

FACTSHEET NO. 3

COLLECTIVE LICENCES: PAYING FOR THE FUTURE



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What are collective licences?

Collective licences are systems of payment arranged between Equity and broadcasters and producers to compensate performers for the use of their work. A lump sum is paid, that Equity then distributes to the performers through British Equity Collecting Society (BECS), an organisation run by performers for their benefit.

When would collective licences be used?

Typically a collective licence might be agreed where the viewer pays no fee to see a broadcast or where the fee that would be payable is so small as to be uneconomic to distribute using traditional methods.

For example, a collective licence might be agreed where work was made available for download without charge or where the viewer paid a monthly subscription to a package of channels.

What is wrong with traditional methods of payments?

Nothing, and in many instances

Equity believes that the payment of a primary fee with additional payments for repeat and royalties from sales remains the best means of rewarding actors for their work. We believe this method will continue to work well on the major terrestrial channels. However, we now live in an era with a proliferation of channels, many with very small audiences, for whom payment through the standard repeat fee is unlikely to be economic.

Similarly the royalties garnered from platforms such as downloading to mobile devices are, at present, very small and the process of administering payments in the traditional way is time-consuming and complex.

Alternative methods of payment, such as collective licencing, allow members to earn money from the use of their work in these expanding markets while taking into account the different economic models.

How do I know the payment is fair?

Ensuring that the level of a collective licence fairly represents the value of the work our members contribute

to these new areas is the biggest challenge facing Equity. There also remains a number of questions regarding how money is distributed. It makes sense that BECS be used to distribute funds to performers, aggregating micro-payments and ensuring that the proper performers are identified. Even so there are questions of how much weight should be given to the popularity of particular programmes within an agreed package and to featured performers within those programmes.

Can you be sure that the right people will be paid?

Although collective licences are intended to be easier to manage than traditional methods of payment given the technological changes we are experiencing, there remains considerable challenges. Equity is keen to ensure that the system of payments is transparent and reliable, placing the responsibility on broadcasters and producers to provide BECS with accurate and timely information.

WANT TO KNOW MORE?

For more information visit our website at www.tvischanging.com, email tvischanging@equity.org.uk or complete your details opposite and send it to: TV is Changing, Equity, Guild House, Upper St Martin's Lane, London, WC2H 9EG

Name:

Address:

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Are you an Equity member? YES/NO

I would like details about: Joining Equity TV is Changing