



PPL STATEMENT ON APPEAL DECISION TO HIGH COURT AGAINST DECISION ON COPYRIGHT TRIBUNAL

February 12 2010

Mr Justice Arnold has issued today his judgment on PPL's appeal against the decision of the Copyright Tribunal* on 3 of its public performance tariffs.

A PPL spokesperson said, "On the appeal, the Judge was limited to considering whether the Copyright Tribunal had erred in law, not whether the decision was one he would have made based on the evidence. Naturally the company is extremely disappointed that the Judge found there was no error of law although he identified some problems with the decision of the Tribunal. This leaves PPL with tariffs that it believes substantially undervalue the rights of its performer and record company members."

[*The Copyright Tribunal 'In The Matter of References Under Sections 128A and 128B of the Copyright, Designs and Patents Act 1988' CT 91/05, CT 92/05 and CT 93/05]

Background notes and boilerplate follow.

BACKGROUND NOTES

1. This Copyright Tribunal process was triggered by the Secretary of State for Trade and Industry referring PPL's tariffs to the Copyright Tribunal, under a new process (S128A) introduced in 2003.
2. The new Copyright Tribunal process, S128A of the Copyright, Designs and Patents Act 1988, was introduced in October 2003. PPL submitted tariffs under the new procedure in December 2004. This Decision on these tariffs was handed down in September 2009; four years and nine months after the tariffs were notified to the Secretary of State. The Background Chronology attached provides more detail.
3. Following a year-long consultation with licensees, PPL had proposed a fee for small pubs and shops of £100 to play background music for a year, increasing for larger establishments (over 100m²).
4. PPL's tariffs for pubs (Tariff 110) and shops (Tariff 111) were opposed at the Tribunal by parties such as the BBPA (British Beer and Pub Association) and the BHA (British Hospitality Association) representing respectively the major pub and hotel chains who objected to the higher charges for larger establishments. The tariffs for offices and factories (Tariff 112) were not opposed at the Tribunal but were still amended.
5. In conjunction with PRS for Music last year, PPL conducted extensive external research aimed at a wide range of businesses, demonstrating the valuable contribution using music as a business tool has on many areas in any company from increasing consumer spending, enhancing footfall to improving morale, productivity and therefore potential revenue. For further information please visit www.musicworksforyou.com

ABOUT PPL

PPL is the music licensing company which, on behalf of 42,000 performers and 5,000 record companies in the UK, licenses recorded music.

This enables TV and radio stations, online streaming services and hundreds of thousands of shops, pubs and other establishments, large and small, using music in their business to obtain a single licence which gives them legal access to literally millions of recordings.

As an industry service, PPL does not retain any profit for itself. The costs of collecting, processing and distributing the licence fees are taken from the gross revenues that the company collects. All these revenues are distributed and paid to all PPL's record company and performer members. These include featured artists

as well as session musicians, ranging from orchestral players to percussionists and to singers. Recent MU research shows that 87% of musicians earn less than £16,000 per year.

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