Minutes

IMPEL Board Meeting

CONFIDENTIAL

Venue: KX8-02 Boardroom
8th Floor, 2 Pancras Square
Date: Thursday 11th February
Time: 10:00am – 12:00pm

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

Item		
1	**Welcome and Introductions**	
	We welcome Dave Pincott for item 5.	
2	**Approval of Minutes**	
	SH suggested a spelling amendment to item 3.1, in the minutes from the last board.	
3	**Matters Arising not on the Agenda**	
3.1	**Pre-negotiation pack** JD asked for this item to be carried forward.	
3.2	**BIEM writers** JD suggested that this item is kept on the board agenda.	
3.3	**US mechanicals** JD gave an update, saying that a group has been set up to monitor US mechanicals. This group will feedback to the IMPEL board in future meetings.	
3.4	**TrackLib** SP introduced the discussion of Tracklib, and the board expressed concern over the service, which supplies individual track stems from songs. The board concluded that they should meet with Tracklib, and monitor it through the Leads sessions. **Action Point:** Fletch to invite Tracklib to present to the IMPEL board.	
3.5	**Dubset** JD discussed the presentation given by Bob Barbiere in the last board meeting. The board were informed that they would be contacted by Bob about an upcoming DUBSET webinar and they should respond directly.	

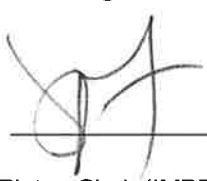| 3.6	**DSP Visits**	
	Spotify JD recently met with Julian Parker from Spotify, who is now the main point of contact at Spotify for publisher relations and will set up a session or couple of sessions for publishers to go to Spotify. *JT and TI entered the meeting at 10:08.* The Board discussed concerns about the future of Spotify, given that there may be an IPO or sale, and agreed that the rates that are charged subscription services are consistent. **7 Digital** JD informed the group that a meeting was being organised with 7Digital, and extended an invitation to the board. **Action Point**: JD to organise meetings between IMPEL publishers and Spotify. **Action Point:** Fletch to organise a meeting with 7Digital, and invite any IMPEL board members that wish to attend.	
3.7	**Market share review** SB has been examining historical reports to investigate the difference between invoicing and distribution across IMPEL and MCPS. SB circulated a document showing invoicing and distribution figures for 2013, 2014, 2015 and the variance (in £ and %) between the two figures. MB explained to CB that this investigation had emerged from a previous MPR, which highlighted this variance. JD explained that our market share has improved, and our deal terms have improved, but the overall revenue of IMPEL has not improved exponentially as might be expected and this update is part of an ongoing review. MB asked if ICE would improve the speed of distribution. SB advised he has met with Neil Jones, to discuss the ICE's KPIs, which showed that ICE are striving to turnaround distributions in 90 days. The board agreed that there is a danger that, in adding an extra stage in the process (ICE to PRS), the process slows down rather than speeding up. This is something to be closely monitored. We also need to ensure that other customers are not getting preferential treatment. **Action Point:** SB to have a full market share review for the next board. **Action point:** SB to update next Board meeting on SLA between PRS and ICE and to ensure that IMPEL is getting a top tier service on a par with other ICE customers.	
3.8	**Strategy review** JD informed the group that her main priorities for the year were distributions, the SLA renegotiations and getting the few remaining larger independent publishers to join IMPEL. She invited the Board to send any issues to be included onto the strategy review to her directly.	
3.9	**International issues** JD asked for this item to be carried forward.	

4	**CEO Update**	
	JD gave an update to the board about her recent meetings with HFA, Spotify and YouTube. JD was impressed with HFA's new system, which is due to be presented to the MPA members at an upcoming meeting.	
	YouTube/ IMPEL Working Group	
	JD informed the board that there of her concern that the IMPEL working group, which looks at data and invoicing issues, is not operating efficiently enough on matters regarding YouTube. She advised she has called a meeting of all publisher members of the Working Group. MF explained to JT, who had raised the query, that the purpose of the group is to handle the distribution of the 2013 YouTube residuals. MF continued, saying that YouTube has been running matching tests, to increase the matching rates.	
	Action Point: JD to report back to the IMPEL board following her meeting with the publisher members of the Working Group.	
5	**MPR**	
	Dave Pincott entered the meeting at 10:43.	
	DP informed the board of some notable points. The first quarterly advance payments and invoicing from Spotify and YouTube. DP pointed out that there had been a small distribution from a 'final sweep-up' of Spotify data from Q314 and Q414.	
	DP pointed out that the Pipeline report has been added to the MPR in order to focus on distributions. DP highlighted JD's suggestion from the IAG, which was to add a 'risk' column to the pipeline report, to indicate whether we have collected the money from the DSP or not.	
	The board queried several points regarding the MPR. MF questioned the lack of figures on Apple Music as well as figures with TBC distribution dates. DP explained that this because no data has been received from Apple Music yet, and will be added when it does.	
	Dave Pincott left the meeting at 10:54.	
	JD noted that she would like to distribute the pipeline document to members, without the range values. This is to be added to the IMPEL newsletter.	
	Action Point: DP to update the pipeline report with Apple Music figures and assess items with TBC distribution estimates.	
	Action Point: Fletch to turn the pipeline report into a document that can be distributed to members, by removing values.	
6	**IMPEL Business**	
6.1	**New leads report**	
	JD introduced the discussion about the A-Z list of services and their status PRS could not supply a merged document of the Leads Report and PEL Report so we are doing this in house. It is a work in progress.	

	Action Point: Fletch to keep updating the document with new leads and continue to develop the document format.		
6.2	**YouTube** JD introduced the discussion, by talking about YouTube's matching rates. JD informed the group that the first step was to look at the matching of song codes and recording codes but we can now offer publishers the ability to send matched URL addresses to songs. JD led the board's attention to the YouTube claims template and guide for the board's comments, which were prepared by Naomi Moran. This has been trialled by Peer and will be available to IMPEL members before being made available to PRS and MCPS members at large. MF suggested that there be an additional column showing ISRC numbers. **Action Point:** Fletch to ask NM to add an ISRC column to the claims template before circulation and then to include document in newsletter.		
6.3	**Spotify** The brief was discussed at item 3.6.		
6.4	**Soundcloud** JD gave an update on the Soundcloud policy papers put together by PRS for the upcoming distribution committee. Soundcloud will be discussed in a redacted part of the meeting. NE suggested that IMPEL board members should meet before the distribution committee to discuss the policy papers and how to respond. **Action Point:** Board members to meet before the upcoming distribution committee.		
6.5	**Pandora** JD informed the group about Iain Morris' progress with Pandora. JD has met with Iain and has initiated discussions about the future of Pandora. JD is meeting with Iain when he returns to the UK from San Francisco. JD asked TI if he believes Pandora will have a successful launch. TI explained that many DSP's are moving into new areas (videos, subscription service etc.) and that many are beginning to mirror each other, therefore pulling into line on a licensing basis. TI continued saying that was unsure about Pandora's future. MF explained that Pandora has reported a decrease in unique active listeners, which TI said has had an effect on their market capital. **Action Point:** JD to invite Iain Morris to the board when he returns to the UK.		
7	**IMPEL Internal**		
7.1	**SLA update** JD gave an update to the board about the current SLA renegotiation progress.		
7.2	**Working Group** JD gave a verbal update on the action points from the IWG. The key issue remains distributions and this will JD is very concerned about the progress made by PRS and the effect this may have on IMPEL members. A particular example that JD used was OLE, who are considering terminating with IMPEL. JD speculated that a large part of this might also concern YouTube distribution times.		
7.3	**IAG** MB explained to the group about the presentation given by Ben McEwen at the IAG, with explained the new ICE governance structure, employee structure and the rate card. MB informed the group that there was a pushback from the IAG members on		

		several of these points, with particular concern that this was presented as a fait accompli, rather than asking the IMPEL members for their opinions.	
7.4	**New Members/leaving members**		
		Discussions with new members continue. Ole remains the only member at risk of leaving. CB and NE suggested that several of the IMPEL board members should attend JD's upcoming meeting with OLE, in order to persuade them to stay. **Action Point:** JD to invite IMPEL board members to the upcoming Ole meeting.	
7.5	**ICE**		
		Ben McEwen and Neil Jones entered the room at 11:35am. Neil Jones began the presentation by discussing the soft launch matching results. NJ described an improvement of between 5-10% in the UK and 10-25% outside of the UK on matching for IMPEL repertoire. NJ continued stating that the ICE system is providing more accurate data than the older PRS system, and with better matching results. Because of this improvement, NJ believes that the ICE system will be faster, and make claims that are more accurate. JT, with a previous knowledge of the GEMA system, described his scepticism over the high match rates presented by NJ. JT furthered this by saying it was the data that populated the GEMA system, rather than the system itself. NJ pointed out that ICE has placed a lot of faith in GEMA's system, due to its proven capability. JD asked if the ICE system has a better turnaround time than PRS. NJ explained that ICE's focus is not to decrease the time between usage and distribution, rather to maximise the quality, value, and reliability of the service. SP asked BMc to update the board about the structure and governance structure of ICE. BMc explained that there will be an ICE licensing and revenue committee, where IMPEL will have a seat. This would then supply a platform for ICE, the ICE parent companies and IMPEL to discuss data reports, licensing and arising matters. MB asked about how many members will attend the ICE licensing and revenue committee. BMc informed MB that the members of the committee would include representatives from GEMA, STIM, PRS, ICE and IMPEL. JD asked about the SLA progress between ICE and PRS. NJ informed the board that he is in talks with SB to handle operational issues regarding the SLA. NJ is also in talks with majors and other direct clients of ICE. JD also asked whether it would be a single SLA or one for both ICE Services and ICE Operations. NJ informed JD that it would be a single SLA. NE asked if ICE were processing the Pan-European mandates (with Sony and BMG) that were previously held by GEMA. NJ responded saying that it does not include them. NJ explained that the invoicing of the core license repertoire (IMPEL, PRS, GEMA, STIM) and the repertoire of the majors (Sony, BMG, Warner) is processed separately. NJ further explained that the front-office negotiations are carried out by the majors as well. JD raised the issue that Warner Chappell is currently in the MCPS budget, but if Warner Chappell was to move to ICE, MCPS should be notified immediately. *Ben McEwen and Neil Jones left the meeting at 12:02.*	

		The group continued to discuss IMPEL's future with ICE and MCPS after the SLA renegotiation. NE highlighted that IMPEL has an option, after the SLA renegotiations, to renew its SLA with PRS on the same basis that Sony and BMG have done. SP asked if there should be a separate meeting to discuss this between IMPEL members. The board decided that the next board meeting should be set aside to discuss this issue. CB suggested that a S.W.O.T would be helpful at this meeting. **Action Point**: Fletch to make the main agenda item for the next board the question of whether IMPEL would stay with MCPS after the MCPS/PRS SLA renegotiation, including a SWOT analysis. **Action Point**: SB to provide feedback to the board on any conversation with ICE about the SLA terms.	
7.6		**IMPEL Website update** JD informed the group that quotes are being gathered to develop all four MPA websites through one developer, in order to be cost efficient. JD explained that IMPEL website will be completed first.	
8		**International**	
8.1		**MIDEM** JD informed the board that MIDEM will be run over the weekend this year (3rd - 6th June). The board agreed that they would like to facilitate a meeting with DSPs at an IMPEL day. A preliminary decision was made to hold a meeting on Monday morning (6th June), followed by drinks in the early afternoon.	
9		**AOB** CB asked whether the IMPEL board should co-author a report on the digital market. The board agreed that IMPEL needs to play a bigger part in releasing material to the industry. She is writing a paper on Streaming for presentation to MPs and perhaps that could be released via an industry blog. In response to a query on joining up with the MMF to address their members, JD advised that she had repeatedly offered to do this to Jon Webster but will suggest it again at a forthcoming meeting.	

The next meeting is **Thursday 10th March at 10.00am**

Signed _____

Simon Platz - Chair (IMPEL Board)

Date _____