



2012 2013

**ANNUAL PERFORMER REVIEW
RAISING THE VOLUME**

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.

CONTENTS

- | | |
|--|---------------------------------------|
| 1 RAISING THE VOLUME | 7 OUR SYSTEMS |
| 2 CEO AND PERFORMER BOARD
CHAIRMAN'S STATEMENTS | 8 YOUR MEMBERSHIP SERVICES |
| 4 YOUR REVENUE | 9 YOUR UK PAYMENTS |
| 5 YOUR REVENUE STREAMS | 10 YOUR INTERNATIONAL PAYMENTS |
| 6 YOUR PLAYED RECORDINGS | 12 YOUR THANKS |
| | 13 CONTACT US |

RAISING THE VOLUME

2012 FINANCIAL HIGHLIGHTS

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

6.2 MILLION

SOUND RECORDINGS
IN OUR DATABASE

£147 MILLION

DISTRIBUTABLE REVENUE
TO MEMBERS

67

INTERNATIONAL
RECIPROCAL DEALS

CEO'S STATEMENT



'Having seen the enormous benefits of recent IT systems investment, ongoing work in that area remains a key priority.'

+11%

ANNUAL LICENCE FEE
REVENUE INCREASE

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.

We have also been working hard on the services that we provide to you, our members, in order to make your engagement and relationship with us as effective as possible. Having seen the enormous benefits of recent IT systems investment, ongoing work in that area remains a key priority, as we have significant plans to develop our services to you even further. Coupled with maximising your PPL revenues, these developments remain central to our company strategy.

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 Leatham
PPL

PERFORMER BOARD CHAIRMAN'S STATEMENT



'We...
are now in
a good position
to represent even
better the music
industry as it evolves
in the twenty-first
century.'

14.4%
COST-TO-INCOME RATIO

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 £147million 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.

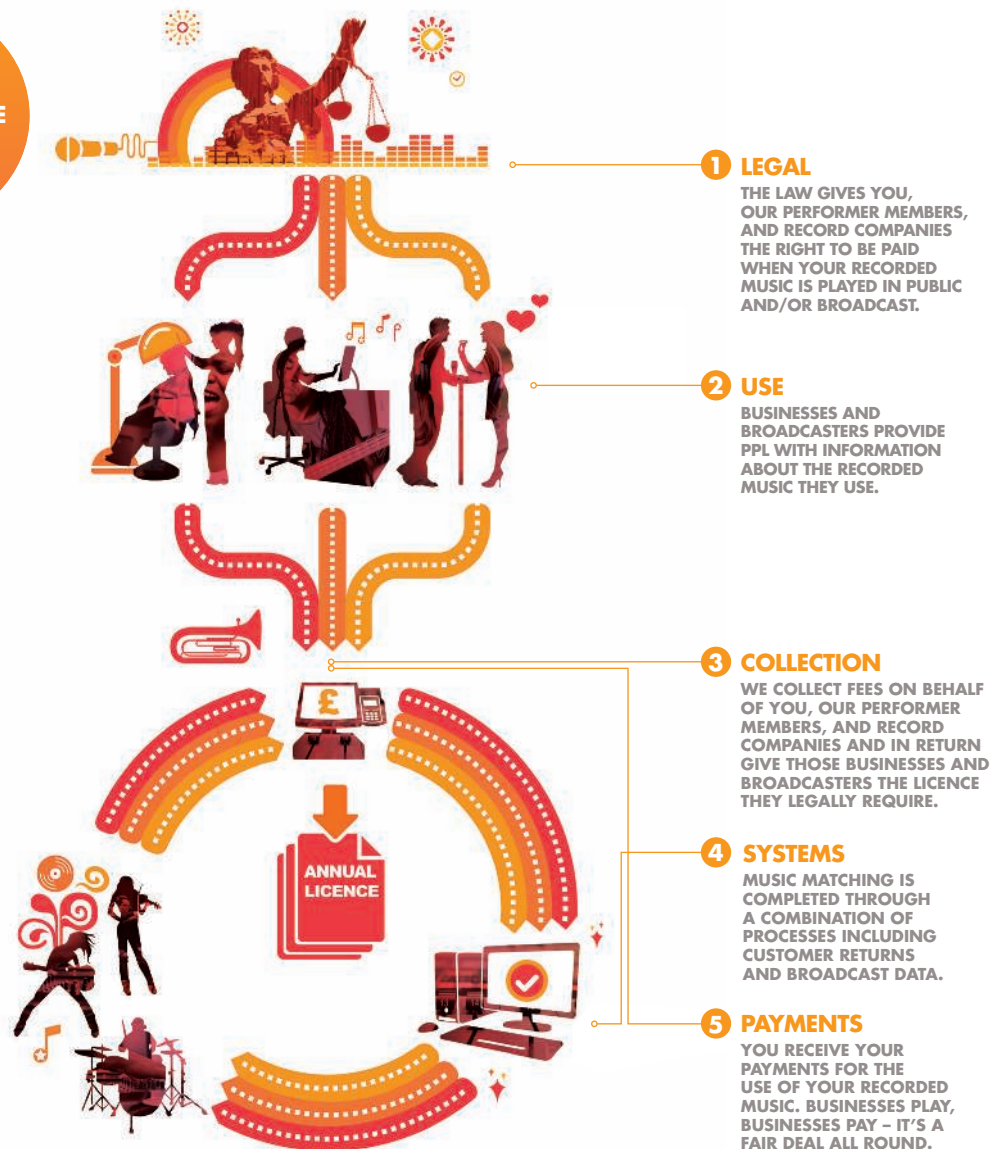
We are optimistic regarding the future and I finish by thanking all the staff at PPL who go to great lengths in doing a superb job and who often have to tackle potentially difficult and unreasonable clients who are reluctant to pay a penny for the use of your music 'product'.

Gerald Newson
PPL Performer Board

YOUR REVENUE

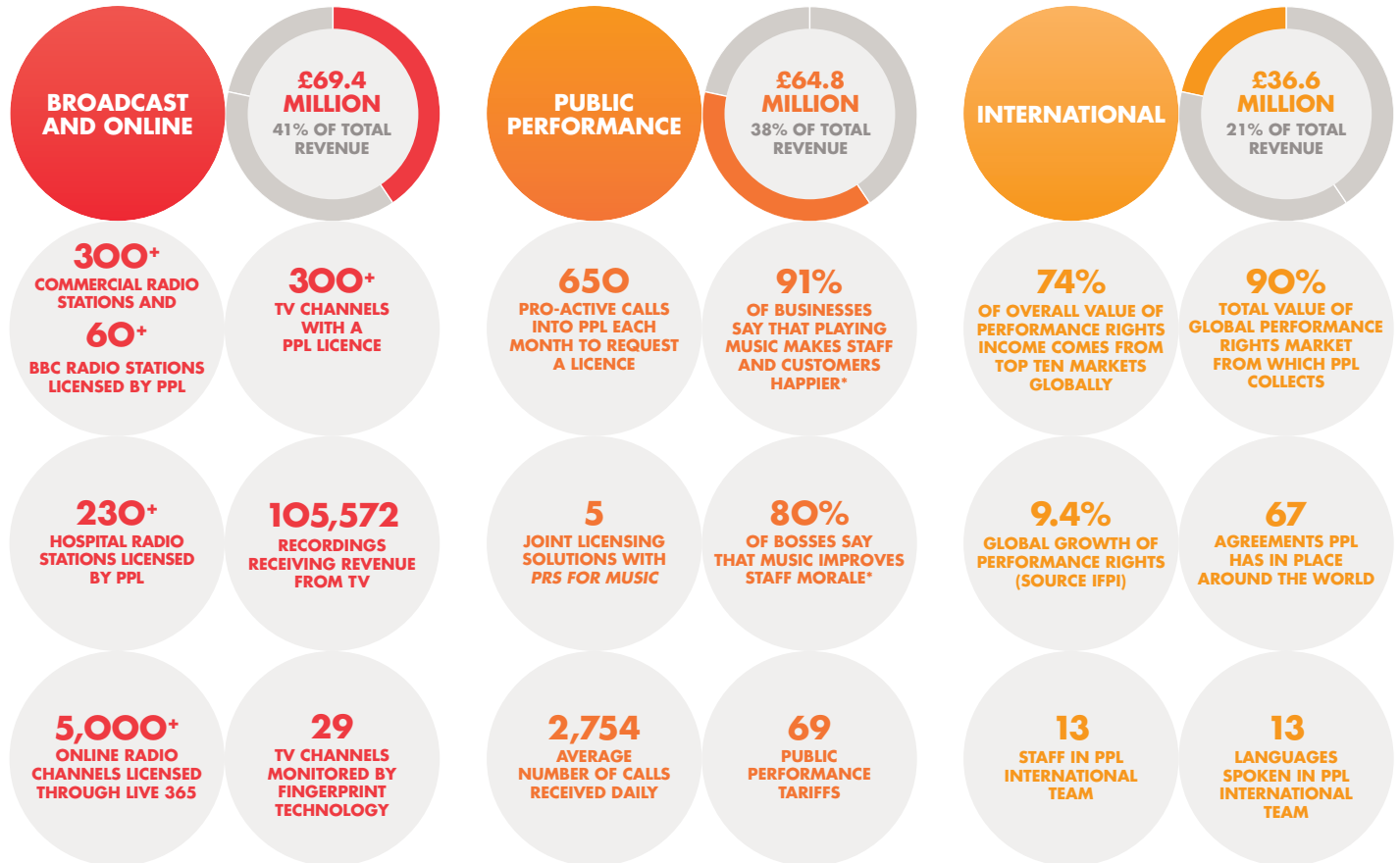
PLAYING RECORDED MUSIC IN PUBLIC OR IN TV AND RADIO BROADCASTS WILL ALMOST CERTAINLY LEGALLY REQUIRE A PPL LICENCE. THE MONEY THAT BUSINESSES AND BROADCASTERS PAY GIVES RECORD COMPANIES, OTHER RIGHTSHOLDERS AND YOU, THE PERFORMERS, THE INCOME YOU DESERVE.

HOW RECORDED MUSIC PERFORMANCE RIGHTS COLLECTION WORKS



YOUR REVENUE STREAMS

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.



*SOURCE: MUSICWORKS RESEARCH 2013

YOUR PLAYED RECORDINGS

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

OUR SYSTEMS

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)

YOUR MEMBERSHIP SERVICES

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

YOUR UK PAYMENTS

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

YOUR INTERNATIONAL PAYMENTS

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

YOUR THANKS

ALL THAT WE DO, WE DO BECAUSE IT'S YOURS. YOUR
THANKS AND APPRECIATION OF OUR WORK ARE VALUED.

**'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)**

**'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**

**'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)**

**'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 HEPP**

**'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**

5 HINTS TO MAXIMISE YOUR PAYMENTS

USE MYPLP
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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T 020 7534 1234
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

Amongst others, PPL supports the following charities:



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BECAUSE IT'S YOURS.

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