



What You Need to Know About Music Licensing

Did you know that if you play copyrighted music at your park without a license, you could be legally liable? Performing rights organizations, known as PROs, collect licensing fees, and, in turn, pay royalties to the songwriter, publisher or performer of that music. There are three major music licensing companies: ASCAP, BMI and SESAC. If you play copyrighted music at your park without a license from these organizations, you could be liable for damages set by federal statute that can range from \$750 to \$30,000. In addition, if a jury finds that the infringement was “willful,” the damages assessed could run as high as \$150,000 per song plus legal costs. Here are answers to some questions you may have:

Why does a “Park” have to pay an annual music licensing fee?

The fee is to pay for a license that permits the park to have music performed on its premises, whether it is performed live, through recorded music over CD’s, DVDs and cassettes, or by music on-hold. Under copyright law, anybody who makes music available to the public needs permission prior to performing that music. Without a license, a park that allows music to be performed at its facilities commits a violation of federal copyright law.

What is a public performance?

A public performance is one that occurs either in a public place or any place where people gather (other than a small circle of a family or its social acquaintances). A public performance is also one that is transmitted to the public; for example, radio or television broadcasts, music-on-hold, cable television, and by the Internet.

Why do I need a license from three different companies?

Each of these organizations, or PROs, represents different songwriters, composers, publishers and copyright holders, so to be fully protected, you need to be licensed by all three.

What is covered by a license?

The license covers copyrighted music played, or performed, for the public. That includes digital music services, Muzak, satellite radio and TV, cable, on hold music, DJs, live performers, karaoke and even your personal CDs. A license gives you legal authorization to play copyrighted music for the public and protects you from the financial penalties of copyright infringement. The license does not cover performances in any hotel, motel or lodge situated on the premises.

Does the arVC Music License specifically exclude any types of performances?

Yes. Additional licensing fees may apply for events for which a hard ticket from an outside source is required for admission, any event which requires a separate admission fee of \$25 or higher, or if your park incurs annual live entertainment expenses in excess of \$5,000.

Aren't TV, cable, and radio stations already licensed?

Yes, they are. However, those agreements do not authorize the broadcast of these TV, cable, and radio stations to the public by businesses and other organizations.

What if we already own our own collection of music CDs?

The purchase price that you paid for the CDs only covers your use of them for private listening. Once you decide to play any copyrighted music publicly, you need permission from the copyright owners.

If we have live performances at our park, are the musicians responsible for being licensed?

No, some people mistakenly assume musicians, entertainers or even DJ’s must obtain licenses to perform. Since it’s your business that’s benefiting from the performance of music, park management is responsible for ensuring that the organization is properly licensed. This responsibility cannot be passed on to anyone else, even if the musicians hired are independent contractors.

How much does it cost to get the new combined ASCAP/BMI license?

arVC has negotiated a one-of-a-kind combined music licensing agreement as an exclusive new arVC member benefit. It will protect your park from music copyright liability for all artists covered by ASCAP and BMI at **drastically reduced rates**. ASCAP and BMI are the two largest PROs, and between them they represent the vast majority of the marketplace, with over a million songwriters, publishers and performers who produce every type of music. The **discounted** rates under the arVC combined member licensing agreement are based on the following fee structure:

	ASCAP/BMI*
Under 50 sites:	\$285 per year
51 – 200 Sites:	\$509 per year
201 – 400 Sites:	\$733 per year
401 – 750 Sites:	\$958 per year
Over 751 Sites:	\$1,377 per year

To complete your coverage by adding the third PRO, you can choose to secure a discounted SESAC license for \$44/\$64/\$94* respectively per month, based on park size. A minimum three-month commitment is required.

To qualify for the discounted rates, parks must be in good standing with arVC, and the licensing PRO(s), throughout the tenure of the licensing period.

How do these rates compare to the standard rate the PROs charge other venues?

The negotiated rates for arVC members reflect as much as a 70% discount over current published licensing rates for ASCAP and BMI. Negotiated rates for SESAC reflect a 20% average discount over the current rate. The current **non-discounted** licensing rates are reflected below:

	ASCAP/BMI		SESAC
Under 50 sites:	\$ 844 per year	+	\$180/three month minimum
51-200 Sites:	\$1015 per year	+	\$261/three month minimum
201 – 400 Sites:	\$1,438 per year	+	\$387/three month minimum
401 – 750 Sites:	\$1,695 per year	+	\$387/three month minimum
Over 751 Sites:	\$1,889 per year	+	\$387/three month minimum

If I purchase the arVC Music License, will I continue receiving calls from the PROs?

No. Any arVC member who purchases a license through arVC will be placed on a “Do Not Contact” list by the PROs they are covered by. You will only deal directly with arVC. Should you receive a call, email or any other contact from any PRO you are licensed under, you are to notify arVC immediately.

When do I need to have my license paid by?

The open enrollment period for the combined arVC Music License is August 1, 2015 – November 30, 2015. By paying within this time frame, you will be licensed for the 2016 calendar year.

*Pricing subject to change based on contractual requirements.