



news release
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High Court appeal win on music fees opens door to £15-£20 million refunds for pubs, hotels and restaurants

Pubs, hotels and restaurants across Britain will now receive up to £20 million in refunds following today's High Court ruling rejecting an appeal brought by the music collection agency PPL (Phonographic Performance Ltd) over the charges for the playing of music in pubs, bars, restaurants and hotels.

The appeal outcome is a victory for the British Beer and & Pub Association (BBPA) and the British Hospitality Association (BHA), who have been pursuing the case since 2005. At the same time, the retail sector has also won on behalf of shops and stores.

The latest ruling confirms savings of around £3 million a year for pubs, and also opens the door for refunds going back to 2005 that could amount to £10 million. The BBPA has invested around £400,000 pursuing the case on behalf of pubs over five years.

Brigid Simmonds, BBPA Chief Executive comments:

“This judgement confirms the victory won last November, and is another milestone which brings a step closer the prospect of substantial and fully justified refunds for pubs. This could not come at a more important time for our sector as we struggle to come out of recession and will allow pubs to both claim a refund and pay less going forward.

“With so much at stake, our persistence in pursuing this case has paid off. With the appeal behind us, and pubs already benefitting from the sharply reduced charges, we are now turning our attention to helping pubs to claim the long overdue refunds to which they are entitled.

“This case also shows the importance of having a strong trade association able and willing to fight long and battles on behalf of Britain’s pubs. It has never been more important for the pub industry, as well as our partners in the BHA, to work together on these issues.”

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Notes to editors:

The long-running dispute began when Phonographic Performance Ltd (PPL) raised tariffs for playing music in bars, hotels, restaurants and pubs by up to 403 per cent in 2005/06. In October 2005, the BHA and the BBPA persuaded the Government to refer the tariff to the Copyright Tribunal, but a first hearing in November 2007 led to an appeal on jurisdiction issues to the High Court in October 2008, which was also won by the two trade bodies.

In November 2009, The Copyright Tribunal ruled in favour of the BBPA and BHA on almost every single issue at stake, with overall charges to be cut by a half. In recognition of the trade associations having been successful on the substantive matter of the value of the tariffs, the Copyright Tribunal said that they were “clear winners” in the case and awarded them 50 per cent of their costs.

At a hearing on 15th October 2009, the BBPA and BHA had pressed strongly for full refunds for all those who have had to pay over the odds since 2005 to play music. The Tribunal agreed and ordered PPL to make repayments. These payments were delayed pending the outcome of the appeal, announced today.

In recognition of the practical challenges faced by PPL in organising the repayments, the Tribunal did not award interest and did not require repayments to those PPL licensees that are owed less than £50 in total.

Licensees will be able to claim refunds based on their own calculations of what they are owed, or they will be able to ask PPL to make the calculation for them. Details of how to claim will be available in due course.

The new Tribunal Tariffs are already in effect, and are being implemented upon renewal of PPL licences. The Tribunal allowed PPL only a 10 per cent all round increase plus RPI. For example, a hotel, pub, restaurant or bar playing CDs/tapes or radio/TV with an audible area of just under 400 square metres would be paying £464.80 for its licence this year under the PPL tariff, but the Tribunal decision reduced this to around £110. Premises with under 100 square metres audible area and which play only ‘traditional’ radios and TVs will pay about £55.

New tribunal tariff - size of premises – audible area in metres squared (m²)	Licence fee per annum (exclusive of VAT)	PPL tariff 2005 bandings – audible area (m²)	Licence fee per annum (exclusive of VAT)
100 to 400	£109.75	0-100	£100
401 to 450	£123.47	101-200	£200

451 to 500	£137.19	201-300	£300
501 to 550	£150.91	301-400	£400
Each additional 1 to 50 (above 550)	£13.72	401-500	£500

The British Beer & Pub Association is the UK's leading organisation representing the brewing and pub sector. Its members account for 98% of the beer brewed in the UK and own nearly two thirds of Britain's 52, 500 pubs.

The British Hospitality Association is the national trade association of the hotel, catering and leisure industry, representing more than 40,000 establishments with over 340,000 rooms and employing over 500,000 people.

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