands), IMS Ibiza (Spain), Reeperbahn (Germany), DDEX meetings (US and Sweden), and MIDEM (France).

We attended a number of events for the first time, including the Girls I Rate conference, Britain's Got Reggae masterclass, From Me To You Glasgow (organised and hosted by PPL Performer Director Roxanne de Bastion), Sound City Ipswich, Wild Paths in Norwich, and the world music festival WOMEX in Finland.

Yet again, we worked closely with our friends at *PRS for Music* on many member and broadcast-related events. These included our three day partnership at BBC Music Introducing Live, joint sponsorship of the national Radio Festival and Student Radio Awards, support for the Handmade Festival in Leicester, and participation in various talks at a number of colleges and universities.



# ▶ YOUR FEEDBACK ●



# Some of your feedback

▶ **Thanks so much. It has literally been sink or swim time for us and now we can swim. I really appreciate all that you have done for me. Have a lovely weekend. ●**

▶ **Excellent – thanks to you and everyone at PPL for all your hard work on our behalf. ●**

▶ **I am in shock; this is now going to be the best Christmas ever! Thank you so much! ●**

▶ **We have received today the PPL's December payments for our clients. Thank you very much! ●**

▶ **I can't thank you enough. I am so pleased and relieved to get your email. Thank you, and let me say that all my dealings with PPL have been terrific. ●**

▶ **I really appreciate your time and efforts getting in touch with me and sorting this out. It's a massive boost for me. ●**

▶ **Thank you so much for your help and assistance, professional and knowledgeable at all times. ●**

▶ **Thanks for this – another larger than life payout to help relieve the stresses of the day. Impressive collecting! ●**

► **DRIVEN**  
**BY DATA** ●



# Driven by data

Throughout 2019, PPL developed a suite of new tools and initiatives to support the management and analysis of increasing amounts of data. We now hold data relating to more than 15 million recordings in the PPL Repertoire Database and continue to receive data for, on average, tens of thousands of recordings each week.

## Driving forward data quality globally

Throughout the year, we attended a series of DDEX (Digital Data Exchange) events. In addition to attending the working groups, which focused on developing music data standards, PPL was involved in two public events – the first DDEX Creator Credits Summit and the DDEX MLC Implementation Workshop – both of which sought to educate and engage the industry on the importance of managing and improving the quality of data across the global industry.

## Transitioning recording rightsholders to new data formats

Throughout 2019, PPL worked with a number of recording rightsholder members to help them adopt the DDEX MLC standard as the format for registering repertoire data with PPL. Using the DDEX MLC data standard allows recording rightsholders to provide richer data to us, including specific details of the performers of each recording, and their roles.

## Improving data capture in the recording studio

Last year, following on from our collaboration with Swedish tech start-up Session, we launched a new partnership with SoundCredit, a tool which helps music creators to gather complete and accurate metadata in the studio about who contributed to recordings. The platform will allow a performer's International Performer Number (IPN) to be added to the recording's metadata, allowing PPL and other CMOs to accurately identify and pay them as the correct information will have been shared throughout the supply chain to labels, distributors, other CMOs and music users.

## More than 2 million contributions added to performer line-ups

More than 2 million individual performer contributions were added to recordings in PPL's Repertoire Database during 2019. This helps to ensure the data held by PPL is as accurate as possible and supports payments to performers for the role they play in any given recording.

## PPL selected to build and operate new tech service RDx

Last year, PPL was selected by the global recorded music trade bodies IFPI and WIN to deliver and operate Repertoire Data Exchange (RDx), a centralised industry data exchange service. Now live, RDx will enable record companies and CMOs to submit and access authoritative recording data via a single point. This initiative will help to improve the timeliness, accuracy and efficiency of CMOs' revenue distributions to rightsholders worldwide.

# ► DEVELOPING OUR PEOPLE ●





# Developing our people

At the heart of our business are our people. Our people strategy aims to develop and drive positive performance and behaviour across the company, resulting in high levels of performance, retention and engagement.

## Award-winning learning and development opportunities

Throughout the year, more than half (136) of PPL employees attended an internal development workshop whilst mandatory e-learning training was also delivered. 13 employees undertook the award-winning Management Excellence Programme, successfully completing 12 modules of management learning supported with 1:1 coaching.

## Gender pay gap reporting

Whilst PPL was not legally obliged to publish its gender pay gap statistics, due to having fewer than 250 full time employees, we chose to publish our figures voluntarily in 2019, for the prior year. Our mean gender pay gap was 6.9% in favour of men whilst our median gender pay gap was 2.0% in favour of women.

## Equality, diversity and inclusion

We focused on supporting equality, diversity and inclusion through a number of initiatives within training, recruitment, employee engagement, and apprenticeships in 2019. We continued to deliver management training, covering topics such as

unconscious bias, and equality and diversity. We also signed up to the Government’s Disability Confident scheme, to ensure that disabled people and those with long-term health conditions have equal opportunities to fulfil their potential at PPL.

## Continued focus on wellbeing

For the third year running, PPL recognised Mental Health Awareness (MHA) Week, along with maintaining our monthly Wellbeing Wednesdays. In total, PPL arranged for 42 activities to take place throughout the year to support our employees’ wellbeing. These included introducing an AXA Health Check Point, a company choir, healthy breakfasts, yoga and meditation lunchtime sessions, financial education seminars, and workshops on workplace resilience.

## Our commitment to the environment

PPL remains committed to integrating environmental best practice into its business activities where it is possible to do so. We accept our environmental responsibilities and recognise our obligation to reduce the impact of business activities on the environment. More information can be found on our website at [ppluk.com](http://ppluk.com).

# Executive Management Team



**John Smith OBE**

Chairman



**Peter Leathem**

Chief Executive  
Officer



**Christian Barton**

Chief Financial  
Officer



**Jez Bell**

Chief Licensing  
Officer



**Mark Douglas**

Chief Information  
Officer



**Christine Geissmar**

Chief Operating  
Officer



**David Harmsworth**

General Counsel



**Sarah Mitchell**

Director of  
Membership and  
Communications



**Laurence Oxenbury**

Director of  
International



**Kate Reilly**

Director of People  
& Organisational  
Development

**Our thanks to all contributors to this  
year's Annual Performer Review.**

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# ▶ **STANDING UP FOR MUSIC RIGHTS** ●

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**We are always happy to  
answer your questions.**

If you would like to get in touch, please contact  
our Member Services team.

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