

MUSIC MATTERS

PPNZ NEWSLETTER
SPRING 2009



Welcome to the Spring edition of Music Matters, our regular newsletter for PPNZ members and RAP Fund participants.

It is that time of the year when PPNZ makes annual royalty distributions to those artists and labels who generated income in the 2008 calendar year. It is pleasing to report that this year's distribution is our best ever.

There are also updates on our key areas of broadcast and public performance licensing and PPNZ's support of the 2009 Vodafone New Zealand Music Awards.

PPNZ is very pleased to advise that Harry Lyon (Director of MAINZ and a founding member of Hello Sailor) has agreed to join the PPNZ Board. Harry joins Mark Kneebone (Tardus Music/IMNZ) and Callum August (Dirty Records/Dirty Management) as independent label and artist representatives.

As noted in the last issue, the other Board members are Chairman Adam Holt (Universal Music NZ), Deputy Chair Mike Bradshaw (Sony Music NZ), Phil Howling (Warner Music NZ), Matt Headland (EMI Music NZ) and myself.

PPNZ is here to assist artists and labels, so if you have any questions please visit ppnz.co.nz or give us a call toll-free on **0800 88 PPNZ**.

Regards,
Kristin Bowman, PPNZ, Managing Director



2009 DISTRIBUTION

Along with this issue of Music Matters, you will have received a statement for 2008 royalties due to you, your band and/or your label.

We are pleased to report upward trends in all aspects of our distribution this year, including 7% more money distributed than the previous year's distribution, and a record number of registrants receiving a royalty (875 compared to 464 last year).

Also pleasing to report is the number of local artists now registered in the RAP Fund. This now tops 1200, meaning that the 2010 distribution will benefit even more of our local musicians and labels!

PPNZ is pleased to be supporting the biggest night in the NZ Music calendar, and will once again be a Gold Sponsor at this year's event.



Our hearty congratulations go out to all the finalists and in particular Midnight Youth, The Mint Chicks and Cut off your Hands who are the three finalists for the **PPNZ Best Rock Album**.

The winners will be announced on Thursday 8 October at the Vector Arena.

General admission tickets for the event are available and can be purchased from Ticketmaster for \$47.00. Go to www.ticketmaster.co.nz or follow the link from the home page of www.ppnz.co.nz.

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PUBLIC PERFORMANCE LICENSING

You may have read recent media reports on PPNZ. While there were a number of inaccuracies, recent media coverage has provided PPNZ with an opportunity to address certain concerns and to further educate on the value the playing of music provides to many businesses across New Zealand.

In the UK, the PPNZ and APRA equivalents (PPL and PRS for Music) recently undertook a survey (see www.musicworksforyou.com). Of the respondents, **91%** of bar patrons said they liked a bar with some music; **84%** of shoppers said they like shops that play music; **92%** of gym users said they like to hear music when they go to the gym and **80%** of people said they like to hear music when they eat out in cafes and restaurants. The survey also found that the right music mix increased profit and staff productivity levels.

Sometimes, however, a business wants to play and use music owned by you for their own commercial benefit but not pay for such use. So, occasionally, we need to (and only after lengthy dialogue), enforce the rules - i.e. asking businesses to make a choice - either get a licence or do not play.

PPNZ needs to enforce because it is important to play fair to our many compliant business owners across New Zealand (cafes, bars, nightclubs, retailers and many others) who regularly and willingly pay their licence fees knowing the value that music provides to their businesses and customers.

Enforcement sometimes ends up in court. In these rare cases, PPNZ is required to provide evidence of music being publicly performed otherwise the case would promptly be rejected by the court.

To gather the requisite information so there can be no doubt regarding copyright infringements, our legal representatives must hire professional investigators who are independent, objective and practice in line with statutory requirements. This is the same procedure followed by Australia, the UK, Ireland and many other countries across the globe, so it is not unique to New Zealand.

Finally, in regard to tariff reviews, PPNZ undertakes reviews from time to time (the last significant review being in 2005) but we do not automatically follow Australia. When PPNZ undertakes a review of tariffs it will consult with all the relevant stakeholders first including the relevant representative industry associations to seek their input and feedback. PPNZ only seeks a fair return for the use of your music in commercial situations - nothing more. That means all issues will be taken into account at the relevant time to ensure our tariffs are reasonable in all the circumstances - both to artists and labels on one hand and music users on the other.

RADIO RATE CASE

The Copyright Tribunal (i.e. an independent third party judicial body) duly heard PPNZ's claim in respect of commercial radio tariffs through the month of July. We hope to have more details available for you in our next issue.

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PHONOGRAPHIC PERFORMANCES NEW ZEALAND

The copyright agency for recording artists and their labels



PASS IT ON

Finished reading? Pass it on to your music industry colleagues or band mates!