

# New royalty system with SAMRO

The Southern African Music Rights Organisation (SAMRO) has been fully accredited as a collection society for Needletime Rights royalties in South Africa.



The new legislation came into force in June 2006, with the promulgation of regulations relating to the administration of Needletime Rights. Based on this, SAMRO has extended its ability to serve its members by also representing them on this important new royalty income stream.

The new accreditation means that SAMRO has become a means for performers and composers to collect the royalties due to them from their performances and recordings.

Needletime is a new royalty system in South Africa whereby music performers, vocalists, recording artists, instrumentalists as well as record companies are remunerated for the public performance (including the broadcast) of their recorded material.

These royalties will be collected from broadcasters and all establishments, such as bars and restaurants that use recorded music in public. This differs from the existing Performing Right royalty in that the Performing Right royalty is paid to the author, composer, and publisher of the music, whereas the Needletime Right royalty is about recorded performances, and not musical works. Therefore the Needletime Right royalty is paid not to the composer but to the actual musicians who performed the material during the recording, and to the record company that made the record. SAMRO is in negotiation with various interested parties such as SAMPRA (the collecting society for RiSA-affiliated record companies) and AIRCO (the Association of Independent Record Companies) to make sure that the system of proper collection of royalties is in place and effective.

Pfanani Lishivha, the newly-appointed general manager: Needletime Rights at SAMRO explains, "SAMRO has always had the interests of South African musicians at heart but the law has not always allowed us to help those who perform the music as opposed to those who compose it. Therefore we are very happy to be able to assist musicians in reaping the full benefits brought about by the introduction of Needletime to South Africa."

Of the decision to move into Needletime administration, Lishivha remarks that, "SAMRO's Memorandum of Association has always been couched in such a way that it would be possible for SAMRO to administer a whole 'bouquet' of music rights, thus including Needletime Rights. Based on this mandate SAMRO sought accreditation to administer Needletime from

CIPRO.”

What Needletime means to the South African music industry is that musicians can now earn money in a new area. Previously, the only reward non-composing musicians would get from performing musical works would have been income received from live performances as well as royalties payable by record companies in terms of recording contracts. Now, even if they are not a composer, performers involved in the recording of material that is then played in public in its recorded form, will also receive a royalty.

All that any musician needs to do for their recorded performances to be eligible to earn Needletime royalties is to assign the administration of their Needletime Rights to SAMRO. What this means is that they thereby authorise SAMRO to administer these rights on their behalf and that, as a member whose recorded performances are performed or played in public, they will begin to receive Needletime royalties, as soon as the negotiation with music users to procure the necessary licences have been completed. This does not affect the composer's rights in any way, neither does it impact on nor influence the collection of any other royalties for composers. What it does do is give composers who also perform on recordings, another income stream, thereby increasing an artist's ability to make a living from music.

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