

Minutes

IMPEL Board Meeting

CONFIDENTIAL

Venue: KX8-02, 2 Pancras Square

Date: Thursday 21st January

Time: 1:30pm – 3:30pm



Attendees: Simon Platz (Bucks Music) – Chair Mike Box (Reverb Music) Stuart Hornall (Hornall Brothers) John Minch (Imagem Music) Maria Forte (Fintage Music) Tim Ingham (External Director) Jane Dyball (CEO)	By Invitation: Steve Burton Tom Fennell Tom Fletcher
Apologies: Chris Butler (Music Sales) Nigel Elderton (Peermusic) John Truelove (Truelove Music)	Apologies: Claire McAuley

Item	
1.	Welcome and Introductions
	The Board welcomed Tom Fletcher to his first IMPEL Board meeting, it was noted that he will now be attending and taking minutes in place for Tom Fennell. The Board also welcomed Dave Pincott for item 5.
2.	Approval of Minutes
	The minutes of the Meeting on 17 th December were approved by the Board.
3.	Matters Arising not on the Agenda
3.1	Pre-negotiation pack JD let the Board know that she had discussed this conceptually with various people whilst in the US but had not yet had a chance to start drafting the proposed document. ACTION: JD to draft a 'licensing routes for new DSPs' document.
3.2	BIEM writers JD told the Board that she had met with Eric Baptiste (SOCAN) whilst in Canada and he feels there is and need for BIEM writers to be specifically represented in North America. She went on to say that when in Las Vegas, Pete Downton (7digital) was talking about one of the well-known Italian composers, possibly Ennio Morricone, wanting to engage more in the digital space and could be a potential target. The Board agreed that sooner or later there would be a suitable candidate and for that reason this item would stay on the Board's agendas.

	ACTION: Keep as standing item.
3.3	US mechanicals
	<p>JT sent his apologies to the meeting so could not update the Board on any movement on the Dance Music Group's activities on this matter.</p> <p>JD explained that she had met with HFA in the US to explore options for setting up a joint portal through which these could be licensed and/or collected.</p> <p>She went on to explain that Naomi Moran would also be working on this issue and she will be meeting with her the following week.</p>
4.	CEO Update
	<p><i>The brief was noted.</i></p> <p>JD explained that the sessions she had held in NY and LA for potential members have led to lots of enquiries and publishers wanting to join IMPEL. She also mentioned that Michael Eames was in attendance who is very engaged with the US independent publishing community. Global had not been able to meet with JD due to illness but she has set up a call with them and has a meeting in the diary with TRO Essex.</p> <p><u>Spotify US Litigation</u></p> <p>JD reported that she had discussed this litigation extensively while in North America and had also spoken to Spotify about potential solutions, including blanket licensing and processing via SOCAN/CMMRA's portal. She had urged them to consult with publishers over the solution to their problem and expressed her hope to the Board that the litigation could be settled quickly and attention moved towards some of the services who were more deserving of this kind of attention.</p> <p><u>IMPEL US</u></p> <p>JD explained that she had spoken to various different people about setting up an IMPEL US. Ralph Peer had suggested that there were so many factors in the balance in the US meaning it would be sensible to wait until the market is stable before setting up an IMPEL equivalent in the US. After some discussion the Board agreed with this suggestion.</p> <p>JD also updated the Board on her discussions in North America relating to the future of MCPS and reassured the Board that she had explained to potential suitors that IMPEL would be making its decision separately to MCPS.</p> <p>One option for IMPEL would be AMRA who are focussing hard on speeding up distributions. This has been a problem so far for PRS and SB informed the Board that he will be focussing on distributions this year. With growing membership, market share and better deal terms the IMPEL business should be growing exponentially.</p> <p>ACTION: SB to carry out an exercise comparing market share, deal terms and distributions and report back to the IMPEL Board, and to update regularly on distributions issues.</p>
5.	MPR

	<p>DP informed the Board that the final distribution figure for 2015 is expected to be £9.8m; The main variance against forecast stems from Spotify, where distributions for both the Q1 and Q2 2015 periods were included in December. Additionally, re-runs of both Q3 and Q4 2014 periods were included at the last minute and delivered significant additional distributions of c£1.2m. DP did caution that the figure was pre-audit but it was unlikely to change.</p> <p>MB asked if the Board could see a distribution pipeline calendar for 2016 and SB explained that he had been asking for a distribution pipeline picture since November 2015 and there is no single document that lays it out in clear, simple terms. However, it is being worked on and an early draft due for review imminently.</p> <p><u>Apple Music Accounting Query</u></p> <p>TF explained that PRS have received two on account payments of £450k from Apple Music and the first invoice will be submitted by 1st March 2016 resulting in a July 2016 distribution of Q315 Apple Music usage. MB expressed his dissatisfaction with the huge delay of distributions and JD told the Board that record companies have already received good income. DP suggested the reason may be that Apple themselves are holding this up because they are waiting for claims from all parties.</p> <p>ACTION: DP & SB to investigate reason for Apple Music distribution lag ACTION: JD to e-mail Robert Ashcroft and Nick Williamson regarding the Apple Music Delay</p>
6.	IMPEL Business
6.1	New Leads Report
	<p>An A-Z of all the licensed services with deal terms was requested by the Board, JD said that she would ask PRS to prepare one.</p> <p>In relation to the leads report TI warned that there is a danger of 'static services' sitting in the report for weeks with no action against them. The leads session report will continue to be circulated every week.</p> <p>ACTION: JD to ask PRS for a searchable list.</p>
6.2	YouTube
	TF explained that the Brits were on the 24 th February so the date has been moved to the afternoon of 2 nd March.
6.3	Spotify
	Previously discussed in CEO update.
6.4	SoundCloud
	ACTION: JD to e-mail Tim Arber regarding SoundCloud
6.5	Deezer
	JD told the Board that she was worried about PRS's report that they had agreed in principle with Deezer a settlement to be paid in stages, especially given the \$110m of recent funding and in light of this it was suggested that the settlement should be paid upfront.
6.6	Rdio/Pandora
	JD explained that she was meeting with Iain Morris from Pandora to discuss Pandora's plans for the UK and will look at setting up a meeting with Pandora and the Board.

7	IMPEL Internal
7.1	SLA Update
	<p><i>The brief was noted.</i></p> <p>SP made the Board aware of a discussion that had happened at the MCPS Board around Mechanical and Performing splits on subscription services. JD explained that they had discussed whether the 75/25 split should be adjusted in favour of the mechanical due to the caching of songs on subscription services. She went on to say that this had been moved to the MPA Board because the decision would be made at Distribution committee.</p>
7.2	Working Group
	<p>TF explained that Naomi Moran was investigating Nigel and Simon's examples of missing PEL income.</p> <p>He then went on to explain that no international tracking of locally licensed DSPs had been carried out as far as IMPEL were aware to date but noted that this point had been added to the IMPEL Working Group agenda and will be investigated fully. JD explained that Naomi Moran was original hired to do this work but never did as she was more urgently needed on the operational side of things at IMPEL.</p>
7.3	IAG
	<p>JD explained that SONGS wanted to be more engaged with IMPEL and at the rate their IMPEL distributions are going they will soon be entitled to a Board place. For now she queried whether they should have a place on the IAG. The Board agreed that they should have a representative.</p> <p>Action: JD to ask PRS to include Rob Guthrie from Songs onto the IAG.</p>
7.4	New Members
	JD explained she'd hoped that Downtown should have signed the IMPEL agreement by next week.
7.5	ICE
	<p>JD updated the Board explaining that she had told Neil Jones that IMPEL need to input into the SLA negotiations between ICE and PRS and she found out at the Licensing committee there has been various ICE licensing discussions that IMPEL haven't been included in, in terms of how it would work going forward. She will continue discussions with Neil and Ben, and noted that JM had surprised Ben by pointing out that IMPEL hasn't yet opted into ICE Licensing.</p> <p>She noted that it remains to be seen how well the ICE licensing committee will work given that it will be difficult for participants to delegate decisions to that group. She reassured the Board that the Youtube deal will require separate approval from IMPEL as it will start after the end date of the SLA.</p>
7.6	Leavers Letter
	JD let the Board now that Ole had sent IMPEL a termination notice effective June 2016, their reason being that they wanted to keep their options open. JD told the Board that she believes they are leaving because there is no multi-territory IMPEL deal with Netflix and also that most income is distributed as performance income but she will find out more details in her scheduled call.
7.7	IMPEL Website Update
	TI explained that he believes IMPEL to have a slight identity problem and the first step to fixing this is to have its own website rather than having its online presence wrapped up in PRS'. He went on to explain he had received a quote of £3.5k but an alternative option would be squarespace.com who offer templated websites for \$8/monthly.

	<p>The Board agreed that IMPEL require an online presence and felt that it is a fairly urgent matter.</p> <p>JD pointed out that the MPA and all its subsidiaries need websites or updated sites and the group now has a full-time communications officer to look after these websites.</p> <p>Action point: JD to find out contact details for website designers from Tim and discuss with Claire McAuley fast-tracking the IMPEL website.</p>
7.8	Revised IMPEL Strategy for 2016
	<p><i>The brief was noted.</i></p> <p>JD told the Board that this would be discussed in full in February.</p>
8.	International
8.1	USA
	<p><i>The brief was noted.</i></p> <p>Previously discussed in CEO update.</p>
8.2	S.E Asia
	<p>JD explained to the Board that her idea was to negotiate various different deals with service providers and let the IMPEL members choose. Some of the options discussed were:</p> <p>APRA – JD hasn't yet spoken to APRA to get an updated proposal</p> <p>AMRA – waiting for a proposal but this probably won't be possible as they don't have performing rights</p> <p>CASH – JD needs to speak to them as they are potential candidates</p> <p>Action: JD to continue to investigate.</p>
8.3	Middle East
	<p>JD told the Board she had met Spek in the US who has a sub-publishing network in the middle east and is keen to talk to IMPEL about representing IMPEL in the region.</p> <p>ACTION: JD to discuss Middle East with Spek</p> <p>TI mentioned that he had interviewed the CEO of Saavn, a music streaming service in India, whose plans are all about dominating the Indian market.</p> <p>ACTION: TI to introduce Saavn to JD</p>
8.4	Latin America
	<p>JD mentioned that in addition to the territories mentioned above Latin America would be another avenue to explore and pointed out that their systems (Back Office and One Stop Shop) seem to be working very well.</p>
9.	DUBSET Call
	<p>Presentation was circulated.</p> <p>Bob Barbieri dialled in to the meeting to explain what DUBSET and go through the presentation slide by slide. He explained DUBSET was a platform that allowed remixes and mixes to be uploaded by DJs and cleared by rightsholders then allowing non-UGC platforms such as Spotify to distribute this content.</p>

	<p>Bob offered to demo their platform to any of the IMPEL Board members and also requested that their details be circulated so he could contact them regarding DUBSET.</p> <p>ACTION: TFI to circulate Board members details to Bob Barbieri.</p> <p>After the call had finished JD explained that they were addressing a genuine problem in the US but the concept of realtime licensing of content is very ambitious and requires a great deal of input from the publisher.</p>
10.	AOB
	<p>SP mentioned a similar service called tracklib that had contacted him; they allow DJs access to realtime sampling of tracks.</p> <p>This led to a discussion on Blockchain and SP informed the Board that PRS were holding a Blockchain seminar and that he would send details to JD who had not been invited.</p> <p>JD then told the Board that she was planning to organise sessions to 7digital and possible Spotify.</p> <p>ACTION: TFI to contact tracklib/send to Leads session ACTION: TFI and JD to organise DSP visits</p>

The meeting finished at 4:00pm

The next meeting will be held on the 11th February at 10:00am

Signed  _____

Simon Platz - Chair (IMPEL Board)

Date _____