



# CINEMA LICENSING AND RENEWAL GUIDE





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## What is TheMusicLicence?

**TheMusicLicence allows customers to legally play music to employees or customers in your business.**

It is required because under the Copyright, Designs and Patents Act 1988, permission is needed from the relevant copyright holders – those people who create music – in order to play or perform music in public.

TheMusicLicence gives you this permission, in relation to the vast majority of commercially available music. This ranges from grassroots and independent artists and composers through to the biggest names in the business.



## How TheMusicLicence works

PPL PRS license and collect royalties from UK businesses and organisations on behalf of our parent companies, PPL and PRS for Music (PRS).

For the use of sound recordings, PPL distributes the royalties to record companies and performers for the use of musical compositions and lyrics. PRS distributes royalties to songwriters, composers and publishers. This ensures that the people who create music are fairly rewarded for their talent and creativity.

PPL and PRS use a number of different tariffs to license the use of music. The tariffs used for your licence will depend on how you are using music; including when it is part of the film exhibition and when it is used in other areas of your premises.

## Music in cinemas

Whether it's putting the ambiance into the auditorium, the flair into the foyer or bringing the beat into the big screen; it can be easy to forget that music is used all the time in cinemas.

No matter how you are using music on your premises, you will usually need TheMusicLicence. TheMusicLicence will cover your cinema/premises/business for almost every type of music usage. This includes music that is:

- Used within films
- Used within cinematic presentations of live music events
- Used as background music in auditoriums and other areas
- Used as additional music on your premises  
(such as live music, DJ sets and theatrical performances etc.)

As in previous years, all music used in your cinema will need to be declared on the **PPL PRS Cinema Review Form**. It is important to complete and submit this form to ensure you are charged appropriately for your cinema's music usage for the past licensing year, and to allow us to determine your royalty rate for the forthcoming licensing year.

For cinemas, in respect of Tariff C, the licensing year runs from **1st January – 31st December**, so the information you provide when completing the **PPL PRS Cinema Review Form**, should be based on this period each year. We will then calculate your next invoice based on these figures.

By way of example, at the beginning of 2019, you provided estimated/predicted information for us to license your premises. If the figures you provide in the **PPL PRS Cinema Review Form** are different to what you estimated/predicted, then you will either be charged or credited accordingly.\*

Any adjustments to your royalty charge will be reflected on your next invoice, which will be issued once your Review Form has been received and processed.

More details about music licensing in cinemas and how to complete the **PPL PRS Cinema Review Form** can be found on the following pages.

\*If any credit is due, this will be applied directly to your invoice for the following year, and not sent directly as a refund in the form of a credit note.



## Music in films

In licensing terms, music used within films refers to all exhibitions of moving pictures. This is except for the cinematic presentations of live music events (i.e. “Simulcasts” and “Encores”) which will need to be declared separately. (See page 11 for more details).

Music usage within film exhibitions will generally be licensed under **Tariff C**, provided that your cinema regularly exhibits films (no fewer than three days a week over a period of no less than four months during the year).

It is charged based on attendees and is typically calculated as either **1% of the actual receipts** or as a rate of **£0.0646 (6.46 pence)\*** per admission (which increases by 3.25% year on year).

When completing your review, please select either option (depending on preference and how you have been licensed previously) and submit the relevant information via the **PPL PRS Cinema Review Form**. Completing this form will accurately determine the charges for your music usage as well as calculate any discount your cinema may be eligible for. Please see the ‘Discounts’ section for more information.

\*Price accurate as per 2020 licensing year.



## Discounts

### Low Admission Discount

If the total number of annual admissions for films falls within one of the following bands, a low admission discount will be applied:

Number of admissions	Discount
Less than 60,000	25%
60,000 - 69,000	20%
70,000 - 79,999	15%
80,000 - 89,999	10%
90,000 - 99,999	5%

### Minimum charge

Although discounts are available, a minimum charge of £75 per screen will be applied, if before or after your discount, your annual fee falls below this minimum royalty rate.

### Prompt Payment Discount

In addition to the Low Admissions Discount, you may also be eligible for a Prompt Payment Discount of **4%** (this discount applies to PRS fees only and will not be applied to PPL fees). This is provided that your **PPL PRS Cinema Review Form** is completed, returned to us and the amount due is paid on or before **31st January** of the relevant year.

To make this process as easy as possible, you will be required to make payment in full (based on the figures you have provided in your Review Form).

Once the full payment has been received, your discount will be applied, and you will be issued a credit note accordingly, (provided that your payment is made on or before the date specified above.)

## Cinematic presentations of live events

Cinematic presentations of live music events are the public screening of live music events in the form of:

- Simulcasts - a live event that is broadcast in real-time; and
- Encores – a broadcast recording of a previously staged live event.

These include the public screenings of classical and popular music concerts as well as dramatico-musical works and ballets.\*

These types of screenings are typically charged at a rate of **3% of the actual receipts** and will need to be declared separately within the Review Form from other cinematic performances. See the 'Cinematic presentations of live events' section on the **PPL PRS Cinema Review Form** for more information and to provide details of these types of screenings within your premise.

\* Dramatico-musical works refers to operas, operettas, musical plays, revues or pantomimes for which the music has been specially written. Ballets refer to choreographic work having a story, plot or abstract idea devised or used for the purpose of interpretation by dancing and/or miming. These types of performances are licensable by PPL PRS when broadcast as a public screening but are not licensable by PPL PRS when performed on the live stage in the context of a dramatic presentation. Contact [cinemas@pplprs.co.uk](mailto:cinemas@pplprs.co.uk) for more guidance and information.



## Background music for cinemas

In licensing terms, background music for cinemas refers to recorded music that is used in cinemas solely as background music. It will generally be licensed under PPL's background music in cinemas tariff, **Tariff PPLPP036** or **PRS' Tariff C, Tariff P, Tariff HR** or **Tariff GP**.

**PPLPP036** applies to the use of PPL controlled background music in the auditorium, during intervals and during the entrance and exit of audiences and/or music used in separate areas of the cinema premises, including foyers, bars, restaurants, toilets, etc.

It is charged as separate royalty rates (e.g. the charge for the use of music in foyers is charged at 50% of the charge for the use of music in the auditorium) and is calculated per screen per annum for music used in the auditorium and per separate area for music which is used in other spaces.

**Tariff C** applies to the use of PRS controlled background music performed during the intermission, for play-in, and play-out purposes as well as music that may be used within a cinema foyer (providing this area is under the control of the licensee, see Tariff C for details). The charge for this type of music usage is covered under Tariff C.

However, this tariff does not cover the use of any additional music within separate areas of your premises and this type of music usage will be licensed and charged under the appropriate tariff accordingly. Generally, separate bar areas are licensed under **Tariff P** and separate café and restaurant areas are licensed under **Tariff HR**. In some instances, **Tariff GP** may also apply to any other additional background music used in your business.

Contact [cinemas@pplprs.co.uk](mailto:cinemas@pplprs.co.uk) for more guidance and information.



## Additional music used in cinemas

If you use any additional music in your premises; including live music, specially featured entertainment (such as DJ sets) theatrical performances or any other types of music, you will need to ensure you are correctly licensed and that this has been declared to PPL PRS.

Please see the 'Additional music' section of the **PPL PRS Cinema Review Form** for more information and to provide details of other types of music used in your premises.



## FAQs

### Who is PPL PRS Ltd?

PPL PRS is a new company, equally owned by PPL and PRS for Music. It has been created to provide customers with a streamlined music licensing service – TheMusicLicence – with a single point of contact to make it easier to obtain a licence to play and perform music in public. Previously, businesses, organisations and venues would have had to purchase two separate licences from PPL and PRS instead.

### What is TheMusicLicence?

TheMusicLicence allows you to legally play and perform music in your business, including when it is part of the film exhibition and when it is used in other areas of your premises. If you play or perform music in your premises you will usually need TheMusicLicence. It will cover you with one licence for the use of virtually all commercially released music available, including millions of songs and recordings, from the most popular and well-loved music not just from the UK but also from around the world.

### Where does my money go?

After deduction of our business costs, the licence fees we collect are distributed to those involved in making music via our parent companies PPL and PRS. They each have databases storing details of millions of musical compositions and recordings. Together with a wealth of information about which music is used, this enables PPL and PRS to determine fairly and efficiently which of their members to pay and how much to pay them.

### What if my premises holds events that do not use music?

It is still important for licensees who host events and performances without the use of music to declare these to us. In doing so, it allows us to ensure that your licence fee and account information is correct. If you are unsure about whether you need a licence, please contact us on **0800 0720 808** or at **cinemas@pplprs.co.uk**.

### What if my cinema premises/company does not host regular cinematic screenings? (less than three days a week over a period less than four months during the year).

If your cinema premises/company does not hold cinematic screening regularly, you will be licensed under other tariffs; which will vary according to the nature of your business. Please contact us on **cinemas@pplprs.co.uk** for more information and for details of other tariffs and charges.

### What if my premises holds theatre performances, pantomimes or comedy shows?

If you are playing or performing music in a comedy show, theatrical performance or pantomime, you will usually need TheMusicLicence. There are a number of different tariffs to license the use of music, both live and recorded, in theatrical and variety performances. Visit [pplprs.co.uk/business/theatres](https://pplprs.co.uk/business/theatres) for more information or contact our Theatre and Variety Specialist at [varietyapplications@pplprs.co.uk](mailto:varietyapplications@pplprs.co.uk).

### What if my premises holds live music events and concerts?

If you are hosting live music events at venue, you will usually need TheMusicLicence. TheMusicLicence covers the live music element at these type of events as well as any additional recorded music used. Recorded music may be in the form of specially featured entertainment (such as DJ sets or discos), karaoke, or in the form of background music used before, after and in between acts. Visit [pplprs.co.uk/business/live-music-festivals-concert-venues](https://pplprs.co.uk/business/live-music-festivals-concert-venues) for more information or contact a member of our live team at **0208 338 1407** or at [livemusic@pplprs.co.uk](mailto:livemusic@pplprs.co.uk).

### What if I use the radio in an office or staff area at my premises?

If you are playing the radio in your business or organisation for customers or employees, you will usually need TheMusicLicence. Although the radio stations pay both PPL and PRS for the right to broadcast, it does not include public performances. Music that is played outside of a domestic environment is classed as a public performance, even if the music can only be heard by employees in the workplace, canteen or staff areas. TheMusicLicence allows you to legally play music for employees or customers in your business or organisation. PPL and PRS use specific tariffs to license the different types of music usage (for example live performance or background music) in your business, so please get in touch with your Account Manager or [cinemas@pplprs.co.uk](mailto:cinemas@pplprs.co.uk) for more information and tariffs.

### Where can I find other tariffs relating to my business?

All tariffs are available on the PPL PRS website, [pplprs.co.uk/business/other](https://pplprs.co.uk/business/other). If you still cannot find what you are looking for, please contact us on **0800 0720 808** or at [cinemas@pplprs.co.uk](mailto:cinemas@pplprs.co.uk).

### What if I can't find the answer to my questions?

If you still have a question about TheMusicLicence, our tariffs or require any more information, please contact us on **0800 0720 808** or at [cinemas@pplprs.co.uk](mailto:cinemas@pplprs.co.uk).

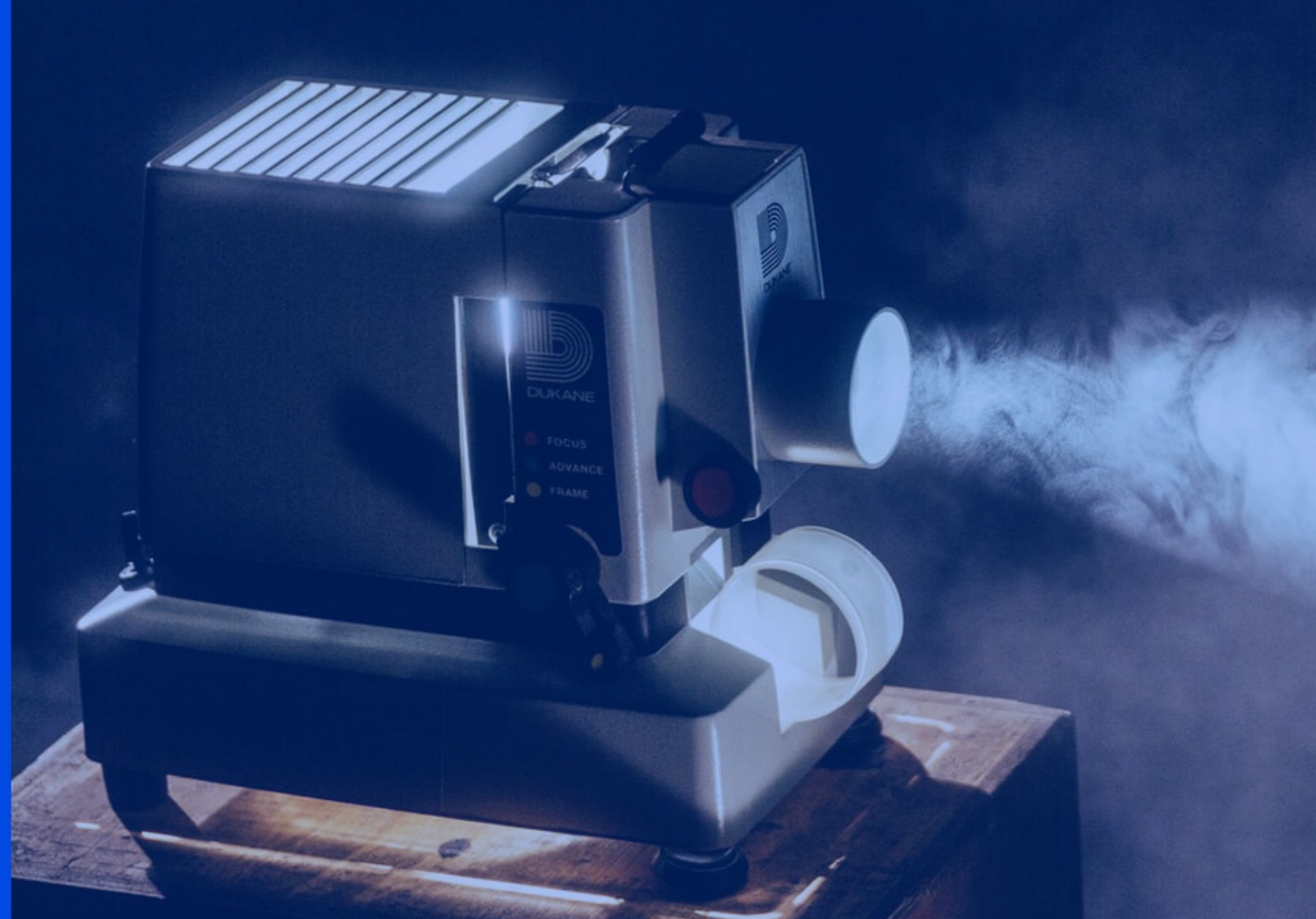


## Contact us

If you want to get in touch:

Call us on **0800 0720 808**, Monday to Friday, 8am to 6pm.

Write to us at **[cinemas@pplprs.co.uk](mailto:cinemas@pplprs.co.uk)**.





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**TheMusicLicence**

