

A photograph of the Space Shuttle Columbia in orbit above Earth. The shuttle is oriented vertically, with its nose pointing downwards. The white orbiter is attached to the white external tank and white solid rocket boosters. The Earth's surface is visible below, showing a blue horizon and white clouds. The background is the blackness of space.

Annual Review 2013
From Earth to Cosmos



Cover image

Discovery's cargo bay over Earth's horizon docking with the International Space Station
Photographed by STS-114 crew member
27.07.2005

See page 6 for the full story

PPL licenses recorded music when played in public or broadcast on the radio and TV, as well as certain uses on the internet, and then distributes the revenues collected to its members. Established in 1934, PPL exists to ensure that those people who invest their time, talent and money to make music are fairly paid for their work.

Our mission is to manage the sound recording rights entrusted to us by our members, maximise their earnings from the broadcast and public use of those recordings both in the UK and globally, and distribute them in the most efficient manner possible.

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Welcome to PPL's 80th Anniversary Annual Review.

We are pleased that 2013 was, yet again, another year of revenue growth which is particularly gratifying as we celebrate our anniversary. At no point in our history has PPL income been so important to our performer and recording rightsholder members who, in that time, have created and/or invested in millions of recordings. As the music industry continues to evolve, it highlights the significance and value of our members' music: to them as a growing revenue stream, to the UK's economy and culture and to the many thousands of businesses that use their recordings both in this country and around the world.

It is therefore more fundamental than ever that a robust copyright infrastructure is in place to protect their rights and enable them to be fairly paid when their recordings and performances are broadcast and/or played in public. We are delighted that leading copyright specialist Professor Adrian Sterling has kindly contributed an historical overview of 'performance rights' to this Review reminding us all of how far the protection of those rights has come and, contemplating what the future may hold, not just in the UK but, as he says, 'From Earth to Cosmos'.

From Recordings to Collections

6.7 million
sound recordings

79,000
performer members

11,500
recording rightsholder members

325,000⁺
licensed public performance sites
broadcast and online channels

3.8 billion
seconds of airplay

61
different PPO tariffs

68
international
reciprocal deals

£176.9 million
licence fee income collected

The Phonogram Performing Right: From Earth to Cosmos

By Professor J.A.L. Sterling

Sound recordings (phonograms) and films have, from the legal point of view, a number of attributes in common. In the case, for instance, of a sound recording of a song and a film of an adaptation of a novel, there will in each be a creative work of an author or authors, the performers and the recording itself, audio or video.



The techniques of sound recordings and films both came into existence around the end of the 19th century. Rights of authors in respect of the new media were recognised and developed early in the 20th century, but the battle for national and international recognition of the rights of performers and record producers has been prolonged. The main economic rights sought by performers and record producers are those of copying (reproduction) and communication to the public. Moral rights of attribution and integrity of performers are also appropriate. There have been notable achievements regarding the recognition of these rights in national, international

and regional law, and in the administration of the rights in many countries.

The first national recognition of rights in sound recordings came in legislation in Germany in 1910 and the United Kingdom in 1911.

Under the German Law of 1901 as amended in 1910, recordings counted as arrangements of the work recorded, the performer counting as the arranger, the performers' right in the arrangement passing to the record producer. This system was replaced by the 1965 Law as amended, granting to performers and record producers related rights in recordings.

In the UK, the record industry was successful in obtaining the granting to the record producer of copyright in sound

recordings: section 19(1) of the UK Copyright Act 1911 provided that copyright subsisted in sound recordings as if they were musical works. In those days the chief concern was what we now call record piracy, the unauthorised copying and sale of the original recording. Public performance of records in cafés and similar public places was initially of less concern. However in the 1920s, public broadcasting began.

One day in 1932 Sir Louis Sterling (who later became first Chairman of PPL, no relation to the author of this text), one of the heads of EMI (embracing the Gramophone Company and the Columbia Graphophone Company) said to the company's lawyers 'I heard some of



our records being broadcast this morning. Are we being paid for that?' The lawyers decided to consult the leading UK copyright lawyer of the time, Sir Stafford Cripps, whose initial view was that section 19(1) of the 1911 Act only covered copying. But Brian Bramall, a young lawyer at EMI (who later became Director General of the International Federation of the Phonographic Industry (IFPI)), did an extraordinary thing. He wrote to Sir Stafford and said, in effect 'Copyright means copyright and copyright in the record includes the record performing right in favour of the producer'. Sir Stafford agreed. It was decided to take a test case against the proprietors of the Carwardine café in Bristol, where records were

played to customers. On 13 December 1933, Mr. Justice Maugham gave judgement in the case of Gramophone Co Ltd v Stephen Carwardine & Co [1934] 1 Ch 450, holding that copyright under section 19(1) indeed embraced the record performing right. Thus came about the event now being celebrated, the founding in 1934 by British record companies of Phonographic Performance Limited, with the objective of administering the public performance (including broadcasting) rights of its members. Just before, in 1933, IFPI was formed, with members of the record industry from many countries, and with the objectives of representing the record industry as a whole and seeking

recognition of sound recording rights in national and international law. IFPI did not overlook the performers – systems of sharing the revenue received from public performances were introduced, culminating in the IFPI/FIM Agreement of 1954 between IFPI and the International Federation of Musicians. Already in the UK in 1946, PPL had agreed to make *ex gratia* payments to performers from revenues received from the exercise of the phonogram performing right.

Legislation and law cases confirming the phonogram performing right appeared in Austria (1936), Italy (1941) and Spain (1942) and other countries. In Canada the campaign for recognition of the right

The Rome Convention proved a breakthrough and put record producers and performers on the international map as right owners, as opposed to right users.

Stephen Stewart
Director-General



Radio 1 will broadcast continuous pop music from 7am to 7.30pm, followed by light music and entertainment until 2am.



£4.8million

£19million



Marine, &c., Broadcasting (Offences) Act



1960

Performing Right Tribunal rules that jukebox operators must pay fees to PPL

1961

International Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations is adopted in Rome

1963

Philips introduces the cassette tape format

1967

Marine Broadcasting Offences Act outlaws pirate radio stations
BBC launches Radio 1 and Radio 2
WIPO (World Intellectual Property Organisation) established

1969

PPL revenues for the 1960s

1973

PPL grants licences to first UK commercial radio stations

1979

PPL revenues for the 1970s

extended from 1970 for over 25 years, culminating in the recognition of the right on a remuneration basis¹. In the United States the right has been recognised in respect of digital audio recordings but the battle for comprehensive protection of the right still continues there.

On the international stage, exclusive copying rights and, as regards public performance and broadcasting remuneration rights were recognised in the Rome Convention for the Protection of Performers, Phonogram Producers and Broadcasting Organisations 1961 (now having over 91 countries as members). As the 20th century moved on, the phonogram copying and performing rights were more widely

recognised in international law with the adoption of the WIPO Performances and Phonograms Treaty 1996 and the WIPO Audiovisual Performances Treaty 2012 and on the European level, by the adoption of the Information Society Directive 2001.

In general the recognition of the copying right has been seldom contested, but the record performing right has been strongly opposed, particularly by broadcasting organisations in certain countries. The successful campaign² for the phonogram performing right in Australia in 1967–1968 was a turning point in assisting the campaign for recognition of this right in other countries.

While all these battles have been going on around the world, PPL has forged ahead on the representation and administrative fronts. On the representational front PPL was successful in achieving, with the BPI, and with the support of IFPI, the recognition of the phonogram performing right in the Copyright Act 1956 (after a terrific battle which raged from the House of Lords to the last moment in the House of Commons), and on the administrative side, by developing means to meet the almost daily new challenges of technology. PPL has achieved an amazing licence fee total for distribution to record producers and performers. PPL has also established reciprocal agreements with administration societies in other countries.

It's indestructible.
You can spread
jam on it.

Kieran Prendiville
Presenter TODAY'S
WORLD



Copyright, Designs
and Patents Act

£118million



Broadcasting Act

ISRC International
Standard
Recording
Code



1983

Philips and Sony introduce the Compact Disc

1984

PPL reports that £69million was collected for members during its first 50 years
Of that total £38million was collected between 1979–1984
Video Performance Limited (VPL) formed, to license the public performance and broadcasting of music videos

1988

Copyright, Designs and Patents Act introduced
Needletime restrictions are abolished following a report by the Monopolies and Mergers Commission

1989

PPL revenues for the 1980s

1990

Broadcasting Act introduces a compulsory licence for radio airplay

1992

International Sound Recording Code (ISRC) is launched, with PPL appointed as sole agent to issue ISRCs in the UK

1993

Copyright Tribunal sets a new PPL tariff for commercial radio

May I say that I view the constituents of a sound recording – work, performance and recording – as a unity in which the respective right owners, authors, performers and producers and their representatives may with mutual advantage support each other for the recognition and maintenance of their respective rights.

What is the secret of PPL's success?

I believe it lies in three factors – the justice of its cause, the excellence of its administration under the leadership of its executives, and its all embracing attitude in bringing collaboration between organisations in many countries. Much more of this is what is needed in the world today.

Finally, may I look to the future. In the 1950s, when I worked for IFPI, my chief, Brian Bramall, used to say: 'There can be no resting on laurels in the record industry'. He saw that the challenges are perpetual, despite the great achievements of the past, of which in its own case PPL can be rightly proud. Now the challenge is to ensure that the rights of the creative trinity of authors, performers and producers, are extended throughout the Cosmos. Why do I say this? Because there are no national borders to the possibility of communicating works and recordings to the public. National laws apply in national territories but, in default of specific provisions, do not apply in

extraterritorial areas, including Space. Last year a performance of a copyright song was broadcast to the public on Earth from the orbiting International Space Station. National law may apply in separate national sections of the Station. But suppose with the expansion of human presence in Space, a website operator establishes a website on the Moon, such website giving the public on Earth free and unauthorised access to recordings in the PPL repertoire. No copyright law applies at present to cover such activities taking place in areas or on objects in Space. In my view it is a matter of the highest priority for the World Intellectual Property Organisation to achieve the adoption



£430million



1995

MP3 format for digital files appears

1996

UK implementation of the EU Rental Directive strengthens performers' rights, including a right to equitable remunerations, where recordings of qualifying performances are broadcast or played in public

WIPO Performers and Phonograms Treaty adopted in Geneva

1999

PPL revenues for the 1990s

2000

Fran Nevrla appointed as first Chairman and CEO of PPL

2001

PPL and a number of UK performer organisations establish the Performer Forum as a means of working more closely together on performer issues

2002

PPL launches the CatCo electronic database of sound recordings

2003

PPL issues its first internet radio licence (to AOL)

of a Space Copyright Treaty extending the principle of the Berne Convention, the Rome Convention 1961 and the WIPO Treaties 1996, 2012 throughout the Universe³.

So, as Fran Nevrlka says in his Chairman's statement this year, the keynote is 'Onwards and Upwards!'

Congratulations PPL on your first 80 years.

Adrian Sterling



Professor Adrian Sterling has recently completed 60 years of work in intellectual property law particularly in the fields of national, international and regional copyright law. From 1954 to 1974 he worked with the International Federation of the Phonographic Industry (IFPI). He is a consultant to Lamb Chambers, Middle Temple, London, where he practised while at the Bar, Professorial Fellow of the Queen Mary Intellectual Property Research Institute, Visiting Professor, King's College London, and Emeritus, Vice-President of the British Copyright Council and Honorary Member of the British Literary and Artistic Copyright Association.

His writings on copyright are extensive and include World Copyright Law, 3rd Edition 2008.

Footnotes

- 1 For detailed description of the history of the recognition of the phonogram performing right, see J.A.L. Sterling, World Copyright Law (3rd Edition 2008) paras 90.01–90.10.
- 2 The author had the good fortune to participate in this campaign.
- 3 For detailed discussion and draft Space Copyright Treaty, see J.A.L. Sterling 'Space Copyright Law: The New Dimension: A Preliminary Survey and Proposals' (54 Journal of the United States Copyright Society 345 (2007)).

£951.5million



PPL plays an increasing and crucial role in the delivery of value for music in our evolving industry.

**Martin Mills
Chairman and
Founder**



2006

UK performer organisations PAMRA and AURA are merged into PPL with unconditional OFT approval.

PPL Performer Board and Annual Performer Meeting established

2009

PPL revenues for the 2000s

2010

PPL now receives overseas royalties from 45 countries

PPL launches a new Repertoire Database, with strict data quality rules, following a 2.5 year project completed (on time and on budget) to transform PPL's IT systems

2011

UK copyright law is reformed to remove anomalous restrictions relating to licensing the not-for-profit sector for the use of sound recordings

2012

Peter Leatham appointed CEO of PPL whilst Fran Nevrlka remains Chairman

PPL licence fee income is £170.8million

PPL adopts Codes of Conduct for members and licensees, as part of a self-regulatory system operated by UK CMOs under the umbrella of the British Copyright Council

2013

UK implements EU legislation increasing the copyright term for sound recordings to 70 years

2014

PPL has 79,000 performer members and 11,500 recording rightsholder members (registering 18,000 recordings a week)

Chairman's Statement

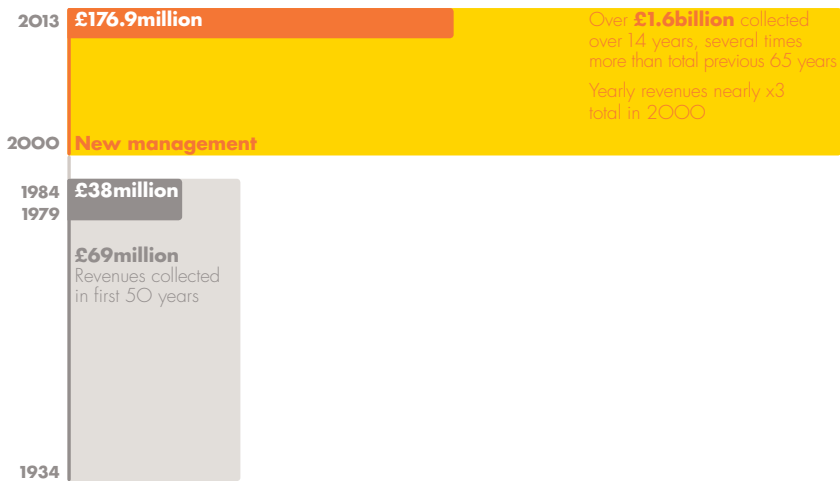
It is with a tremendous sense of pride and achievement that PPL is presenting its results for the 2013 fiscal year. The statistics set out in this Annual Review are very impressive indeed. They are also a fitting tribute to PPL's 80th anniversary which we are celebrating in 2014.



Fran Nevrkla OBE

With the continuing and uninterrupted growth and success which we have been delivering over the last 14 years it is only too easy to get used to good news and yet more good news.

It might be useful for all of us therefore to remind ourselves of the following:



Licence fee income
£m

176.9 +4%

Distributable income
£m

152.2 +4%

Performer membership

+22%

Record company membership

+11%

- Revenues collected during the company's first 50 years amounted to £69million.
- When marking our 50th anniversary in 1984, PPL reported that £38million of that total had been collected during the previous five years.
- By 1991 the annual income collected by PPL was £31 million.
- Our yearly revenues are now nearly three times what they were in 2000 when the key management changes occurred and PPL and VPL annual income combined is now fast approaching the £200million mark.
- During the 14 years of the new management regime, PPL alone generated revenues over £1.6billion, several times more than the total over the entire previous 65 years.

Long gone are the days when PPL income was regarded, as *Beggars'* founder Martin Mills says elsewhere in the review, as the 'icing on the cake'. Quite rightly, these growing revenues are now seen as crucial income streams for the performers and record companies alike.

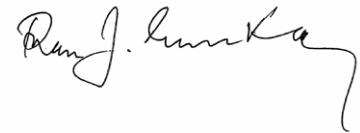
Apart from working in a difficult and challenging economic environment, we also face adversity on the political front, especially as far as copyright is concerned. It seems that as soon as one particular 'copyright review' is completed, the next one gets under way. The cynics, unlike myself, of course, might be forgiven for thinking that someone out there is determined not to stop until copyright is found 'guilty' so that the whole intellectual property infrastructure can be dismantled once and for all. No doubt some academics would celebrate. After all, musicians and singers do not need to get paid, do they? And we don't need record companies, do we? How naïve, ignorant and foolish can you get. And, needless to say, never mind that the creative industries are one of the very few remaining British success stories, something of which this country can still feel proud.

We at PPL shall never stop fighting the good fight, in spite of adversity and all the difficulties. We shall remain in the front line of safeguarding and enhancing the value of the precious rights vested in us by our members. We shall do so with courage and determination, taking pride in what we do and how we do it.

I thank our friends and supporters everywhere, especially the main PPL Board, for their faith and confidence over the last 14 years. The biggest thanks must go to all our staff for the quality of all their hard work without which nothing significant could be achieved.

Lastly, I compliment and congratulate my friend and colleague, Peter Leatham, on being such a worthy successor and for making my continuing role as Chairman so much fun.

Thank you all and 'Onwards and Upwards!'. Here's to the next 80 years!



CEO's Statement

As we celebrate PPL's 80th anniversary in 2014, at a time when the issues of copyright and licensing as a revenue stream in the music industry have never been more important, I am delighted to be able to report that in 2013 PPL, once again, delivered growth in its total collections.



Peter Leathem

The company's progress relies on many things but the relationships we have with our many stakeholders and the trust they show in us, are key to our development.

This was achieved with a strong uplift across our two income streams in the UK (Broadcast and Online, and Public Performance), while our International revenues declined slightly, for reasons explained later in the Review.

Revenue growth can only continue if we also deliver on a range of other related issues – which you will see are outlined in the Company Strategy section. Fundamental to our growth is service and we invested both time and resource in continuing to raise the level of customer service to our licensees and members. We extended our opening hours and also successfully completed the first year operating under our new Codes of Conduct for members and licensees. These codes are supported by a Comments, Feedback and Complaints process culminating in an independent Ombudsman service should any licensee or member remain unhappy with the service that they received from PPL. I was also very proud that, for the second year in succession, we reached the finals of two different customer service awards.

The significant investment we have made in IT systems over recent years is, as we planned, delivering ongoing benefits. We have an excellent platform from which to continue to drive further accuracy and efficiency in our operations while at the same time offering improved and expanded services to members. In 2013 we paid out more money, on more recordings, to more record companies and performers than ever before.

I was delighted that the PPL AGM in 2013 overwhelmingly approved changes to the PPL Board structure to include a further Elected Performer Director. This was a direct result of the wide-ranging discussions we can now have at board level and already has had a very positive impact with Crispin Hunt having been elected at the Annual Performer Meeting at the end of 2013. This means that both featured and non-featured performers are served more strongly than ever around the PPL Board and Performer Board tables. There is now key representation from the Musicians' Union (and, currently, with John Smith as board member, the International Federation of Musicians, FIM), Equity, and the Featured Artists Coalition, as well as attendees from the Music Managers' Forum and the Music Producers' Guild.

Broadcast and Online income
£m

73 +5%

Public Performance income
£m

69.5 +7%

International income
£m

34.4 -6%

Cost-to-income ratio

14.1%

Our progress over recent years in refining our level of operations means that we are now at an interesting point in our development in regard to embracing further opportunities that involve working in new and varying ways with other Collective Management Organisations (CMOs).

In the UK, where our relationship with *PRS for Music* goes from strength to strength, this will benefit our members as well as licensees as we look to simplify further copyright licensing. We launched more joint licensing solutions in 2013 as well as working together on a range of other joint activities to support public performance licensing and we certainly have ambitious plans together moving forward. My thanks and congratulations go to *PRS for Music's* CEO Robert Ashcroft and his team as these developments come propitiously in the year they proudly celebrate their centenary.

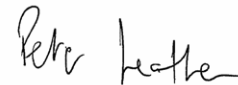
On the International front we have also been working hard with overseas CMOs to seek to improve the efficiency and accuracy of the International collections process around the world. The ongoing evolution of this market is giving rise to considerable opportunities for collaboration and joint working between CMOs.

While these initiatives will take some time to complete, in 2013 we made better progress than ever in pursuing a number of these. Given the size, popularity and success worldwide of their recorded music repertoire, PPL's members should benefit significantly from more efficiency and accuracy across the global community of CMOs if that can be achieved. On our members' behalf, this will therefore be an important strategic priority for PPL in 2014 and beyond.

In conclusion, I would once again like to thank Fran Nevrlka OBE as Chairman. We have worked closely together for many years now and Fran has continued to be a very good friend and colleague. He has been extremely supportive and helpful in so many ways and our working relationship could not be better. I would also like to thank the members of the PPL Board, whose diversity and input adds so much strength to the company, the Performer Board and our various committees for their continued insight, support and governance.

I would also like to thank John Deacon CBE for his sterling service over 12 years as External Adviser to PPL and we all wish him well in his retirement. Above all, I would like to thank the PPL staff for all of their hard work and dedication and for all that was achieved in 2013.

As we celebrate our 80th anniversary, all of those efforts and achievements will stand us in very good stead as we seek to build further on those successes in 2014 and beyond. This is indeed a special year for PPL and comes at a time of ongoing change for the recorded music industry. The company's progress relies on many things but the relationships we have with our many stakeholders, and the trust they show in us, are key to our development. My thanks go to all of them and to those whose testimonials appear in the Review. The testimonials are very much appreciated and provide a very positive commentary on the impact of PPL on a range of the people and companies with whom we work and its growing importance in the modern day music industry. It is a responsibility, as Chief Executive Officer, of which I am very aware and take very seriously.



Company Strategy

PPL's Company Strategy serves as the roadmap for our key activities during the year and helps us deliver our strategic business goals. Having reviewed the ten key areas of focus identified across our business for the previous year, we retained the same ten headings in our Company Strategy for 2013. These then formed the basis of our planning, target-setting and performance management at all levels of the company during the year.

Our ten key areas of focus in 2013:

- Maximise our net distributable income
- Participate in copyright consultations and proposals for reform
- Develop our People Strategy
- Deliver a first class licensee customer experience
- Maximise the pay-out of 2012 collections
- Develop the accuracy of our distributions
- Deliver a first class member customer experience
- Pioneer the management of sound recording data
- Develop joint working with *PRS for Music*
- Explore shared repertoire database solutions

Over the next five pages, we provide a top line summary of some of our key achievements in each of these ten areas.

Maximise our net distributable income



Launched a new licensing tariff for the supply of recorded music to hotel bedrooms, following consultation with the British Hospitality Association



Launched a new Exercise to Music tariff, following consultation with industry trade body UK Active and others



Received first-time international royalty payments from collective management organisations in the Czech Republic and Jamaica (for recording rightsholders) as well as Poland and Serbia (for performers)

See page 38

Participate in copyright consultations and proposals for reform



Worked with other music industry bodies to prepare for implementation of the extension of sound recording copyright to 70 years from November 2013

See page 40



Participated in the launch of Phase 1 of the Copyright Hub, which aims to provide signposting and education about copyright licensing

See page 19



Implemented constitutional reforms to increase the number of Performer Directors on the PPL Board and Performer Board from four to five

See page 10

Develop our People Strategy



Undertook a company-wide job evaluation and benchmarking exercise in partnership with leading HR consultancy firm Mercer

See page 43



Continued to engage with the UK Music Equality and Diversity Charter, including taking on PPL's first apprentice

See page 42



Carried out our bi-annual employee survey, with very positive results compared to national averages

See page 42

Deliver a first class licensee customer experience



Introduced online licensing functionality, enabling internet radio broadcasters to apply and pay for their PPL licence via our website

See page 34



Launched a new Member/Label Search facility, enabling licensees to check via the PPL website which record companies are PPL members

See page 35



Extended our opening hours, to make it even easier for licensees to contact us

See pages 10 and 35

Maximise the pay-out
of 2013 collections

£152.2million

**Achieved the largest ever annual UK
royalty distribution to our members**

See page 10



**Made payments to more members
than ever before during 2013
(39,000 performers and
3,700 recording rightsholders)**

See page 10

+£4.8million

**Released an additional £4.8million to
members (comprising previously held
balances for pre-2012 UK collections)
through data cleansing, conflict resolution
and performer registration activity**

See page 40

Develop the accuracy
of our distributions



**Delivered a 26% increase in the amount of
licensee music usage that was matched to
recordings in the PPL Repertoire Database
for distribution purposes, through improved
acquisition and processing of licensee
usage data**

See page 40



**Further developed our methodology for
the way licensing income from schools,
churches and community buildings is
distributed, through use of third party
survey data**

See page 35



**Further developed our distribution
methodology for background music
licensing income, through data quality
improvements (including additional
music usage data acquired from music
systems providers)**

Deliver a first class member customer experience

 9am–6pm

Extended our opening hours, to make it even easier for members to contact us

See pages 10 and 39



Launched new revenue analysis reports to accompany members' distribution statements, providing more information about their payments from PPL

See pages 39 and 40



Member Services team shortlisted as finalists for two prestigious customer service awards

See pages 10 and 40

Pioneer management of sound recording data



Delivered a Bulk Repertoire Ingest facility, allowing PPL to more easily load large volumes of music data into the PPL repertoire database from overseas collective management organisations (CMOs) and others

See page 40



Worked with our recording rights holder members on developing improved processes and systems for the delivery to PPL of multi-territory rights data about their recordings

See page 40

600,000 updates

Focused on further improvements in performer data quality, making over 600,000 updates to performer line-ups on recordings as well as processing over 436,000 online claims from performers to be linked to recordings

See page 40

Develop joint working with *PRS for Music*



Partnered with *PRS for Music* to launch two new joint licensing solutions covering small workplaces and amateur sports clubs

See pages 11 and 35



Attended various trade shows and events, jointly with *PRS for Music*, to raise awareness of music licensing requirements

See page 39



Exchanged certain data with *PRS for Music* about businesses licensed by one organisation but not the other, to help those businesses become fully licensed (where both licences are needed)

See page 11

Explore shared repertoire database solutions



Led a working group of CMOs to drive adoption of DDEX (a data exchange format) as a standard method for receiving and sending music repertoire data internationally, to improve data quality and consistency

See page 40



Worked with fellow members of the international performer organisation SCAPR on VRDB2, a project aiming to deliver effective sharing of repertoire and playlist data to support the International collections work of CMOs

See page 40



Worked with overseas CMOs to explore opportunities for PPL to provide repertoire-related business services to them

See pages 40 and 41

80 Years Young

Many of our stakeholders have kindly provided testimonials to mark our 80th anniversary. As the saying goes: 'You are only as old as you feel' and we feel '80 years young'! These come from a number of the many people with whom we work around the world and mean a great deal to us.

Music does not exist without performance. One can write scores on paper but they do not come to life without performance. In our country we are blessed with an organisation that looks after all our recorded musical performances and PPL this year celebrates its 80th anniversary. I congratulate PPL and thank all who work so tirelessly on our behalf to protect the performances that we give.

Sir George Martin CBE

From the very start of my work on streamlining copyright licensing for the digital age, PPL has been a firm believer and strong supporter – thank you.

Richard Hooper CBE
Chairman



2013 has seen our partnership with PPL go from strength to strength. Our two societies are now collaborating across many areas of our businesses, either to identify opportunities to provide more efficient and simpler services to our licensees, or in areas where we can share effort and cost, to provide greater returns to our members. It has been a pleasure to work with Peter and the team over this period and I look forward to working even more closely with PPL in 2014.

Robert Ashcroft
CEO



PPL has been an invaluable partner not only to the BBC but also to the thousands of artists who do so much to make our services special. We are incredibly grateful for all their outstanding work, and I am sure they will enjoy at least another 80 successful years.

Tim Davie
CEO



80 years in business – and you all look so young! Expert, professional and solution-focused – PPL have mastered the recipe, looking forward to all the future cakes you make. Encore!

Claire Jarvis
Director of Music



The music industry is an important part of a thriving creative economy, helping to establish the UK's global appeal. It contributes around £3.5 billion annually and provides more than 100,000 UK jobs. PPL has played a significant role in supporting this. In the past 14 years, the updated PPL regime collected £1.6 billion for approximately 70,000 performers and 10,000 record company members. This is a vital contribution and one that I hope will continue to grow in the future.

John Cridland CBE
CEO and Director-General



My thanks to Peter and Fran on behalf of Universal Music and all our labels – and of course on behalf of all our artists – for making the company such a success story. PPL income becomes increasingly significant as the industry continues to evolve and at a time when licensing generally becomes a more prominent part of our overall revenues.

David Joseph
Chairman and CEO



Soundnet views its relationship with PPL as a partnership. We both strive to promote the wonder of music. We are never going to agree on everything, but we always find a way to achieve our common goals. With this in mind, over the last 15 years, we have negotiated new licences which supported the proliferation of digital jukeboxes and digital background music replacing the CD and tape format and increasing PPL revenues significantly. I can honestly say that this would not have been achieved if PPL did not possess a management team keen to tackle the big issues and promote new ideas.

Here's to the next 80 years!

Simon Davies
Owner



The importance of PPL's role in the industry, as a facilitator of music usage, as a generator and distributor of revenue for rights participants, and as an advocate, has snowballed in the last ten years. PPL income is no longer the icing on the cake, but is a fundamental part of the return on investment in talent, often making the difference between profit and loss for companies, and survival or penury for performers. In the digital era, the importance of such intangible rights, and their value to users as an end in themselves, cannot be over-stated.

Martin Mills MBE
Chairman and Founder



I can't imagine a day without music to uplift my mood and bring pleasure, which wouldn't be possible without the vital work conducted by PPL. It is essential that those responsible for bringing music into our lives are appropriately rewarded, and without licensing, the breadth, range and quality of recorded music would be infinitely poorer.

Paul Robinson
Chief Executive



Congratulations on 80 years of channelling funds back to artists, musicians, and labels so we can all continue to invest and create new music. You are an essential part of the musical ecosystem. Here's to the next 80!

**Jason Iley
Chairman and CEO**



PPL does an excellent job on behalf of both performers and record companies ensuring that a proper, efficient and modern licensing environment exists for the playing of recorded music in public. As a member company, Union Square Music is very grateful to the outstanding and dedicated team at PPL.

**Peter Stack
Managing Director**



80 years of PPL revenue growth is applauded by managers and artists who value the income and its efficient distribution as an increasingly valuable part of the income mix in 2014.

**Brian Message
Chairman**



Persuading the public at large of the need for fair recompense for the public performance of music is not an easy task, but one that PPL has stuck to doggedly, producing increasing returns for artists and record companies alike, especially over the past 10 years. As music has become more freely available with scant compensation for producers and artists, PPL has helped maintain its true value and the income generated by them really helps Ace Records keep up the quality and depth of physical catalogue releases. Happy 80th and onward to 100 plus.

**Roger Armstrong
Managing Director**



We congratulate our colleagues from PPL with their 80th anniversary. The neighbouring rights sector has grown by storm in recent years to a worldwide turnover of around €1.8 billion. PPL definitely is in the forefront of the leading parties in terms of size, quality of service and innovation. Besides the traditionally important broadcasting revenues great strides are being made to optimise the market penetration in the Public Performance area in the UK. The international exchange of data and monies have gained in importance significantly in the last decade as well.

We at Sena feel connected with our colleagues at PPL in our efforts to further professionalise the performance rights sector, maximising distributions for our rightsholders, record companies and performers. A prerequisite for success is an enhanced international cooperation and further digitisation of workflows. However in the end it all boils down to people's work. We thank the PPL team for the cooperation in recent years and look forward to a successful continuation in the future.

**Markus Bos
CEO**



PPL does an outstanding job working to ensure that record labels and performers are fairly paid when their music is used in the UK and around the world. Its growth over the last ten years has been exceptional and it sets a benchmark internationally for the efficiency and professionalism with which it does its vital job. We wish all at PPL the very best for the next 80 successful years!

Geoff Taylor
Chief Executive



Since its foundation, PPL has been instrumental in ensuring music creators are fairly compensated for their work and that role has never been more important than it is today. We are grateful for the dedication and support of Fran, Peter and their team and look forward to the next 80 years of PPL.

Max Lousada
CEO



To the Performer it is hard to overestimate the importance of the work that PPL is doing on our behalf as it opens up a very real and important income stream which is of increasing value to performers as well as an acknowledgement by society of our skills and our contribution to the culture and the economy of the UK. As the importance and the value of music continues to increase there is a need for a highly skilled and efficient representative Performer organisation which is able to invest in the relevant IT technology and staff, and be fully aware of the commercial value of music to businesses, and that organisation is PPL. Over the past few years there has been a substantial increase in revenues collected and the services provided to performers which has been great to see. Congratulations on reaching 80 and may the skills, dedication and commitment at PPL continue for many more years to come.

Gerald Newson
Chairman
PPL Performer Board



PPL stands out as a beacon for recording industry Music Licensing Companies thanks to the outstanding performance of Fran and Peter and the team. PPL's professionalism and continuous drive to improve all aspects of its rights management services has not only benefitted its direct members, PPL's example has helped the industry Music Licensing Companies worldwide develop their services. I wish PPL a well deserved happy anniversary and look forward to future cooperation.

Frances Moore
CEO



It is hard to overestimate how important PPL is to the music industry. PPL cares deeply about, and works very hard to ensure that all companies and all performers receive what is due to them from the use of their copyrights in public performance and broadcast. Wishing you a very happy 80th Birthday!

Alison Wenham OBE
CEO



In 2014 PPL will celebrate 80 years of collecting income on behalf of its ever increasing membership.

With the continuing decline in sales of recorded music, this income is becoming one of the most important revenue streams for all creators and owners of sound recordings.

Conversely the massive increase in music consumption requires that the PPL team stays ahead of new technology and licensing opportunities. I know from my own personal experience the whole PPL team works extremely hard behind the scenes on behalf of all of its members to maintain its position as one of the world's leading collection societies.

For many artistes, record producers and smaller record labels, this money is often a lifeline that enables them to continue to live, create and trade.

The MPG is extremely proud of its continued relationship with both the performer and main PPL boards as well as all the staff at PPL.

Steve Levine
Chairman



For a label like Chemical Underground, PPL revenue can feel like a £10 note being thrust into your pocket by an insistent aunt or, occasionally, the administration of life-saving CPR just as the lights are starting to dim. Music has a ubiquitous, enriching role to play in all of our lives, so how we choose to value that music and support the people making it for us, is as important now as it was 80 years ago. PPL – wittingly or otherwise – has helped Chemical Underground on a number of occasions and for that we remain enormously grateful. PPL's support for The Scottish Album of the Year (SAY) Award too, has been vocal, unswerving and invaluable: on behalf of the Scottish Music Industry Association and its members I'll simply say 'thanks' and 'many happy returns'.

Stewart Henderson
Chemikal Underground
SMIA and The SAY Award



I look forward to the day when every company that operates in the music industry pays the artists they do business with in as fair and equitable a way as PPL. They are a great example of how collection and distribution of licence income should be done.

Mark Kelly
Director FAC
Marillion – Keyboard Player
Songwriter



As accountant and tax advisor to recording artists, I see PPL as one of our clients' strongest allies.

PPL has made the successful transition from being a society representing record labels to a society that now sits equidistant between label and recording artist. It has an artist steer, making it an accessible friend.

Decreasing record sales have made PPL's endeavours to seek out public performance revenue for the artist, both in the UK and throughout the world through its affiliates, a key contribution to the artists' earnings. PPL revenue has risen over the years. Our recording artists appreciate and value the efforts, expertise and affiliations that PPL have developed to promote their work and ensure a fair return.

**Colin Young
Director**



Congratulations to PPL in its 80th year. The more I learn about the International Music Business the luckier I feel to be a UK performer and a part of this world leading collection society. PPL is a market leader in efficiency, data collection, responsibility and service to its members and continues to strive to lead the way through the ever changing musical and copyright landscape. Most importantly by sharing its knowledge and experience across multiple territories PPL works to benefit not only UK performers and rightsholders but the entire global music community.

**Crispin Hunt
Director FAC
Performer, producer
and songwriter**



Congratulations to PPL on celebrating its 80th anniversary. The MU and PPL have worked closely together since the very early days. It was in the 1940s, long before the Rome Convention, that PPL acknowledged, in practical terms, the importance of the contribution of performers. Our two organisations worked in tandem to secure the agreement with the BBC on 'needletime' and our partnership was renewed in the late 90s when the transposition of the rental directive gave UK performers the right to Equitable Remuneration. It was on the latter development that I worked closely with Fran and Peter, not just for months, but for a number of years. We now witness, with the incredible success of PPL, the fruits of our labours. PPL, one of the largest record label/performers' CMOs in the world has grown its revenue streams year-on-year by levels that could never have been predicted when we embarked upon this journey and now provides a crucial income stream for tens of thousands of performers. It's been a pleasure working with you all at PPL and I look forward to many more years of this success story.

**John F Smith
General Secretary – Musicians' Union
President – International Federation Musicians (FIM)**



Congratulations on making it to 80! You have matured into a spectacularly successful business, which is now right at the heart of essential revenue generation for the benefit of the whole of the UK recorded music industry and its performers. It is quite remarkable how your business has been transformed for the better by Fran, Peter and their outstanding team. They have positioned you marvellously well for the next 80 years!

Ian Mill QC



PPL has been a member of the British Copyright Council since 2007 but even before then there was a close relationship. Since joining, PPL has played an active role in the BCC, most recently through encouraging and participating in our work on voluntary codes of conduct for collecting societies. PPL's work demonstrates the value of copyright, providing access to protected works while benefiting increasing numbers of musicians and other performers as well as record companies both here in the UK and also overseas. The BCC is proud to be associated with PPL.

Congratulations PPL on 80 years of great work – long may it continue.

Janet Ibbotson
CEO and Company Secretary

British Copyright Council

PPL stands out as an organisation which genuinely seeks to engage with its members and customers beyond the Watford Gap. The long-standing partnership we have enjoyed with Wide Days, has proved to be a model we hope other industry bodies will seek to emulate. By supporting the convention, PPL has helped countless copyright owners understand a crucial revenue source, and has established a very important link to the Scottish industry.

Olaf Furniss
Director

BORN TO
BE WIDE

Many congratulations to PPL on reaching the grand age of 80 and still being so sprightly. Your growing influence and significant achievements in identifying and collecting revenues for record companies and performers is truly remarkable. This is built on the solid foundation of staff, record companies and performers working together in partnership and will ensure that PPL is able to continue its great work for the next 80 years.

Christine Payne
General Secretary

Equity

Happy Birthday to PPL and thank you for advising UK Music from our creation in 2008. We are only six years old so having your experience guide us toward a genuine and strong voice on behalf of the music industry is invaluable. Six-year-olds characteristically enjoy taking on new roles and responsibilities, but still require much direction from adults and frequently ask questions to ensure that they are completing tasks the right way. We do frequently ask you questions and we are grateful for the care and consideration PPL has given towards our development. PPL continues to succeed in ensuring that those who create recorded music are fairly paid for their work and long may your good work continue. Happy Birthday and a big thank you from UK Music.

Jo Dipple
CEO

UK
UK MUSIC

SAMI would like to congratulate PPL and join them in their 80 year celebration. We have enjoyed the good collaboration between our organisations over the past years. Both SAMI and PPL hold a large international repertoire and thus are constantly striving to improve the bilateral exchange of remuneration for our performers. We look forward to the continued challenges and progress in our work and the good collaboration for several years to come.

**Stefan Lagrell
CEO**



Music has the power to transform venues and can add real value to any business. Having worked with thousands of performers over many years, I feel it's important to recognise that creativity, and the joy that it can bring to others. Plus it's organisations like PPL that make sure those performers are paid fairly for their work.

**Tony Moore
Director of Music
Singer and songwriter**

The Bedford – a leading pub and music venue, Balham, London



At a time when record labels and recording artists see their income from physical sales diminished on a daily basis to be replaced by revenues from digital exploitation that are, at the present time, a fraction of the sums lost, PPL's success in increasing revenues from exploitation by public performance has been (and continues to be) a life saver for them. Fran Nevrlka and now Peter Leathem and their excellent team have achieved remarkable success and that they have continued to do so in such adverse market conditions is exceptional. Without that success there are many labels and artists who would not be able to derive a living from their work and creativity. The entire team at PPL deserves the highest congratulations for a resurgence and contribution that began over 14 years ago and continues today to go from strength to strength.

**Paddy Grafton Green
Senior Partner**

Michael Simkins LLP

There have been many successes since PPL's inception, but certainly one of the company's greatest achievements has been the incorporation of performers' rights alongside and under the umbrella of those of the record companies.

Performers, both in the UK and around the world, previously faced many hurdles in order to get accountable and transparent management of their performance rights, as AIE knows well since its formation back in 1996. However, the arrival of performers directly into the PPL fold in 2006 marked a turning point for everyone both nationally and internationally.

AIE's relationship with PPL has always been immensely productive and I think the mutual respect between the two organisations has brought about a professional relationship that extends beyond the exchange of rights and data and on to sharing a long term vision of the entire global sector of performance rights.

Everyone at AIE wishes PPL and all its members continued success for the next 80 years – and beyond! We congratulate PPL, its boards and governing bodies for their good and rigorous management in regard to intellectual property and rightsholders and we hope that our strong and productive relationship leads us to an even better understanding and partnership with all other CMOs around the world.

Luis Cobos
President of AIE and FILAIE
Composer and conductor



Since 2003 Gramex Denmark have had agreements with PPL to ensure payments from Denmark to the members of PPL and vice versa. Over the years more than £11.5million has been transferred to British performers and record companies. This has only been possible due to good cooperation between our societies. Flexibility and the willingness to find new solutions have been keywords in the corporation between Gramex and PPL, and we look forward to continue and develop the good working relations to the benefit of performers and record companies.

John R Kristensen
Managing Director and CEO



Congratulations to PPL on its 80 year anniversary from your Australian colleagues at PPCA. We have enjoyed a successful working relationship with PPL over the years and look forward to our continuing partnership for many more decades to come.

The work PPL does in collecting money for its members overseas is an important and an increasingly significant income stream for recording artists and labels. Keep up the great work!

Dan Rosen
Chief Executive
PPCA



PPL have a really hard job. Scaling up the operation to process more data by a factor of millions over the last 10 years. Straddling and representing and uniting the different interests of major labels, independent labels and performers. Migrating from a UK to an international operation. The result is that Peter and his team are the most successful collection society in the world. They shoot, they score.

**Martin Goldschmidt
Chairman**



I warmly congratulate PPL on its 80th anniversary. PPL does a fantastic job in ensuring that artists, performers and record companies receive the remuneration that they are due. Britain has arguably the most successful music industry in the world – PPL plays a vital part in ensuring that remains the case, by supporting established performers and helping to generate the investment to develop the talent of the future.

**John Whittingdale OBE MP
Chairman**



As the managing director of Island Records throughout the 1990's I watched the growing importance and efficiency of PPL with interest. Year-on-year the numbers reflected the growing importance of the society and became more and more important to the success of the Island Records business. Now, as the Chairman of a management company with a number of successful artists including Jessie J, I can say without equivocation that our relationship with PPL has grown more important than many of the traditional bodies that spring to mind. This is an organisation that has grown to become an 'August body' by sheer dint of efficiency and transparency. Here's to PPL's next twenty years and beyond.

**Marc Marot
Chairman**



I am old enough to remember the days when PPL seemed like a mysterious secret benevolent society which periodically distributed cheques to grateful record companies and artists alike, much like premium bonds today. No one really appeared to know how the income was calculated or by virtue of what right you were entitled to receive it. All that has changed and Fran and latterly Peter have led PPL 'Into the 21st century and beyond' making the organisation more transparent, efficient and inclusive than ever before. The importance of PPL in this ever changing world of music which we try to navigate cannot be overstated and should not be underestimated. I am very happy to congratulate them on 80 years in the business, marginally longer than my own tenure.

**Chris Organ
Senior Partner**



We have been privileged to work alongside PPL in improving the protection given to recorded music, helping to ensure a fair return to the talented individuals and companies responsible for so many memorable recordings, and look forward to continuing to assist such a world leader.

Saleem Sheikh
Senior Partner



Congratulations PPL on your 80th anniversary. During my long career in the record industry I have seen many different sources of income. As both a customer and a PPL Board member I am firstly very grateful and secondly very proud, to be associated with an incredibly well run company that has consistently delivered above expectations every year and developed its business strategy to reflect the fast moving music industry. I hope to be around for its centenary. All the best PPL!

Adrian Sear
Commercial Director



There are many reasons why I enjoy working with PPL. The ability to obtain detailed analysis of income sources; the approachability of all of its staff to help with providing historical information and documents without any fuss or delay or general advice; the fact that we have regular discussion groups/workshops at our offices with PPL experts, has enabled our staff the ability to understand more clearly the way that collections are made and distributed. There are plenty of other examples that I could list but above all these, is knowing that PPL has been in existence for 80 years that gives me the total comfort that the organisation is reliable, efficient and totally transparent in its dealings with each of my clients.

Chris Panayi
Senior Partner

C. C. Panayi & Co. LLP

As partners in connecting audiences with music, the BBC congratulates PPL on its 80th anniversary and looks forward to continuing to work collaboratively together on effective solutions for music licensing.

Roger Leatham
Controller of Rights
Legal and Business Affairs



As a Co-Chair of the FAC, I know from speaking to many of our members how incredibly important PPL's diligent work is for performers. The revenues they collect and distribute are absolutely critical in the complex world of the 21st century music business.

The FAC was only formed in 2009, so we are youngsters compared to PPL, but they have not only warmly welcomed us into their organisation, but have provided invaluable help and support. This is a great opportunity for me to personally thank Fran and Peter in particular.

Nick Mason
Co-Chair FAC
Pink Floyd – Drummer



As Secretary General of CPRA/Geidankyo, I offer my heartfelt congratulations to PPL on its 80th anniversary. Over the years, PPL has made a significant contribution to the major task for the accurate rights protection and management, and also very close and confidential relationships have been established between PPL and CPRA/Geidankyo. In this respect, both organisations are making a considerable contribution to the future capabilities of the performers' rights. I'm sure the collaboration with you will be as productive as it was in our past years, and may PPL and the staff be prosperous for many of the years to come.

Shu Masuyama
Secretary General
CPRA/Geidankyo



The Malaysian recorded music industry has benefited over the years and continues to benefit significantly from PPL's considerable expertise and professionalism. Commencing with licensing tariff guidance back in 1991 to central music recording database development advice in 2010 and reciprocal representation support for both recording labels and performers more recently, PPL has proven to be an invaluable partner for the RIM Group and we heartily congratulate PPL on their 80th anniversary as we continue to work closely for the mutual benefit of our respective stakeholders.

R Ramani Ramalingam
Group CEO
Recording Industry Association
of Malaysia (RIM)
Public Performance Malaysia
Sdn Bhd (PPM)
RIM Digital Music
Sdn Bhd (RDM)



It is a pleasure to congratulate PPL in its 80th anniversary. The work performed by PPL's teams have throughout the years proven to be essential to the music industry. Performers and record companies can now safely rely on a source of income that would be unimaginable without collective management.

ABRAMUS specifically has benefited very much from PPL's international activity. PPL was one of the first societies to support ABRAMUS and its staff and has always been available to help us with understanding the Neighbouring Rights international network and with developing our systems to exchange more fluently with foreign societies.

I believe no one can argue that PPL's role in the future developments of the music market is of absolute importance. Moreover, we at ABRAMUS hope that our partnership can persist and grow so that Brazilian and British artists and record companies can make the most out of their music.

Robert Correa de Mello
President



PPL as a professional, resourceful and diligent organisation remind us all, at a time when our rights and the revenues we collect are becoming more and more critical to performers, of the responsibilities that all CMOs have to their members. Since joining SCAPR in May 2013, I am pleased that PPL has played a significant role in SCAPR's initiatives around the world.

**Brad Keenan
Chairman of the Board**



Warm congratulations from Finland to PPL on your 80th anniversary. We have really high respect for PPL's contribution to improve collective management of copyrights of recorded music. As the leading organisation in this field, PPL has a great significance for all musicians and producers not only in Britain but also worldwide. PPL and its staff deserve a great commendation for your long career for the benefit of the music industry.

**Ilmo Laevuo
President**



PPL in recent years invested in modern IT technology in pursuit of its vision of distributing its collections fairly, accurately and transparently. They continue to develop that technology and it is way ahead of anything else we have seen in the music industry attempting to do the same task.

Most do not understand how complex it is to keep the multiple-sourced recording data clean, to match it in as granular a way as is possible to the usage returns from the licensees, and then to apply the funds to that matched usage to distribute in a timely and accurate manner. This is akin to a stock exchange – the amounts may be a little smaller – but the complexity is as high.

Working with PPL over the last eight years we have seen the leadership create a clear and tangible vision, backed it with sensible and well thought through technical and organisational investments, and followed through on those to create a cost efficient collection society ready to cope with the digital age.

PPL is an organisation that puts its members first and that has been the ultimate design principle in all of their developments. They balance it with creating a happy and productive workplace, and always retain that sense of belonging to the music industry.

We wish them a very happy anniversary, and more than anything look forward to them exerting their influence and professionalism across the rest of the world. Much can be learned from PPL's journey over recent years.

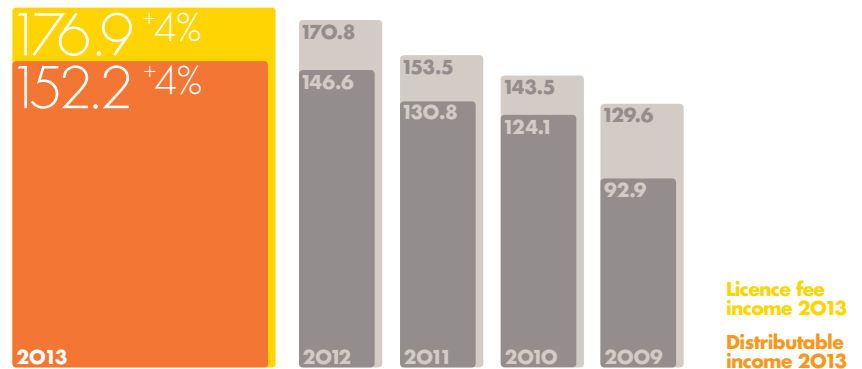
**Neil Allcock
Partner
UK Media Leader**

Deloitte.

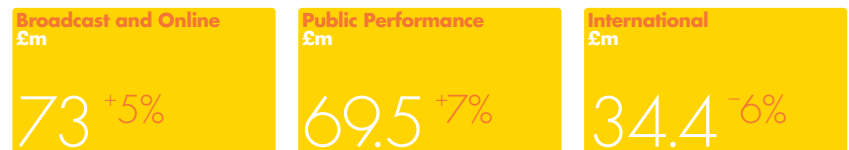
Financial Summary

PPL's income in 2013 was £176.9million, an increase of 4% on 2012 income. Despite the adverse economic environment year-on-year growth was delivered in both major UK income streams, Broadcast and Online, and Public Performance. In addition PPL's cost-to-income ratio was 14.1%, reduced from the 2012 level of 14.4%.

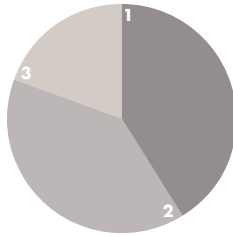
Licence fee income and distributable income £m



Licence fee income by sector £m



Licence fee income by sector %



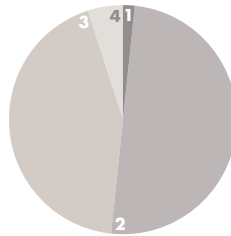
- 1 Broadcast and Online 41.3%
- 2 Public Performance 39.3%
- 3 International 19.4%

The appetite of businesses to make use of recorded music continues to rise. PPL's role in facilitating the collective licensing of sound recordings grows in importance, as does the value of the income we collect on behalf of all our members. This reflects the music industry generating its revenues from an increasingly diverse range of business activities.

Broadcast and Online

In the broadcast sector, overall growth in income of 5% was achieved in 2013 despite difficult conditions in the commercial radio sector and increasing competition from new online services. The use of recorded music by such online services is largely licensed directly by PPL's members, limiting the potential long term growth of PPL income from this sector. Growth in income was mainly achieved through annual increases in long-term licensing arrangements with major television broadcasters.

Anti-piracy and industry contributions £k



- 1 BPI (Net)* 2,495
- 2 IFPI 652
- 3 UK Music 562
- 4 AIM and Impala 65

Public Performance

With annual growth of 7%, PPL's public performance sector had another successful year in 2013. An enhanced focus on raising awareness levels of the requirement for many businesses to hold PPL licences, supported by improved internal processes, led to significant increases in the number of premises licensed.

International

The international sector achieved £34.4million in 2013, which was 6% lower than 2012. The ability to achieve growth in international income has been hampered by a number of factors such as delays in distributions by some overseas collective management organisations and the impact of significant historical payments collected in 2012 which were non-repeatable in 2013. Despite this PPL continued to increase the number of members using its international service and the number of territories from which income was collected.

BPI Breakdown £k

- 1 Funding 2,526
- 2 Recoveries (31)
- 3 Total 2,495

Summary

One of the consequences of the digital age is the creation of thousands of new small businesses producing recorded music as either record companies, performers, or increasingly as both. This is reflected in the continuing growth of PPL which, in turn, builds on the continuing strength of the UK creative sector and its growing contribution to the UK economy. The income PPL collects and distributes, whilst of increasing importance for all its membership, is particularly important for such small new businesses which benefit substantially from the collective licensing of their repertoire alongside that of major international labels.

Business Review

In this section we look in more detail at PPL's three Business income sectors: Broadcast and Online, Public Performance and International. We worked hard during the year not only to maximise licensing income but also to make further improvements to our services to members, and this section summarises those developments as well.

As partners in connecting audiences with music, the BBC congratulates PPL on its 80th anniversary and looks forward to continuing to work collaboratively together on effective solutions for music licensing.

Roger Leatham
Controller of Rights
Legal and Business Affairs

BBC

I can't imagine a day without music to uplift my mood and bring pleasure, which wouldn't be possible without the vital work conducted by PPL. It is essential that those responsible for bringing music into our lives are appropriately rewarded, and without licensing, the breadth, range and quality of recorded music would be infinitely poorer.

Paul Robinson
Chief Executive

**THE RADIO
ACADEMY**

Broadcast and Online 2013's 5% growth in broadcast and online revenues to £73million was principally driven by the commercial television sector.

Outstanding licensing agreements with a number of major commercial broadcasters were satisfactorily concluded in the course of the year, including settlement payments in respect of some past periods. Agreements are now in place with all of PPL's major commercial television partners and revenue from this sector is now expected to stabilise in the coming years.

A similar stable position can be projected for PPL's revenues from the BBC, with licensing arrangements covering BBC television, radio and iPlayer services in place through to the renewal of the BBC Charter in 2017.

In addition to its licensing of broadcasts, PPL facilitates the inclusion of recorded music in UK television programmes sold to the international market. The success of such sales in recent years has been a further source of growth in PPL revenues.

Commercial radio continued to experience challenges in maintaining its share of advertising revenue. The slow recovery in PPL receipts from this sector noted in recent years stalled in 2013, with revenues flat year-on-year. Alongside the commercial radio sector, PPL continued to license a diverse range of other radio services including community radio, student radio, hospital radio, prison radio and various restricted service broadcasters.

The number of small online radio broadcasters licensed by PPL continued to grow, facilitated by the introduction of 'self-service' online licensing functionality on the PPL website. Revenue growth from such licensees however, was offset by a decline in revenue from the larger online radio services licensed by PPL, where the market has moved to more interactive online services licensed directly by rightsholders.

Public Performance

2013 was a year that saw further consolidation and downturn in several of our licensees' sectors.

However, despite difficult trading conditions for many businesses (including our own members, the overwhelming majority of whom are small businesses or sole traders), the growth achieved was a credit to the Public Performance Operations (PPO) team.

This strong performance was achieved for a number of reasons which include adopting a variety of new work practices, such as multi skilling staff. We also extended our opening hours, enhanced our training processes and, through the course of the year, made it even easier for customers to obtain a licence, particularly through the development of online licensing introduced in the spring. In addition we introduced a new Label Search facility on our website which allows our potential customers to see whose repertoire is included in their licence. All of these initiatives made it easier for customers to engage with us and pay us. These significant improvements to internal processes and systems continued to lead to more effective and efficient customer service delivery as well as helping to increase our market penetration.

We continued our drive to raise awareness of licensing requirements with geographic campaigns, focusing on the wider business community, as the base for regional and national presence throughout the UK. We continued to work in Scotland and our new sponsorship of the Scottish Album of the Year (SAY) Awards helped us enormously in our efforts to extend important relationships across our Scottish customers – as well as members, MPs and MSPs.

Our aim has been to continue this long term, strategic approach to build awareness of the value to businesses of recorded music. In addition we carried new research to support our MusicWorks initiative (www.musicworksforyou.com). We gained significant media coverage through both regional and sector driven research, focusing on Scotland, the West Midlands and retail businesses. We will be focusing similar efforts and research on various other areas across the UK in 2014 and beyond.

We increased the level of joint work with *PRS for Music* and the MusicWorks project is one of several we carried out together. Other projects included shared marketing and PR work as well as collaboration at licensee events where our joint presence enables customers to learn about both companies. Most importantly we launched two new joint licensing solutions, for Amateur Sports Clubs and Small Workplaces (those with fewer than four employees), which increase the number of PPL and *PRS for Music* joint licensing solutions to seven.

The Business Relationship Executive (BRE) team (who look to improve the understanding and communication between PPL and businesses and trade associations around the country) continued to play a key role and attended a growing number of events including local Chamber of Commerce meetings and trade events in order to build relationships with yet more businesses.

Asha's is renowned for creating a great atmosphere in the Birmingham restaurant both at lunchtime and in the evenings, when recorded music sets just the right mood for customers and staff. At Asha's we firmly believe that playing music is a vital ingredient in our business success.

Dominic Norunha
General Manager



Music is great at helping to create and set the right tone and ambience, as well as adding to the overall customer experience at The Butterfly and The Pig.

Paul Banham
General Manager



We increased the level of our business-to-business marketing and our pay-per-click (ppc) advertising was particularly effective with an 11% increase on our return on investment. We sought to ensure that the design and navigability of the PPL website was simple and user-friendly with an enhanced emphasis on public performance licensing. This resulted in a 10% increase in web traffic year-on-year – with 70% of all visitors being new. In addition we developed our social and online presence significantly and saw our number of Twitter followers grow 34% since the autumn to the end of the year. This increased level of one-to-one engagement with our customers is critical for us to develop relationships and understand better their respective businesses. The newsletters proved increasingly popular – in particular the Christmas quiz – and our animated introductory film, launched in the spring, was particularly effective and well-received and is something we will continue to develop through 2014.

All this activity helped to deliver a healthy percentage of customers renewing their PPL licence for a further year and prompted a significant increase in the number of new applications for licences made via the PPL website. On average we had 600 voluntary applications for licences per month through the year (which was in addition to the continual process of PPL contacting businesses to raise awareness of music licensing requirements throughout the year). This is an extremely encouraging trend and we would like to extend our thanks not only to these businesses but also the many customers who pay on time for their PPL licences. This avoids unnecessary administration and cost and allows us to focus on providing a high standard of service.

In addition to licensing the public performance of recorded music, PPL also licenses the commercial copying of those recordings. This is for companies that supply music systems for businesses wishing to enhance their environment through the playing of recorded music. We have continued to work with our licensees to create new and innovative licenses to enable a positive response to customer demand.

For example, in 2013 we updated our digital jukebox licence to cover the scenario where people use their mobile phones to order and pay for tracks to be played on digital jukeboxes, without having to leave their seat. We understand that this has proved very popular with the customers of our digital jukebox operator licensees; it has also increased PPL's revenue from this sector.

We are committed to developing further new licensing solutions going forward, to adapt to the constantly changing market as well as responding to customer demand, in order to ensure that we maximise our members' revenue in the years to come.

We find having music playing in our stores creates a relaxed and informal environment for both customers and staff. We are the world's leading student and youth travel company and are here to help young people start their adventure. Having a range of music playing in our 50 UK stores creates a great atmosphere to allow time to chat to our travel experts and ensure our customers have all the tools necessary to create their ideal itinerary.

Laurence Bresh
Marketing Director



Music is very important to creating the right atmosphere for our customers here at Waxy O'Connors. Our guests expect to hear traditional Irish music and that's what we give them through the week. We mix it up with some modern music too and come the weekend, we also play live music.

I would agree that music definitely contributes to keeping our customers staying in the venue for longer and even spending more at the bar. It also keeps the staff motivated, especially when we download a new playlist of music, which we do every couple of weeks.

Therese Grethe
Venue Manager



International

After 10 years of consistent growth 2013 saw a decline in international revenue of 6% to £34.4million. The majority of the sum collected was on behalf of performers, which amounted to £30million (87% of the total), while the remaining £4.5million (13%) was collected for recording rightsholders and represented 15% year-on-year growth.

The decline on the performer collections was down to what is still a relatively new market which makes it difficult to maintain an even growth pattern, particularly as we have settlements from collective management organisations (CMOs) for past years being made from time to time as PPL expands its international collection activities.

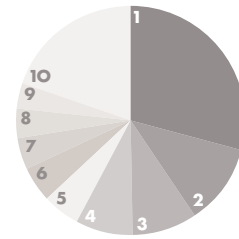
The table of the top 10 countries by total collections for record companies and performers shows that on the whole good progress was made with most of the top 10 countries, leading to increased payments, with particularly good progress having been made with SoundExchange in the US, who have been doing such a good job of significantly increasing their collections in recent years.

Ongoing difficulties with the distribution system in Germany in particular mean that significant past revenues are currently held there and it will be several years before a clear pattern of revenue from Germany emerges, which for such a significant country has a big impact on the entire market including PPL. While we achieved an increase in collections for the majority of CMOs in 2013, collecting £5.6million less from Germany (GVL) year-on-year and £1.4million less from Belgium (Playright) had a significant impact on the overall performance.

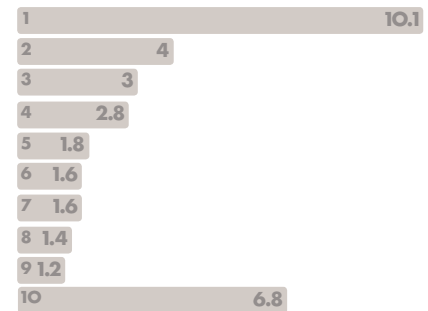
International collections will be a growing revenue stream moving forward. It is interesting to note that, following all of the good progress that we have already made, PPL's international collections for performers now account for over half the global market for performer international payments from performance rights income, which is no small achievement since PPL fully started collecting overseas for performers in 2006 following the merger of the performer CMOs PAMRA and AURA with PPL.

This wider market often suffers from poor data quality, which is then compounded by the sheer volume of that data and a lack of the necessary IT systems within all CMOs to support those volumes. These are issues that PPL is currently seeking to address collaboratively with a whole range of CMOs and we are delighted at the level of interest among CMOs to work on these issues, which we all have inherited as a result of the collection and management of data over the last 50 years of the music industry not always being as important as it is today.

International income by country %



International income by country £m



Key

1 USA 29.4%	6 Denmark 4.8%
2 France 11.6%	7 Japan 4.6%
3 Netherlands 8.9%	8 Sweden 4.1%
4 Germany 8.2%	9 Norway 3.5%
5 Spain 5.3%	10 Others 19.7%

I believe no one can argue that PPL's role in the future developments of the music market is of absolute importance. Moreover, we at ABRAMUS hope that our partnership can persist and grow so that Brazilian and British artists and record companies can make the most out of their music.

**Robert Correa de Mello
President**



There have been many successes since PPL's inception, but certainly one of the company's greatest achievements has been the incorporation of performers' rights alongside and under the umbrella of those of the record companies.

Performers, both in the UK and around the world, previously faced many hurdles in order to get accountable and transparent management of their performance rights, as AIE knows well since its formation back in 1996. However, the arrival of performers directly into the PPL fold in 2006 marked a turning point for everyone both nationally and internationally.

**Luis Cobos
President of AIE and FILAIE
Composer and conductor**



PPL's international services are dedicated to the active collection of international revenues via agreements with other CMOs around the world. This means that PPL members using our international service can receive monies when their repertoire is used in the countries with which PPL has reciprocal agreements. These include the USA as well as most European countries through to the Asian and South American continents with deals in Japan and Brazil – the latter being one of the fastest growing countries in regard to performance rights. PPL only charges the actual costs of collection, which differ depending on the amount of work required, and which for most countries range between 2% and 10%.

In 2013 PPL concluded new deals in Serbia (with PI, the organisation responsible for the collective administration of performers' rights) as well as in Poland (with STOART, the Polish CMO looking after the rights of performers, and ZPAV, which represents the rights of sound recording and music video producers). PPL will work with both to ensure that the members represented by each organisation receive royalties for any recorded music broadcast or publicly performed in the UK and respectively Serbia and Poland. This now means that, by the end of 2013, PPL had 68 reciprocal deals in 34 different countries.

In addition, PPL received recording rightsholder payments in 2013 for the first time from the Czech Republic (INTERGRAM) and Jamaica (JAMMS).

84% of PPL's new members now sign up to the company's international collection service and there are now approximately 47,000 members who have appointed PPL to collect for them internationally. During 2013 over 23,000 members received an allocation of international revenues – an increase of 5% over the previous year. In addition, there are approximately 8,000 members who have now benefited since PPL was granted Qualified Intermediary' (QI) status by the IRS (Internal Revenue Service) in the US, meaning that royalties collected by PPL from the US need not be subject to US withholding tax of 30%.

Moving ahead, at a time when we processed more claims than ever before, it is critical that we continue to further the strong relationships we have around the world and work with other CMOs in an entirely consensual manner and around the constraints and issues that many of them face.

Member Services

Membership of PPL continues to grow as we register over 250 recording rightsholder and over 300 performer members on average each month. Total membership now stands at 79,000 performers and 11,500 owners of the copyright in sound recordings.

The latter are those who own or exclusively control sound recording copyrights in the UK – traditionally record companies, but now increasingly performers themselves. In addition we register around 18,000 sound recordings per week.

We are committed to delivering a first class member customer service experience and worked hard to continue to increase engagement with members and enhance aspects of their involvement with the company and their personal data. We extended our opening hours, increased both the number of open days as well as the number of newsletters (which are now monthly), greatly extended the information available on the website (resulting in fewer phone calls) and introduced an enhanced training programme for staff to assist them with service delivery. We also started a member experience survey in order to understand the service requirements of members better so that we can deliver the level and type of service required. The positive changes in the social media strategy (outlined in the Public Performance section of the review) also helped enhance the level of direct communication with members.

We attended and supported more events on a national and international basis than ever before – and enhanced this with more pre-planned media coverage to assist with the awareness and image of PPL. These included events in, amongst others Belfast, Birmingham, Brighton, Bury, Cardiff, Edinburgh, Glasgow (our sponsorship of the Scottish Album of the Year (SAY) Awards was very successful), Liverpool, London, Newcastle and Norwich. These are important opportunities to explain more about PPL's services and often benefitted from our working with other music industry associations around the country. We also held a series of workshops and clinics around the country for members, to help answer any queries.

In addition we developed newly designed distribution statements with increased information for members, as well as making significant improvements to repertoire search functionality on the myPPL portal. All of this is important as we look to offer an increasingly bespoke service to members. Finally, we launched a significant marketing campaign to raise awareness of PPL's international mandates, which allow members to collect performance revenues from around the world. The campaign was strap-lined: 'Because It's Yours'.

The investment in our systems continues to allow us to improve our internal efficiencies and effectiveness. This investment is critical if we are to build on the level of service at a time when, as can be seen in the numbers elsewhere in this report, we are handling an ever growing business. Indeed, we now interact with members via email and telephone on over 4,000 occasions per month.

PPL have a really hard job. Scaling up the operation to process more data by a factor of millions over the last 10 years. Straddling and representing and uniting the different interests of major labels, independent labels and performers. Migrating from a UK to an international operation. The result is that Peter and his team are the most successful collection society in the world. They shoot, they score.

**Martin Goldschmidt
Chairman**



As a Co-Chair of the FAC, I know from speaking to many of our members how incredibly important PPL's diligent work is for performers. The revenues they collect and distribute are absolutely critical in the complex world of the 21st century music business.

The FAC was only formed in 2009, so we are youngsters compared to PPL, but they have not only warmly welcomed us into their organisation, but have provided invaluable help and support. This is a great opportunity for me to personally thank Fran and Peter in particular.

**Nick Mason
Co-Chair FAC
Drummer in Pink Floyd**



We also worked hard on improving the quality of data we hold and made over 600,000 updates to performer line-up information on recordings following research by PPL staff, as well as accepting in excess of 436,000 online claims from performers asking to be linked to recordings. All of this enabled us to pay over 29,700 performer members, 3,000 recording rightsholder members, over 3,000 of whom were paid for the first time, in the main annual distribution in June, which was the largest number ever – as was the first time pay through rate of over 90%.

PPL was delighted that its member services team made it to the finals in 2013 of both the UK Customer Experience Awards and the European Call Centre and Customer Service Awards in the New Product/Product Improvement and Best Online Customer Service categories respectively. These nominations provide us with an opportunity to test our levels of service against a multitude of different companies and give us impartial, external recognition of the level of service provided by PPL.

It is clear that we have many challenges but they are ones that we look forward to: the increase in data, the rise in membership, the growing volume of sound recordings, greater transparency and enhanced quality of service. In addition the session fund coming out of copyright term extension takes us into a new area of business. However it is all this work that we do surrounding our members' sound recordings that allows us to ensure even greater accuracy in the data as well as the ability to extract its maximum value.

Technology

PPL has been investing considerable effort in a range of international initiatives designed to increase the efficiency and effectiveness of the CMO sector.

Drawing on the expertise and experience we have gained from our own systems transformation, we are looked to by a range of industry stakeholders to play a lead role in delivering solutions that are increasingly critical to the continued success of the sector. Notable initiatives that we have delivered during the year or continue to be involved with include DDEX.

DDEX is a consortium of leading media and technology companies focused on the creation of digital supply chain standards. The primary output of DDEX is a standardised suite of message formats that can be used for data exchange between business partners. DDEX has been adopted widely across the digital music supply chain. PPL is leading an international working group to determine how these data formats can be further developed to support the flow of music data between CMOs and with record companies. Widespread adoption across the CMO community will make it easier to get consistent data and will take cost out of the market as we move to a reduced number of more widely understood data formats.

In terms of extending PPL's repertoire database, we delivered a new capability through the year that makes it much easier for us to load large catalogues of international repertoire data into it. This allows us to protect better any repertoire not released in the UK and therefore not delivered through the regular data feeds from our record company members. This in turn ensures even greater accuracy in our distribution to overseas performers and record companies.

The bulk repertoire ingest tool that we developed provides us with a range of tools to inspect the quality of data that we receive from other CMOs before loading it into our database. This allows us to ensure we grow the database in a controlled and managed fashion ensuring we maintain the high levels of accuracy in our distributions. Having developed the software tool, we have successfully loaded large repertoire files from several overseas CMOs.

Moving forward, a number of initiatives are currently underway looking at how repertoire and playlist data can be shared more effectively across the world's CMOs. Representing the performer community, SCAPR has initiated a project by the name of VRDB2. This project is looking to establish a consolidated repertoire database, a central usage matching capability and a playlist sharing facility. PPL is playing a lead role in this project, engaging significantly in the requirements definition process and in the technology vendor selection process.

On behalf of the record company community, IFPI has initiated a similar project to look at how a shared repertoire database can be established that provides a central place for record companies to deliver repertoire data and for CMOs to access. PPL is also heavily engaged in this project. As a joint record company and performer society, PPL is leading efforts to explore how the potential overlap in these projects can be delivered through a single, unified solution.

This leads to the issue of back office service provision. For the past few years, PPL has provided a range of ad-hoc services to other CMOs, particularly in relation to matching playlists against our repertoire database. Using the PPL systems and database in this way to the benefit of other CMOs has obvious benefit in terms of increasing the accuracy of distributions and allows the other CMOs to avoid building local systems which are typically costly and high risk projects. Recognising the benefit that this has for the wider industry, PPL has been formalising its service offering. Over recent months, we have been engaging with a range of other CMOs and we are already progressing into detailed service design with some of them.

In regard to multi-territory rights, we initiated a critical project during 2013 to improve the way in which we receive data from our rightsholder members about the ownership of their recordings in territories outside the UK. We have been leading a range of workshops with various record companies to understand how they hold such multi-territory rights information and how they can provide this to PPL in a consistent and efficient manner. This project will continue through 2014 and beyond as we develop additional technology solutions to support this process and will include solutions that are suitable for both small and large organisations.

PPL's complex technology landscape is supported by a professional IT team who provide and maintain a first class service. We really enjoy working with the PPL team who are consistently approachable, eager to learn and focussed on embracing new technology for the benefit of all members. We wish all at PPL the very best for the next 80 successful years!

Andy Schoka
Managing Director



Although we have worked with PPL for less than one year it has been a great pleasure and I can only wish for more customers like PPL. Their IT team has achieved a rare feat of building an in-house Oracle team with significant expertise that has enabled PPL to build a highly effective and efficient licensing and collection system. However, they are also open and genuine in their approach to partnering with us as a supplier, and that makes it a highly productive and enjoyable relationship. I wish PPL all the best for further successes in the next 80 years.

Jonathan Stuart
Managed Services Director

Claremont.

Our People

This is a critical part of our Company Strategy. We seek to focus on retention, engagement and management development, and to drive positive performance and behaviour across the company.

Total employees
283

Employees with over ten years' service
12%

Employees with over five years' service
24%

Employee Engagement
Employee engagement has been proven to impact positively on organisation results, across all sectors.

In particular, a high level of employee engagement has been shown to lead to improved productivity, quality and customer satisfaction (and for commercial organisations, increased profit), whilst reduced absence and lower staff turnover are amongst many of the other benefits.

In July 2013 we carried our bi-annual employee survey as the company believes that it is very important that employees give their views on what it is like to work at PPL. It is their chance to and help shape the future of PPL, to engage staff as fully as possible and so make it an even better place to work.

Our internal engagement score is the headline result for our survey and is presented as a single measure of employee engagement. In the 2013 survey, it was up again, by 3% compared to two years ago. We were very pleased to see so many positive responses. We take the feedback very seriously and devote appropriate time and attention to considering it and developing plans accordingly.

Equality and Diversity Charter
As part of PPL's continued engagement with the music industry Equality and Diversity Charter, we hired our first apprentice who is now working in the Music Reporting Team.

Now that we have laid these foundations and been through the process once, we are confident that we will be able to include the option of having an apprentice as part of the regular recruitment conversations that take place with managers throughout the company.

We took on nine students for one week in May. The children were 15–16 years old and just about to sit their GCSEs. They were selected on their interests and were placed in PPO, Member Services, Finance, Business Projects, Facilities, International and IT.

We continue advertising or seeking help in sourcing candidates in different places to ensure a mixture of applicants from different backgrounds, of different ages with different skills.

Learning and Development
2013 saw the continuation of many of the learning and development initiatives that were launched in 2012, as well as additional tools and resources that we have added to our Learning and Development repertoire, including individual employee coaching sessions and internal courses run by employees.

We rebranded our Learning and Development areas and distributed an entirely new training booklet. We separated learning and development activity into two sections – anything that is job specific and is required in order for employees to better themselves in their current role, will fall under the heading 'Here and Now' and anything related to future progression and additional development, will be addressed by activities that sit under the 'Tomorrow and Onwards' category. The Training Booklet highlights the opportunities available at PPL in both areas.

Reward and Recognition
This has always been an important part of PPL and we launched a new employee recognition programme called PPL Performers.

Recognition is most effective when it takes place on a regular basis and in a variety of different ways. It is also important that recognition activities be aligned with the culture of the workplace. The new scheme provided an opportunity for our employees to share their insight into others and celebrate their contribution to PPL. PPL provided three different opportunities for acknowledging co-workers and peers under three separate categories, Customer Service, Team Player and Drive for Results. There were 63 individual nominations for PPL Performers during 2013.

Following feedback obtained through the survey and in exit interviews it was decided that, for a variety of reasons it would be valuable to carry out a job evaluation. Job Evaluation is a technique of job analysis, assessment and comparison, and it is concerned with the demands of the job, experience and degrees of responsibility. To ensure robustness and objectivity, the review was underpinned through the use of an externally recognised and tested job evaluation methodology, Mercer International Position Evaluation (IPE).

This large scale project looked at every role at PPL, evaluating role value and taking into account a number of factors including the skills, knowledge and experience each role-holder requires in order to thrive. We then worked closely with Mercer to review salaries across PPL against comparable market rates. In all the process has been very successful.

Colin Edwardson (PPO) was recognised for 20 years' service; Mark Steel (Tariff Development) and Cheryl Harper (PPO), for 15 years' service; Steve Macchia (Business Projects), Adam Smith (Member Services), Joleen Evans (Finance) and David Harmsworth (Legal and Business Affairs) for 10 years' service.

Corporate Social Responsibility
PPL continued its support of a number of projects including music and the local community, the charity chosen annually by staff and those causes generally supported across the industry.

We place a high degree of commitment to our CSR programme and continued support was given to the various charities PPL has been involved with, some for many years, along with new initiatives and projects.

There is a small but dedicated group of staff from across the entire company who meet monthly to drive the CSR programme all of whom give generously of their time despite busy schedules.

Finally the long-standing sponsorship of various music industry events continued. PPL sponsored the ninth Parliamentary Jazz Awards in May which was compered for the first time by Moira Stuart OBE and attended by, amongst others, Norma Winstone, Gwilym Simcock and Stan Tracey OBE (who sadly died in December) and, in conjunction with APPJAG (The All Party Parliamentary Jazz Appreciation Group), also hosted their summer event in July where we once more partnered with Yamaha in their scholarship programme. We also sponsored, amongst several events, the Classical Artist Award at the Silver Clef lunch, the MIT Award and the Football Extravaganza all in aid of Nordoff Robbins and/or other industry charities including the BRIT Trust.

In addition we continued our sponsorship of a wide number of music industry not-for-profit organisations via their awards including the MPG Awards, the 'Most Played UK Artist on Commercial Radio' and 'Breakthrough' categories at the Arqiva Commercial Radio Awards, the PPL Hall of Fame dinner at the Radio Academy Conference and the PPL Award for 'Most Played New Independent Act' at the AIM Independent Music Awards, which went to Macklemore and Ryan Lewis.



Our Charity of the Year Each year employees choose a charity that they would like to support as the PPL 'Charity of the Year'.

In recent years this has included Whizz-Kidz, MacMillan Cancer Support and Great Ormond Street Hospital (GOSH).

At the end of 2012 the staff elected to support Teenage Cancer Trust (TCT) – a well-known charity within the music industry. Throughout the year there were several fundraising initiatives and programmes to participate in and/or donate to including auctions, raffles, cake-baking, cycling, running, golf, swimming, film nights and more. Yet again it was the cycling and the sterling efforts of Mark Douglas that raised the largest individual amount of money and the first floor that was the most successful in their fund raising efforts!

The support and generosity of all the staff at PPL has been amazing in 2013. TCT leads the world in the care of young people with cancer. In the UK around seven young people between 13 and 24 are diagnosed with cancer on a daily basis and TCT is the only charity dedicated to bringing the expert treatment and support needed from the moment they hear the word 'cancer' and provide a comfortable environment where they have the opportunity to meet young people their age who they can relate to. PPL staff are proud to provide support and indeed continue their efforts for TCT through 2014.

teenagecancertrust.org

We have been blown away by the incredible support we have received from everyone at PPL since being selected as your charity of choice.

As the only UK charity dedicated to providing expert care and support for this specific age group we rely on donations to fund our vital work. The money you have raised, and continue to do so, is helping to transform the lives of young people with cancer and we cannot thank everyone enough for all they do in the name of Teenage Cancer Trust.

**Jane Ashton
Music Events Manager**



PPL staff Barry Reynolds, Gemma Lee, Mark Douglas, Demelza Gosbell and Kevin Puttock all completed the half marathon, Run To The Beat on 8th September 2013

Hospital Broadcast Association

PPL makes a significant annual donation to the national charity that supports and promotes hospital broadcasting in the UK. It currently consists of 227 individual broadcasting stations, representing a large number of volunteers. Patients in many UK hospitals benefit from programmes designed to make life better for people in hospital and aid their recovery.

hbauk.com

The Young Musicians Symphony Orchestra

The YMSO is Britain's leading orchestra for young musicians on the threshold of their professional careers.

It provides invaluable experience to those who are studying or have recently completed their training and exists to give these talented musicians the opportunity to rehearse and perform as well as receive coaching from top professionals and work with eminent conductors and soloists.

ymso.org.uk

Nordoff Robbins

PPL is a longstanding supporter of the music industry charity Nordoff Robbins which brings music's transforming power to children and adults in need, through its therapy services, music and health projects and community music projects, as well as education programmes and research.

nordoff-robbins.org.uk

British Association for Performing Arts Medicine

BAPAM's mission is to achieve nationwide occupational health provision for professional, semi-professional and student performing artists, including health promotion, education and clinical advice for performance-related health problems suffered by musicians, singers, actors, dancers and other performers.

bapam.org.uk

The Radio Academy

The Radio Academy is a registered charity dedicated to the encouragement, recognition and promotion of excellence in UK broadcasting and audio production. PPL is a key sponsor at the Radio Festival and other music related Academy events.

radioacademy.org

The Young Persons Concert Foundation

PPL's donations are used to fund workshops for schools in the Soho and Westminster vicinity near the company offices. The Foundation, which is chaired by Lady Judy Martin and of which her husband Sir George Martin is a patron, helps young people to appreciate and enjoy music through educational workshops and live orchestral concerts.

ypcf.co.uk

The BRIT School

The BRIT School in Croydon provides a unique education for over 1,150 students. It is the only free performing arts school in the country with a diverse intake of talented students. Most leave for higher education or for employment across the creative industries. PPL annually hosts final year Music Business students from the School who spend the day meeting all the departments and learning more about PPL and the music industry.

brit.croydon.sch.uk

PPL is proud of its ongoing dedication to its CSR Programme. Whether it is ensuring that the PPL workplace remains a conscientious environment, donating funds to a number of charities or supporting numerous projects through sponsorship, PPL is passionate about giving back whilst moving the company and our people forward.

**Executive
Management
Team**



Fran Nevrkla OBE
Chairman



Peter Leathem
Chief Executive Officer



Tony Clark
Director of Licensing



Mark Douglas
Chief Technology Officer



Kate Reilly
Head of HR



Christine Geissmar
Operations Director



David Harmsworth
Director of Legal and
Business Affairs



Keith Harris
Director of Performer Affairs



Ben Lambert
Chief Financial Officer



Jonathan Morrish
Director of PR and
Corporate Communications



Laurence Oxenbury
Director of International

Board of Directors

Fran Nevrkla OBE

PPL (Chairman)

Roger Armstrong

Ace Records Ltd

Crispin Hunt

Performer Director

Mark Kelly

Performer Director

Peter Leatham

PPL

Martin Mills MBE

Beggars Group

Gerald Newson

Performer Director

Christine Payne

Performer Director
(Equity)

James Radice

Warner Music UK Limited

Adrian Sear

Demon Music Group

Rt Hon Lord Smith of Finsbury

Independent Director

John Smith

Performer Director
(Musicians' Union)

Michael Smith

Sony Music Entertainment
UK Ltd

Peter Stack

Union Square Music Ltd

Attendees

Keith Harris

Director of Performer Affairs

Steve Levine

Music Producers' Guild

David Stopps

Music Managers' Forum

Geoff Taylor

BPI

Alison Wenham OBE

AIM

Committees

Finance Committee

The Finance Committee is primarily tasked with reviewing and setting PPL's revenue and costs budget each year, prior to ratification by the PPL Board.

Distribution Committee

The Distribution Committee's primary function is to review and approve proposed distributions of revenue to PPL members (and the rules and processes underpinning them).

Audit Committee

The Audit Committee is a forum for PPL's auditors to talk directly to PPL's management and external stakeholders about their audit work with PPL.

Remuneration Committee

The Remuneration Committee's role is to review executive remuneration. This is the one committee which consists entirely of PPL Board directors.

Credits

Our thanks to all contributors to this year's Annual Review.

Special thanks to Dave Laing for his patience and valuable input.

For more information on the use of music in business please visit musicworksforyou.com

Photography

Cover

Getty Images

Pages 6 – 8 and 10

Alan Cook
afcook.co.uk

Page 46

Timothy Charles Smith Photography
tmsmith81@me.com

The PPL People's Classical Chart

National Youth Choir of Great Britain and London Philharmonic Orchestra with Karl Jenkins by Benjamin Ealovega/
London Philharmonic Orchestra (LPO)

English Concert with Trevor Pinnock by Clive Barda

Orchestre de L'Opéra de Lyon with Kent Nagano by J.P. Maurin

Antonio Meneses (Cello) with Northern Sinfonia by Mark Savage (Northern Sinfonia)

The PPL People's Pop Chart

Bruno Mars by Kai Z. Feng
Passenger by Jarrad Seng

The PPL People's Artist Chart

The Beatles courtesy of Apple Corps Ltd

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Typematic
typematic.co.uk

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The PPL People's Charts 2013

**Classical
No.1**



**Pop
No.1**



**Artist
No.1**



PPL's annual 'People's Charts' are compiled from music usage and airplay data from radio stations and television channels as well as public performance locations such as pubs, clubs, bars, jukeboxes, gyms and shops all across the UK.

2013 was yet again another outstanding year for British Artists when they continued to dominate the Official Charts domestically and achieve much success all around the world. The UK remains one of only three net exporting countries of music with a value of £1.4billion when the core music industry's worth to the UK economy is £3.5billion. It is fitting that PPL tracks the data of music usage as performance rights become an increasingly important part of this economic success.

The PPL People's Classical Chart

Having been knocked off the number one spot last year Einaudi reclaims it in 2013 with 'Nightbook' which was number four in 2012 and number two in 2011. He is a true people's choice with no less than 19 recordings in our classical charts in the last five years.

The PPL People's Pop Chart

The women's domination after six years comes to an end with Daft Punk's gloriously uplifting 'Get Lucky' coming in at number one ahead of Robin Thicke's admittedly ubiquitous 'Blurred Lines' and 'Mirrors' from Justin Timberlake. 'Get Lucky' is one of those recordings that will be played in public and broadcast for years to come. Music to PPL ears!

The PPL People's Artist Chart

This was a very close run thing but in the end Olly Murs just edged it in front of very tough competition from Bruno Mars, P!nk, Rihanna and Calvin Harris. He made it through having two songs in our the PPL People's Pop Chart ('Troublemaker' featuring Flo Rida and 'Dear Darlin') and only just missing out with a third.

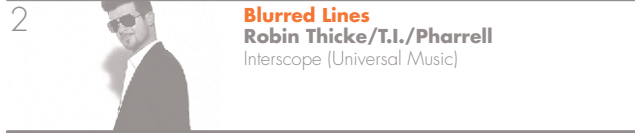
The PPL People's Classical Chart

1	 Einaudi Nightbook Ludovico Einaudi Decca (Universal Music)	11	 Dvořák Symphony No.9 (From The New World) Royal Concertgebouw Orchestra with Mariss Jansons Royal Concertgebouw Orchestra (Royal Concertgebouw Orchestra)
2	 Tchaikovsky The Nutcracker Mariinsky Orchestra with Valery Gergiev Philips (Universal Music)	12	 Delibes Coppélia Orchestre de L'Opéra de Lyon with Kent Nagano Erato (Warner Music)
3	 Einaudi Primavera Ludovico Einaudi Decca (Universal Music)	13	 Jenkins Palladio London Philharmonic Orchestra with Karl Jenkins Sony Classical (Sony Music Entertainment)
4	 Orff O Fortuna Crouch End Festival Chorus, City of Prague Philharmonic Orchestra with Nic Raine Silva Screen (Silva Screen)	14	 Britten Death in Venice Sir Peter Pears and Soloists, English Chamber Orchestra with Stuart Bedford Decca (Universal Music)
5	 Johann Strauss II On the Beautiful Blue Danube City of Prague Philharmonic Orchestra with Paul Bateman Silva Screen (Silva Screen)	15	 Einaudi I Giorni Ludovico Einaudi Decca (Universal Music)
6	 Einaudi Divenire Royal Philharmonic Orchestra with Ludovico Einaudi Decca (Universal Music)	16	 Schumann Piano Concerto Howard Shelley (piano) with Opera North Orchestra Chandos (Chandos)
7	 Jenkins The Armed Man National Youth Choir of Great Britain, London Philharmonic Orchestra with Karl Jenkins Virgin (Universal Music)	17	 Haydn Cello Concerto No.1 Antonio Meneses (cello) with Northern Sinfonia Avie (Music Company (London) Limited)
8	 J.S. Bach Concerto for Four Harpsichords English Concert with Trevor Pinnock Archiv Produktion (Universal Music)	18	 Einaudi Eros Ludovico Einaudi Decca (Universal Music)
9	 Mendelssohn Concerto for Two Pianos The Labèque (pianos), Philharmonia Orchestra with Semyon Bychkov Philips (Universal Music)	19	 Puccini Nessun Dorma Luciano Pavarotti, John Alldis Choir, London Philharmonic Orchestra with Zubin Mehta Decca (Universal Music)
10	 Einaudi Le Onde (Album Version) Ludovico Einaudi Decca (Universal Music)	20	 Rutter For the Beauty of the Earth The Cambridge Singers, City of London Sinfonia with John Rutter Collegium (Collegium)

The PPL People's Pop Chart



1
Get Lucky
Daft Punk Feat. Pharrell Williams
Columbia (Sony Music Entertainment)



2
Blurred Lines
Robin Thicke/T.I./Pharrell
Interscope (Universal Music)



3
Mirrors
Justin Timberlake
RCA (Sony Music Entertainment)



4
Locked Out Of Heaven
Bruno Mars
Atlantic (Warner Music)



5
Just Give Me A Reason
Pink Feat. Nate Ruess
RCA (Sony Music Entertainment)



6
Let Her Go
Passenger
Nettwerk (Nettwerk)



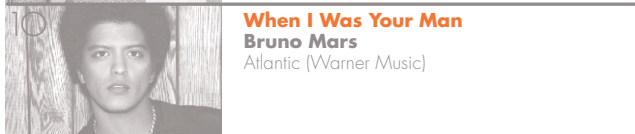
7
Wake Me Up
Avicii
Virgin (Universal Music)



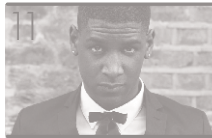
8
La La La
Naughty Boy Feat. Sam Smith
Virgin (Universal Music)



9
Troublemaker
Olly Murs Feat. Flo Rida
Epic (Sony Music Entertainment)



10
When I Was Your Man
Bruno Mars
Atlantic (Warner Music)



11
Beneath Your Beautiful
Labrinth Feat. Emeli Sandé
Syc0 (Sony Music Entertainment)



12
Love Me Again
John Newman
Island (Universal Music)



13
Stay
Rihanna Feat. Mikky Ekko
Def Jam (Universal Music)



14
Dear Darlin'
Olly Murs
Epic (Sony Music Entertainment)



15
Roar
Katy Perry
Virgin (Universal Music)



16
I Knew You Were Trouble
Taylor Swift
Mercury (Universal Music)



17
Don't You Worry Child
Swedish House Mafia Feat. John Martin
Virgin (Universal Music)



18
Candy
Robbie Williams
Island (Universal Music)



19
Burn
Ellie Goulding
Polydor (Universal Music)



20
It's A Beautiful Day
Michael Bublé
Reprise (Warner Music)

The PPL People's Artist Chart

1		Olly Murs	11		Michael Bublé
2		Bruno Mars	12		Adele
3		P!nk	13		Avicii
4		Rihanna	14		Daft Punk
5		Calvin Harris	15		Coldplay
6		Robbie Williams	16		Michael Jackson
7		Justin Timberlake	17		David Guetta
8		Katy Perry	18		Madonna
9		Taylor Swift	19		Take That
10		Queen	20		The Beatles



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