Pan-European Music Publishing and Collective Licensing

CSUSA International Chapter Lunch: Music Licensing in Europe and North America

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Nashville
12 February 2015
Who takes part in traditional „primary“ and „secondary“ exploitation of sound recordings?

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Music Publishers – What is Their Role in Licensing Music in Europe?

Flow of rights agency
Flow of money agency

Flow of rights collecting society
Flow of money collecting society

Author → Music Publisher → Coll. Soc. GEMA etc. → Online Service → Record Company → Online Service → Other Licensees: Sheet music Rental Sync etc.

„mechanical part“ (upload, download): Agency
„making available part“: Collecting Society

Traditional primary exploitation
New online primary exploitation

Other Licensees:
Sheet music
Rental
Sync etc.
One Thing to Keep in Mind: Songs are Often Written by More Than One Author

Composer 50%  
Lyricist 50%

Publisher A  
Co-Composer 1 10%  
Co-Composer 2 10%  
Co-Composer 3 30%

Work of Music

Publisher B  
Co-Writer 1 10%  
Co-Writer 2 10%  
Co-Writer 3 30%

Publisher C
## Performance Rights Societies, Mechanical Rights Societies and Societies for both sets of rights

<table>
<thead>
<tr>
<th></th>
<th>Reproduction Distribution („mechanicals“)</th>
<th>Online use „on demand“</th>
<th>Broadcasting</th>
<th>Public Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>UK</strong></td>
<td>MCPS</td>
<td>„PRS for Music“</td>
<td>PRS</td>
<td>PRS</td>
</tr>
<tr>
<td><strong>US</strong></td>
<td>Harry Fox Agency</td>
<td>Harry Fox Agency</td>
<td>ASCAP</td>
<td>ASCAP BMI SESAC</td>
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<tr>
<td><strong>Austria</strong></td>
<td>Austro Mechana</td>
<td>AKM Austro Mechana</td>
<td>AKM</td>
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<tr>
<td><strong>Germany</strong></td>
<td>GEMA</td>
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</table>
The concept of „Joint Societies“ in which both, authors and music publishers are represented

GEMA „Articles of Association“
Authors
Set of rights assigned

GEMA „Articles of Association“
Music Publishers
Set of rights assigned

Pool of rights

User

GEMA

Pool of money

Authors

Music Publishers

User
<table>
<thead>
<tr>
<th>Author</th>
<th>Music Publisher</th>
<th>Reproduction Distribution („mechanicals“)</th>
<th>Online use „on demand“</th>
<th>Broadcasting</th>
<th>Public Performance</th>
<th>Levies (e.g. for private copying)</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>(X)</td>
<td>(online use of US repertoire – via agents)</td>
<td></td>
<td></td>
<td></td>
<td>(receives share of author revenues)</td>
</tr>
<tr>
<td>GEMA, PRS/MCPS (PRS for Music) etc.</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>Label</td>
<td>X</td>
<td>X</td>
<td>(receives share of artist revenues)</td>
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<td>(receives share of artist revenues)</td>
<td></td>
</tr>
<tr>
<td>GVL, PPL etc.</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>

= remuneration/levy

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Agencies Who are they?

The following agencies are currently acting in the European Market. It is characteristic for each of these agencies that each of them is established and run by at least one collecting society and usually serves the interests of only one major music publisher each.

**SOLAR**
Founded and operated by PRS for Music (UK) and GEMA (Germany), EMI Music Publishing and Sony/ATV Music Publishing (Anglo-American repertoire)

**PEDL**
Founded and operated by Warner/Chappell Music (Anglo-US repertoire)
Associated with PRS for Music (UK), STIM (Sweden), SACEM (France), SGAE (Spain), SABAM (Belgium), BUMA/STEMRA (Netherlands)

**DEAL**
Founded and operated by SACEM (France) by means of a memorandum ("DEAL") concerning multi-territorial use in the fields of online and mobile services and Universal Music Publishing concerning the Anglo-American repertoire

**ARMONIA**
Founded and operated by SACEM, SGAE and SIAE in Europe and Latin America concerning Anglo-American repertoire
Why Sub-Publishing?

Article 11(II) of the CISAC model contract provided until June 2004 that:

“While this contract is in force neither of the contracting Societies may, without the consent of the other, accept as a member any member of the other society or any natural person, firm or company having the nationality of one of the countries in which the other Society operates.”

If I cannot become member abroad, let’s try to co-operate with someone who already is member.
Sub-Publishing – How Does it Work?

Germany

Amsel Musikverlag

- Amsel catalogue
- X MP catalogue

GEMA catalogue

GEMA

USA

X Music Publishing

catalogue

ASCAP

BMIBMI

SESAC

Author

Mechanicals

Reciprocal re. performance

Licensees

Mechanicals 100%

Public Performance ca. 60% artist share
How the German society (GEMA) can grant international licenses (applying country of destination tariffs)

Composer A entrusts world wide rights to GEMA
Publisher B entrusts European rights to GEMA
Sub-publisher C entrusts rights for Germany to GEMA
D: Reciprocal agreements with sister societies (e.g. MCPS, SACEM etc.)

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Thank you!