

# YOUR GUIDE TO MUSIC LICENSING

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Every piece of music has two distinct components: the **Musical Composition** and the **Sound Recording**. These two elements are protected by law - **Copyright** for the musical composition and **Neighbouring Rights** for the sound recording. These sets of rights belong to different groups of rightsholders. Obtaining a music licence ensures that music creators receive fair compensation for their work, enabling your business to continue benefiting from the lawful use music.

Purchasing a physical copy of an album or subscribing to a music streaming service allows you to use music for your personal enjoyment. However, that licence agreement is personal to you and does not extend to public or commercial settings. If your establishment intends to play music for clients, customers, employees, or the public, it is highly likely that you require a **COTT Music Licence**. A COTT licence serves as authorisation from the rightsholders for allowing the public performance, broadcast, communication to the public or reproduction of their protected work. This permission is commonly granted through a "**blanket licence**," which allows the use of any work within the rightsholder's repertoire for a specified period (e.g., annually or at a one-off event). The fee for a blanket licence is usually determined by several factors including revenue generated, person capacity, establishment size, or number of copies reproduced.

There are various ways in which music users utilise music. Music can be consumed digitally, combined with other visual media to produce advertisements, used as background music or featured in live or recorded performances at public gatherings. Regardless of the intended use, obtaining permission is a must!

Our Licence covers most of the music played in Trinidad and Tobago. We represent **99.9 %** of music creators locally and through our reciprocal agreements with overseas affiliates most of the creators around the world when their music is publicly performed or broadcast in Trinidad and Tobago.



# PUBLIC PERFORMANCE

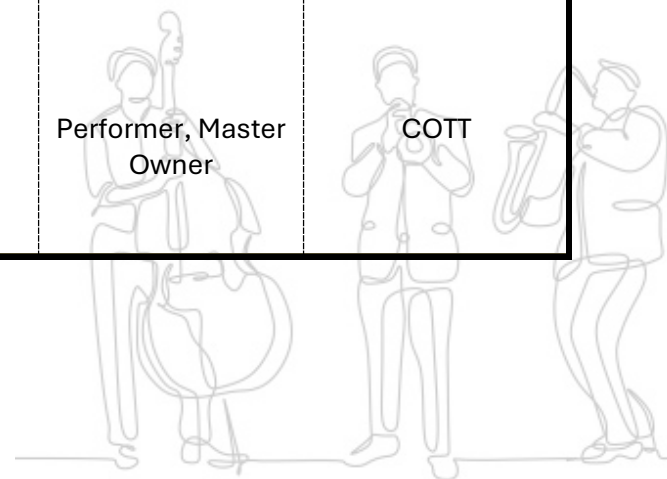
If you play music in your business, at public events or at publicly accessible locations, you will need to obtain permission for the "**public performance**" of music.

A public performance occurs when is performed in a place or at places where individuals outside the immediate family and closest acquaintances are or may be present, regardless of whether they are present at the same time and location or at different times and locations.

A "Public Performance Licence" is typically granted by the authorised Collective Management Organisation [CMO] i.e., COTT representing the rightsholders. This licence encompasses both live/in-person and recorded music performances. Depending on the nature of your business and music usage, various licence types may apply.

As a business owner, manager or event promoter, it is your responsibility to adhere to all licensing and regulatory requirements and by securing the appropriate permissions, you can avoid legal infringements.

| MUSIC USED<br>IN  | RIGHTS TO BE CLEARED  |                                  |                             |                       |                            |                             |
|---|-----------------------|----------------------------------|-----------------------------|-----------------------|----------------------------|-----------------------------|
|   | COPYRIGHT             |                                  |                             | NEIGHBOURING RIGHTS   |                            |                             |
|   | LICENCE<br>REQUIRED   | OWNER(S)                         | Authorisation<br>granted by | LICENCE<br>REQUIRED   | OWNER(S)                   | Authorisation<br>granted by |
| Stores, Offices<br>Restaurants &<br>Bars, Gyms, Dance<br>Studios, Shopping<br>Malls, Fetes,<br>Concerts, Play<br>Parks etc. | Public<br>Performance | Author,<br>Composer<br>Publisher | COTT                        | Public<br>Performance | Performer, Master<br>Owner | COTT                        |



# REPRODUCTION AND SYNCHRONISATION

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If you plan to reproduce music in an advertisement, pair it with any form of visual media, make copies, distribute or manufacture products embodying works in COTT's Repertoire; there are several factors to consider.

Reproduction and Synchronisation licences are specific to the song(s) you intend to use in your production. These licences may be issued by the rightsholders themselves or facilitated by COTT. Identifying the rightsholders of the song(s) to be used is of utmost importance. Users must be aware that there are often many rightsholders within one song and permissions must be obtained from ALL rightsholders. Additionally, these individuals can also belong to different CMOs which will require our intervention for you to obtain the necessary permissions.

## **SYNCHRONISATION LICENCE :**

Also known as "Sync" rights, are the rights to include a piece of music in a production where the music is paired/timed with other media. When a piece of music needs to be licenced individually outside of a blanket licence, some rights holders may choose to licence the production company directly. Other rights holders have mandated COTT act on their behalf.

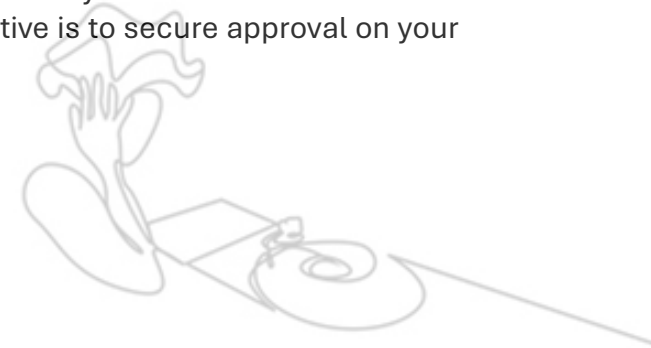
## **MECHANICAL LICENCE:**

The mechanical licence grants permission to reproduce and distribute music in any physical or digital format including the recording of cover versions.

If you intend to operate as a Disc Jockey, you will need to obtain a DJ Licence; this licence authorises you to reproduce multiple copies of music in different formats for use within your trade. However, it does not grant you the right to reproduce copies of music for public sale nor does it cover the public performance of COTT's repertoire.

## **LICENCES FOR MUSICAL COMPOSITIONS:**

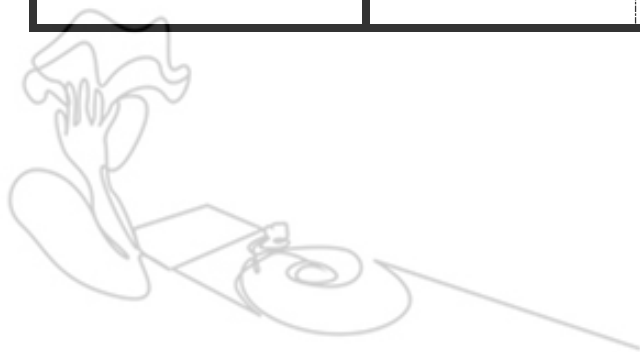
Individual licences for musical compositions are typically managed by the Publisher or, in the absence of a Publisher, the Songwriter(s)/ COTT. In cases where the composition belongs to a member who has granted a synchronisation mandate to COTT, we will initiate contact with the member to provide details of your request. Our objective is to secure approval on your behalf and negotiate mutually agreeable licensing terms.



## USE OF SOUND RECORDINGS

If you are utilising the original sound recording, often referred to as "the master," in your production it is imperative that you identify the rightful owner(s) of said sound recording. This may include the record company and/or the artist responsible for the release of the recording. Consequently, the music user must diligently obtain the requisite written permission from the owner of "the master" before proceeding.

| MUSIC USED IN  | RIGHTS TO BE CLEARED |                             |  |                     |   |  |
|--|----------------------|-----------------------------|--|---------------------|---|--|
|  | COPYRIGHT            |                             |  | NEIGHBOURING RIGHTS |   |  |
|  | LICENCE REQUIRED     | OWNER(S)                    | Authorisation granted by   | LICENCE REQUIRED    | OWNER(S)  | Authorisation granted by                                   |
| Advertising, commercial jingles, music videos, film and TV productions, video games etc. | Synchronisation      | Publisher, Author, Composer | Publisher<br>if a Publisher is assigned;<br>if not then<br>Author/Composer or<br>COTT where applicable | Use of the Master   | Master Owner<br>[Typically, the Record labels / Producer] | Master Owner<br>[CMOs do not usually control these rights] |
|  | Public Performance   | Author, Composer, Publisher | COTT   | Public Performance  | Performer, Master Owner                                   | COTT   |
| Making of a cover version of a song  | Mechanical Licence   | Author, Composer, Publisher | COTT   | NOT APPLICABLE      |   |  |
| Reproduction and distribution of physical copies / digital copies                        | Mechanical Licence   | Author, Composer, Publisher | COTT   | NOT APPLICABLE      |   |  |



# DIGITAL LICENSING

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Presently most of us listen to music through our mobile devices and can conveniently download songs over the internet. This allows us to download as many songs as we like and even use software to live stream songs without having to download them.

With the increasing popularity of live streaming, event promoters are now able to reach a wider audience by broadcasting their events online. This allows music enthusiasts to enjoy live concert performances from the comfort of their own homes.

## HOW MUSIC IS CONSUMED IN THE DIGITAL ENVIRONMENT

### STREAMING

Takes place when a musical work, is transmitted over the internet or similar system, in such a way that the consumer can listen to that work wherever they want but so that no recording of the work is permanently stored in devices including computers, mobile phones or any other receiving device.

### DOWNLOADING

Takes place in similar circumstances to streaming but in this instance, a digital copy of the work is permanently recorded on to the receiving device so that the consumer may access it any number of times without further transmissions.

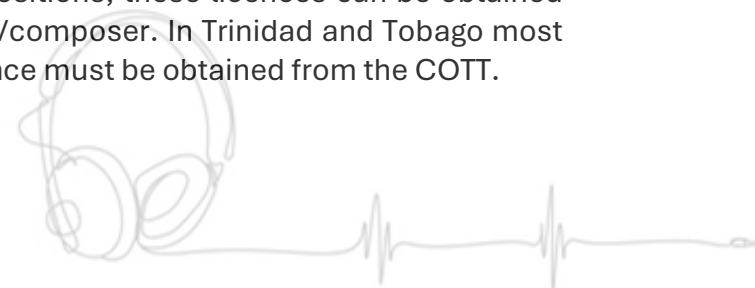
Streaming and downloading allow for the works and sound recordings of rightsholders to be made available to consumers when and wherever the consumers choose. See below licences required:-

### **PUBLIC PERFORMANCE LICENCE**

This covers the “***making available right***” which allows for transmission to the public by wire or wireless means in such a way that they can choose how and when they access it. This licence can be secured through COTT.

### **MECHANICAL CLEARANCE**

A blanket mechanical licence is required for the reproduction of the musical compositions, these licences can be obtained from the song's publisher or the representative CMO acting on behalf of the author/composer. In Trinidad and Tobago most works are self-published so there is no publisher assigned - in these instances a licence must be obtained from the COTT.



## OBTAINING A SYNCHRONISATION LICENCE

Some online music users may wish to combine music with timed visuals, for instance like concert footage, or the creation of in-stream advertising. For this to be done, a synchronization licence must be obtained for the use of the songs. Like the mechanical licence this can be done through the song's publisher or the representative collective management organization (CMO)/COTT of the publisher and/or writer.

## OBTAINING CLEARANCE FOR THE SOUND RECORDING

Before an online music service can legally operate, they must also negotiate and acquire master use licences for the use of sound recordings, which are obtained from the owner of the sound recording (Master Rights Owner). Traditionally, sound recordings are typically owned by record labels however, in T and T because many recordings are financed by independent performers and executive producers, these rights are spread over a multitude of owners. In this instance it is wise to seek out the services of a digital distributor who will be able to assist with these clearances.

| MUSIC USED IN                                    | RIGHTS TO BE CLEARED  |                               |                          |  |  |   |
|--|---|-------------------------------|--------------------------|--|--|---|
|  | COPYRIGHT   |                               |                          | NEIGHBOURING RIGHTS  |  |   |
|  | LICENCE REQUIRED  | OWNER(S)                      | Authorisation granted by | LICENCE REQUIRED   | OWNER(S)   | Authorisation granted by  |
| Re-transmission<br>[Live / In-person Event]      | Mechanical Licence<br><i>Recording of the event for re-transmission</i> | Author, Composer<br>Publisher | COTT                     | <b>NB:</b> - Authorisation must be obtained from the Performers to record their performances. This includes background vocalists and musicians |  |   |
|  | Public Performance  | Author, Composer<br>Publisher | COTT                     | Public Performance<br><i>[if recorded music is being performed]</i>  | Performer, Master Owner  | COTT  |
| Streaming and /or<br>Downloading<br>[Music only] | Public Performance  | Author, Composer<br>Publisher | COTT                     | Public Performance   | Performer, Master Owner  | COTT  |
|  | Mechanical  | Author, Composer<br>Publisher | COTT                     | "Digital" Master Use Licence<br><i>allows for the reproduction of the master recording</i>   | Master Owner<br><i>[Typically, the Record labels / Producer]</i> | Master Owner<br><i>[CMOs do not usually control these rights]</i> |

|  |                       |                                  |      |  |  |  |
|--|-----------------------|----------------------------------|------|--|--|--|
| Streaming and/or<br>Downloading<br>[Music paired with visual<br>media] | Public<br>Performance | Author,<br>Composer<br>Publisher | COTT | Public<br>Performance  | Performer,<br>Master Owner                                     | COTT   |
|  | Mechanical            | Author,<br>Composer<br>Publisher | COTT | “Digital” Master<br>Use Licence<br>allows for the<br>reproduction of the<br>master recording | Master Owner<br>[Typically the<br>Record labels /<br>Producer] | Master Owner<br>[CMOs do not<br>usually control<br>these rights] |



# BROADCASTERS

Broadcasters are one of the main users of music. They not only broadcast music; they also reproduce it on a regular basis and as such, they usually require two types of licences to cover these different uses. A **COTT Broadcast Licence** authorises the broadcast of all works in our repertoire both local and international, on the broadcaster's service. A **Blanket Mechanical Licence** authorises the reproduction of music subject to certain limitations. For example, these licences do not allow music to be reproduced in an advertisement. (this permission is obtained via a Synchronisation License)

If you operate a radio station, television station, radio station, cable or satellite television service in Trinidad & Tobago, you are required to obtain a licence from COTT.

| MUSIC USED IN                                      | RIGHTS TO BE CLEARED |                            |                                 |                     |                         |                                 |
|--|----------------------|----------------------------|---------------------------------|---------------------|-------------------------|---------------------------------|
|  | COPYRIGHT            |                            |                                 | NEIGHBOURING RIGHTS |                         |                                 |
|  | LICENCE REQUIRED     | OWNER(S)                   | <i>Authorisation granted by</i> | LICENCE REQUIRED    | OWNER(S)                | <i>Authorisation granted by</i> |
| Broadcast [Radio, Cable, Satellite and Television] | Public Performance   | Author, Composer Publisher | COTT                            | Public Performance  | Performer, Master Owner | COTT                            |
|  | Mechanical [Blanket] | Author, Composer Publisher | COTT                            | Master Use Licence  | Performer, Master Owner | COTT                            |

