ANNUAL PERFORMER REVIEW
RAISING THE VOLUME
2012 2013
WELCOME TO THE 2012/2013 PERFORMER REVIEW.

In a rapidly evolving world, PPL is committed to managing your rights, maximising their value and distributing the income that we collect for you in the most timely and cost-efficient manner possible.

Despite the economic challenges of the last twelve months, PPL has continued to grow its investment in IT systems, staff training and development. At the same time our marketing to and education of businesses playing recorded music has increased greatly. This, combined with the development of a range of business processes at PPL, has helped to make our licensing more comprehensive and efficient than ever before.

This work has a direct impact on our revenue collections which increased significantly in 2012 and, accordingly, increases the revenues that we pay to you, our members.

This review tells the story of the year through a range of top-line statistics and we trust it outlines our commitment to you and the lengths to which we go to serve you...

In summary, all that we do, we do because it’s yours.

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RAISING THE VOLUME
2012 FINANCIAL HIGHLIGHTS

6.2 MILLION 
SOUND RECORDINGS 
IN OUR DATABASE

300,000+ 
LICENSED PUBLIC PERFORMANCE SITES, BROADCAST AND ONLINE CHANNELS

3.6 BILLION 
SECONDS OF UK TV AND RADIO BROADCASTING AIRPLAY

75,000+ 
MEMBERS

100+ 
OVERALL TARIFFS

£147 MILLION 
DISTRIBUTABLE REVENUE TO MEMBERS

67 
INTERNATIONAL RECIPROCAL DEALS
DEAR PERFORMER MEMBERS

I am delighted that, in 2012, we grew our three revenue streams, resulting in an 11% increase in licence fee revenue and a 12% rise in the amount distributable to members. This good progress continues in 2013.

This growth was despite difficult economic conditions in the UK and around the world. It also contrasted with the position for our counterparts in other countries, which made growing our International collections particularly challenging.

We have also continued our efforts to provide excellent customer service to licensees and members. This work has been supported by PPL’s launch (as part of a wider initiative by UK licensing bodies) of Codes of Conduct for licensees and members. I am also very proud that we reached the finals for two different customer service awards in 2012 and have done so again in 2013.

On the licensing side, we invested greater resources in seeking to ensure that all businesses are aware of the requirement (in almost all cases) for a PPL licence if they are playing commercial recordings in public. Our local media and marketing campaigns, together with raised presence around the country, have increased awareness of PPL considerably.

We extended our working relationship with PRS for Music in 2012 and have continued that into 2013. Collective licensing already simplifies copyright licensing considerably but both companies are keen to explore where we can work together for the benefit of members and licensees. PPL and PRS for Music already operate several joint licensing solutions and are working on two further joint licences for small workplaces and amateur sports clubs.

The revenue growth and service improvements delivered in 2012 (and prior years) were achieved with a board of directors from across the music industry, all working on behalf of all PPL’s members. That board structure has evolved considerably over the years, particularly with the creation of the Performer Board in 2006. As the next step in this important journey, this November will see the election onto both the PPL Board and Performer Board of a third Elected Performer Director, bringing the total number of PPL Performer Directors to five.

My thanks go to both boards and their various committees for their continued insight, support and governance. Above all, I would like to thank the PPL staff, whose hard work and dedication are very much appreciated.

Peter Leathem
PPL
DEAR PERFORMER MEMBERS

As usual, it is my pleasure and privilege to present this year’s Annual Performer Review and once again be able to report a healthy increase in PPL revenues for 2012 in regard to both collection and distribution. It has been a challenging year but, through prudent and imaginative policies, a record £147 million was available to members for distribution.

This is a very significant year, in that, following many healthy discussions, it has been agreed that the constitution of the PPL main board will change to allow a further elected Featured Performer Director to sit on the Board and who will be announced at the Annual Performer meeting. In addition, PPL will reduce the number of its board director positions by two and, following Universal’s purchase of EMI, this will reduce the major record companies’ representation from four to three. We have worked towards this over the years and are now in a good position to represent even better the music industry as it evolves in the twenty-first century.

We never forget as we serve you that our remit is to manage the sound recording rights entrusted to us by you, maximise their earnings from the broadcast and public use of those recordings, and distribute the revenue in the most efficient manner possible.

Over the year, in particular, we have worked closely with overseas music licensing companies (OMLCs) to provide the correct data and to ensure timely payments, concentrated on public performance revenues (which grew by 18%) and looked to reduce held monies. In regard to OMLCs, we have become an example of best practice with a high reputation and PPL’s international revenue totals more than all the other societies combined.

We always look at new legislation, member suggestions and technical means of increasing collection and methods of identifying correct performer line-ups and all ideas are carefully debated. We do not take knee-jerk action to issues as ideas need to be analysed because what may work for some members may not for others. However, your views are important and encouraged. We have increased the number of Member Open Days at PPL and attended more events around the country as part of our outreach programme than we ever have before. We hope that you will take full advantage of these events.

We are optimistic regarding the future and I finish by thanking all the staff at PPL who go to great lengths in doing a superb job and who often have to tackle potentially difficult and unreasonable clients who are reluctant to pay a penny for the use of your music ‘product’.

Gerald Newson
PPL Performer Board
PLAYING RECORDED MUSIC IN PUBLIC OR IN TV AND RADIO BROADCASTS WILL ALMOST CERTAINLY LEGALLY REQUIRE A PPL LICENCE. THE MONEY THAT BUSINESSES AND BROADCASTERS PAY GIVES RECORD COMPANIES, OTHER RIGHTSHOLDERS AND YOU, THE PERFORMERS, THE INCOME YOU DESERVE.

1. **Legal**
   The law gives you, our performer members, and record companies the right to be paid when your recorded music is played in public and/or broadcast.

2. **Use**
   Businesses and broadcasters provide PPL with information about the recorded music they use.

3. **Collection**
   We collect fees on behalf of you, our performer members, and record companies and in return give those businesses and broadcasters the licence they legally require.

4. **Systems**
   Music matching is completed through a combination of processes including customer returns and broadcast data.

5. **Payments**
   You receive your payments for the use of your recorded music. Businesses play, businesses pay – it's a fair deal all round.
PPL has three main revenue streams – broadcast and online, public performance, and international. These are very different areas and require specialised teams to deal with a wide array of companies and organisations.

**Broadcast and Online**
- £69.4 million (41% of total revenue)
- 300+ commercial radio stations and 60+ BBC radio stations licensed by PPL
- 230+ hospital radio stations licensed by PPL
- 5,000+ online radio channels licensed through Live365

**Public Performance**
- £64.8 million (38% of total revenue)
- 650 pro-active calls into PPL each month to request a licence
- 2,754 average number of calls received daily
- 69 public performance tariffs

**International**
- £36.6 million (21% of total revenue)
- 74% of overall value of performance rights income comes from top ten markets globally
- 90% total value of global performance rights market from which PPL collects
- 9.4% global growth of performance rights (Source IFPI)
- 67 agreements PPL has in place around the world
- 13 staff in PPL international team
- 13 languages spoken in PPL international team

*Source: MusicWorks Research 2013*
The rapidly growing number of sound recordings, together with the wider use of those recordings on different platforms and in more countries, means that a huge volume of information is processed by PPL’s systems in order to distribute your revenue to you.

3.6 billion
seconds of UK TV and radio broadcasting airplay used to make the June 2013 distribution

868,000
unique recordings recognised by PPL as having received international airplay

21.4 million
seconds of airplay reported on average by each commercial station in the UK licensed by PPL in 2012
IT IS CRITICAL THAT OUR DISTRIBUTIONS ARE TIMELY AND ACCURATE, HOWEVER MUCH THE NUMBER OF RECORDINGS GROWS AND THEIR USE MULTIPLIES. THIS CAN ONLY HAPPEN WITH ROBUST SYSTEMS THAT, BY DEFINITION, NEED TO BE POWERFUL AND SOPHISTICATED, GIVEN THE HUGE AMOUNT OF DATA TO BE HANDLED.

**2.7 BILLION**
Rows of data loaded into data warehouse to allow the production of our new format member statements

**445 MILLION**
Rows of data generated to make the June 2013 distribution

**8 TERABYTES**
Of data across our repertoire and distribution systems (that’s 8 trillion bytes and the equivalent of 12,500 CDs of data)
We endeavour to deliver a first-class service and it is important that we adapt to your needs in a fast-moving, global environment and one that is growing constantly.

145,766
Unique visitors to member pages on website in first ten months of 2013

603,315
Updates made from July 2012 to June 2013 by repertoire data quality team to performer line-up information on PPL recordings

9
PPL member open days held in the last twelve months

435,557
Accepted claims from performers to be linked to a recording in the PPL repertoire database between June 2012 and June 2013 via MYPPL

2,778
New performers directly registered with PPL in first ten months of 2013

90%
Of whom signed up to PPL’s international collections service
PPL’s distribution of revenues to members in June 2013 was the largest in the company’s history – including more money, for more performers, for more uses of your music.

£1.65 million
released to previously unregistered performers located and registered in 2013

3,346
performers who received their first ever payment from PPL in 2013

11
times each year PPL makes payments to performers

+15.8%
increase in number of performers who received a payment over £5 in June 2013 distribution

29,697
performers paid in PPL’s main distribution in June 2013, of which 10,262 were performers registered via an overseas music licensing company

+14%
increase in number of recordings which received a payable allocation in June 2013
The number of countries where we have contracts and the amount of our international collections continue to grow as performance rights last year became the fastest growing revenue stream* within the recorded music sector. We continue to work closely with international colleagues to ensure the highest possible standards of data, reporting and matching.

**£36.6 million**

Amount of international revenue collected on behalf of PPL members (as reported in 2012 annual review)

- **3,865,139**
  Number of individual performances claimed on behalf of PPL performer members

- **959,344**
  Number of recordings played internationally where PPL claimed performer revenues

*Source: IFPI*
PPL’s International Department was established in 2002 and has grown significantly. It offers a simple one-stop shop for performance rights collection around the world. By the end of 2012, the company’s total international revenues for members had reached £161 million. This reflects our commitment to the usage of PPL Sound Recordings globally.

- **23,123** Performer members who received one international allocation in the year to June 2013
- **20,329** Performer members who received more than one allocation in the year to June 2013
- **4,492** Performer members in 2013 who benefitted from PPL’s ‘Qualified Intermediary’ status (and so received their monies from the USA without a 30% tax deduction)
- **46,661** Performers who have appointed PPL to collect for them internationally
- **55,785** Performers registered with PPL via Overseas Music Licensing Companies
‘Thanks for all your hard work on my behalf – I could never have achieved such a level of accuracy on my own.’

COLIN CAMPSIE
SINGER
THE QUICK, GIANT STEPS
(SESSION VOCALIST: CULTURE CLUB, CHINA CRISIS)

‘You have been a HUGE help in this matter and laid everything out so easily for me. With so many companies I’ve been on the phone forever and been transferred all over the place and it isn’t pleasant having to explain over and over. I can’t express how much I appreciate your help.’

SHELLY BOLDER
WIDOW OF TREVOR BOLDER
BASSIST
THE SPIDERS FROM MARS
WISHBONE ASH
URIAH HEEP

‘Thank you so much! Previously, I was not aware of PPL and the services the organization provides to individual performers. UK musicians are very lucky to have PPL – it would be great if the U.S. had the same royalty system!’

VICTOR LÓPEZ
LEAD TRUMPET
MIAMI SOUND MACHINE

‘I really appreciate all the work involved that PPL does on behalf of those musicians (past and present) whose musical performances are now finally ‘rewarded’ – sometimes after long periods of time when their creative input and musical inspiration have been disregarded! We now have due recognition and just financial reward – thank you PPL for your tireless efforts!’

BILL LEGEND
DRUMMER
T REX

‘Received another transfer – and I’d like to thank you again, because without your work on my behalf this wouldn’t have happened.’

BOB RACIOPPO
BASSIST
THE SHIRTS
(ALSO SOLO ARTIST)

‘Thank you for all your hard work on my behalf – I could never have achieved such a level of accuracy on my own.’

SHELLY BOLDER
WIDOW OF TREVOR BOLDER
BASSIST
THE SPIDERS FROM MARS
WISHBONE ASH
URIAH HEEP

ALL THAT WE DO, WE DO BECAUSE IT’S YOURS. YOUR THANKS AND APPRECIATION OF OUR WORK ARE-valued.
5 HINTS TO MAXIMISE YOUR PAYMENTS

USE MY PPL TO MANAGE YOUR ACCOUNT
KEEP YOUR DETAILS UP TO DATE
MAKE CLAIMS FOR RECORDINGS YOU HAVE PERFORMED ON
SIGN UP FOR ADDITIONAL SERVICES INCLUDING INTERNATIONAL COLLECTIONS
CHECK YOUR STATEMENT

For more information or if you have any questions regarding any of the details in the review please contact our performer services team:
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F 020 7534 1383

For further information on the PPL Performer Board and PPL management team please go to: ppluk.com/about-us/who-we-are/management-and-boards
BECAUSE IT’S YOURS.