



### **PPCA disappointed by Commercial Radio Australia's decision to impact regional radio listeners**

The Phonographic Performance Company of Australia (PPCA) regrets that Commercial Radio Australia (CRA) has chosen to deprive regional listeners of local programming, rather than take up the interim licence scheme negotiated between CRA (on behalf of its members) and PPCA. The terms and conditions of the interim scheme were agreed after lengthy negotiations between PPCA and CRA, and were subsequently considered and then confirmed by the full Copyright Tribunal in December 2013.

It is disheartening to PPCA to see that, despite the extensive negotiations and considerable concessions made to reach a reasonable and commercial interim arrangement, some of CRA's members have instead elected to shut down their internet simulcasting services.

Last year the High Court of Australia confirmed what every other country takes for granted – that the internet simulcast right is a separate right that needs to be paid for by commercial radio. During a Senate Committee inquiry last year into this issue, the Attorney-General's Department and the Communications Department concurred with that position.

This means that radio broadcasters require a licence to simulcast their programs. The payment of fees for internet simulcasts is not a new concept and has been in place internationally for many years. We reject CRA's claim that a simulcast licence results in 'double dipping' – this is a separate and additional use of PPCA members' content to drive increased listener numbers. CRA also conveniently ignores the fact that currently its members have the benefit of a broadcast licence fee calculated on the basis of a statutory licence fee cap which has not been revised since 1969.

This is simply a matter of commercial negotiation between the billion dollar commercial radio industry and the thousands of Australian artists and record label that PPCA represents.

What PPCA is seeking is no different to every other major Australian sporting code or content industry which has a traditional and digital revenue stream.

PPCA works to ensure thousands of Australian recording artists and record labels receive their fair share for the use of their work by commercial entities. The billion dollar commercial radio industry has enjoyed the advantages of expanding into online markets by simulcasting their broadcasts, but has ignored its obligations to recompense those who create the content they rely on.

The terms and conditions of the final licence scheme are yet to be determined by the Copyright Tribunal. The Tribunal is the appropriate and expert mechanism to resolve any copyright dispute in Australia, and will take into account the merits of the arguments of both parties in determining a fair

and commercial rate.

PPCA has tried many times to engage CRA in open and amicable negotiations to resolve this issue – and will continue to do so.

PPCA has never been interested in pursuing anything other than a fair and commercial outcome. Sadly, CRA seems prepared to penalise regional radio listeners while demanding an outcome that is not supported in legal or political processes in Australia or around the world.