



Music Licensing: A Guide to PRS, PPL and VPL

For any queries regarding music licensing or to discuss the following in further detail, please contact the FIA team on musiclicensing@fia.org.uk or 020 7420 8560.

Introduction

- A PRS (Performing Rights Society) licence is required for the public use¹ of music. PRS is the not-for-profit company collecting royalties on behalf of **composers** and **publishers**.
- A PPL (Phonographic Performance Limited) licence is also required for the public use of sound recordings.¹ PPL is the not-for-profit company collecting royalties on behalf of **record companies** and **performers**.
- A VPL (Video Performance Licence) is required for the performance of music videos in a public setting through a tailored video music system (such as a ClubCom system). VPL is the not-for-profit company collecting royalties on behalf of **record companies**.

Both PRS and PPL licences are required to play music in a public place; these licences cover a range of millions of sound recordings, particularly commercially released music, entitling licensees to use them without having to obtain individual clearance for each track. A VPL licence is required for the use of music videos in commercial settings using a tailored music video system (such as ClubCom) and covers millions of video recordings in the same way as PPL & PRS cover sound recordings.

PRS and PPL licences also cover the public use of TV (satellite and terrestrial), Radio, Records, CDs, Tapes and Videos.

Every public area of a leisure facility is covered by a different tariff, and this brief gives prices for each of these as of 8th April 2011.

¹ 'Public use' describes any place which could be accessed by the public, such as a leisure facility (i.e. to which the public can buy memberships), or even an office party. By contrast, a wedding reception is described as a private event.

PRS Licence Tariffs

A PRS licence is required for the public use of sound recordings regardless of any other licences held (TV licence, PPL licence).

Please note that these prices do not include VAT, which should be added at the current rate of 20%. All these prices apply on an annual basis.

These prices are effective from 1st July 2011 to 31st July 2012.

General Tariff

Tariff J applies to the use of music and television in Gyms and Fitness Centres, and also covers specific situations such as aerobic and dance classes (see below). The prices are graded according to the size of the club and the type of music and/or television equipment that is used.

Charges are per annum and do not include PPL licence fees, which must be paid separately.

The following tables give information on the charges applicable for Background Music purposes.

Club Area	Terrestrial TV² (without video)	Terrestrial TV¹ with satellite/cable TV (without video)	Radio
120sq m or less	£83.45	£125.16	£104.26
Greater than 120sq m	£125.16	£187.77	£156.38

Club Area	Record/CD/Tape Player	Music Centre/Radio- Cassette/CD Radio- Cassette player³	Video Player (with or without TV)
120sq m or less	£208.60	£259.21	£125.16
Greater than 120sq m	£312.88	£388.80	£187.77

(PRS - Tariff J, 2011-12 prices)

(<http://www.prsformusic.com/SiteCollectionDocuments/PPS%20Tariffs/J-2011-08%20Tariff.pdf>)

Aerobic and dance classes

A separate fee is applicable to all aerobic, dance classes or other studio sessions in which music is used. The Fitness Industry Association successfully negotiated a reduction in these fees as they apply in fitness facilities in 2006.

These charges are applicable per class, and vary depending on the capacity of the room.

² The fee covers multiple television sets.

³ A Music Centre is defined as a system capable of reproducing sound from more than one source through a single sound system. The above price does not include the use of such sound equipment in aerobic, keep-fit or dance classes.

Room Capacity	Aerobic and dance classes
Up to 30 people	£1.36
Over 30 people	£1.70

Cafes or Refreshment areas within Fitness Centres

If a fitness centre has a dedicated café or refreshment area a separate tariff applies to any public music or television broadcast therein. Tariff HR applies to these areas, and is again tiered according to the seating capacity and type of equipment being used.

Seating Capacity	Terrestrial TV¹ and/or satellite TV¹ (without video)	Radio	Record/CD/Tape Player
Up to 30 people	£117.21	£117.21	£206.30
For every additional 20 people (or part thereof)	£39.05	£39.05	£68.76

Seating Capacity	Music Centre/Radio-Cassette/CD Radio-Cassette player	Video Player
Up to 30 people	£234.43	£178.20
For every additional 20 people (or part thereof)	£78.14	£59.42

(PRS - Tariff HR, section 4.4, 2011-12 prices)

(<https://www.prsformusic.com/SiteCollectionDocuments/PPS%20Tariffs/HR-2011-07%20Tariff.pdf>)

Other Notes

The above rates apply only where a PRS licence has been applied for in advance of music use. Where music use commenced before a licence had been obtained, the rates are 50 percent higher in the first licence-year.

Also please note that a separate charge applies for jukeboxes, although this has not been included.

PPL Licence Tariffs

Please note that these prices do not include VAT, which should be added at the current rate of 20%. All prices apply on an annual basis.

Aerobics and dance classes

May 2011 – April 2012

This fee applies to the public use of sound recordings as an accompaniment to aerobics/keep fit/spinning, aqua-aerobics and similar exercise classes.

Importantly you will need to provide the name and address of each instructor. Additionally, you need to state the number of classes they teach each week.

To arrive at the level of licence fee that is to be charged you must state the number of weeks per annum that the teaching takes place.

The level of the fee is determined by the number of classes that will be taught per annum per instructor.

Number of classes	Licence Fee
Up to 200 classes	£85.98
Over 200 classes	£171.96

This tariff is currently being reviewed with the Fitness Industry Association leading discussions and negotiations.

Cafés and Refreshment Areas

January 2011 – December 2011

Any café or refreshment area is liable for a PPL fee which is calculated according to the size and nature of music/sound being played.

There is a concessionary rate for this fee, although it is not available where there is a charge for admission to the premises, as will often be the case with Fitness Centres. If your premises have an audible area of 50m² or less and you only use "traditional" radio or television broadcasts, you may be eligible for a concessionary licence fee of 50% of the annual fee in the 400m² band.

"Traditional" radio or television broadcasts refers only to the following:

- BBC national and local radio stations;
- All Independent National Radio stations and Independent Local Radio stations (as licensed by Ofcom and listed on www.ofcom.org.uk as "Analogue: FM and AM" stations); and
- BBC1, BBC2, ITV1, Channel 4, S4C and Five television broadcasts.

Using other means to play sound recordings, such as tapes, CDs or non-"traditional" radio broadcasts, negates the eligibility for the concessionary licence fee.

Audible Area in Square Metres	Fee
1 - 400	£113.19
401-450	£127.34
451-500	£141.49

Gymnasium Workout

September 2011 – August 2012

This tariff applies to the public use of sound recordings solely as a background accompaniment to gymnasium workouts excluding any area in which aerobics/keep fit classes are held.

Flat Fee: £ 109.47 per annum.

If a centre uses a video music system **only** as background music for gym workout, this fee does not apply as this is covered separately with a VPL Licence.

Leisure Centres and Health/Fitness Clubs – General Background Music

September 2011 – August 2012

This fee applies to the public use of sound recordings, and is chargeable separately to other fees relating to gymnasiums, swimming pools and cafés.

Flat Fee: £ 109.47 per annum.

If a centre uses a video music system **only** as background music for general areas of a leisure centre/ health and fitness club, this fee does not apply as this is covered separately with a VPL Licence.

Telephone Hold Music

January 2011 – December 2011

The following applies to the use of sound recordings on a telephone music on hold system. The tariff description points out that if the telephone system uses a digital memory facility, which requires a copy of the sound recording to be made, than a PPL dubbing licence is also required.

Number of Lines Per Switchboard	Fee
1 - 5	£ 131.26
6 - 15	£ 177.21
16 - 30	£ 223.16
31 - 45	£ 269.11

Swimming Pools

September 2011 – August 2012

This fee applies to the public use of sound recordings solely as background music at swimming pools excluding use in association with synchronised swimming or other related events.

Flat Fee: £ 109.47 per annum.

If a centre uses a video music system **only** as background music for in the swimming pool area of a leisure centre/ health and fitness club, this fee does not apply as this is covered separately with a VPL Licence.

The use of music for aqua-aerobics is charged separately.

VPL Licence Tariffs

This tariffs are effective from 1st January 2011 to 31st December 2011.

Please note that these prices do not include VAT, which should be added at the current rate of 20%. All prices apply on an annual basis.

The FIA negotiated with VPL in 2010 regarding the implementation of a tariff covering music video use in gyms and fitness centres. It has been a legal requirement for some time that a licence is needed for the public performance of music videos in the same way that a licence is required for the public performance of recorded music.

VPL had been unsuccessful in implementing an effective tariff for the fitness industry and worked with the FIA to agree a workable tariff for FIA members as well as the whole UK fitness industry. The FIA, with the support of our members, have negotiated with VPL to eliminate the potential for licences to be backdated covering years of music video use for which licences were not acquired.

The FIA negotiated an interim tariff for the UK fitness industry covering licences from 2010-12.

FIA Member	Non-FIA Member
£298.11	£387.02

This is a flat fee regardless of number of screens, or size of the leisure centre or health/fitness centre.

For clarity, the licence requirements are currently **for those who use a tailored music video service** (such as those provided by ClubCom/Zoom Media/Image Sounds). At present clubs who use music channels which are broadcast (i.e. those on SKY or Freeview) do not require a licence although VPL made clear that this is an area they are seeking legal clarity on and therefore there may be charges for these users in the future.