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To Whom It May Concern

Mushroom Music is the most successful independent music publisher in Australasia and has been in operation since 1972. Its repertoire is focused on Australian and New Zealand writers and includes some of the greatest in these countries today. The historic catalogue extends from the late 60's classics by Billy Thorpe and The Loved Ones through to Daddy Cool and important acts in later decades including The Triffids, Skyhooks, Hunters & Collectors, Split Enz, Boys Next Door, Models, Sunnyboys, Yothu Yindi, Archie Roach, The Chills, Dance Exponents, The Bats and Shihad. Significant artists from the past thirty years are strongly covered in our catalogue and we are very proud to consistently sign a new wave of talent including Amy Shark, Dan Sultan, Violent Soho, Julia Jacklin, Vance Joy, The Preatures, Gordi, Bliss n Eso, Jess Kent, Nick Murphy aka Chet Faker, D.D Dumbo, Jack River, Rolling Blackouts Coastal Fever, The Rubens, The Teskey Brothers and DMA'S.

We are part of the Mushroom Group which has grown to become a collective of near two dozen specialist brands who are each leaders in their own right across the music and entertainment industry with over 200 staff in Melbourne, Sydney and Auckland.

Since 1991 Mushroom Music Managing Director Ian James has been a Director on the APRA Board. He was re-elected for a further three year term in November 2018. He currently holds the position of Deputy Chairman at APRA. Therefore the directors of Mushroom Music Pty Ltd, including Michael Gudinski, are well aware of the way in which APRA operates. As an independent Australian owned music publisher with a substantial roster of Australian and New Zealand songwriters and composers, the revenue from performing, broadcasting and digital services is a major part of the overall revenue. This will continue to be the case as streaming income increases. Therefore we take a very active interest in the net revenue of APRA and the distribution practices. For all of our writers the APRA royalties are an essential part of their annual income, providing funds to continue their career as songwriters and to contribute to their livelihood.

Our interest is not academic. Mushroom Music Publishing is a commercial organisation which has survived and prospered since 1972 while consistently making profits. It is a family company that relies on cashflow and net profits to fund the overheads including a staff of 17, royalty distributions and advances for future signings. The large publishers have the advantage of worldwide revenue to access if the local operation underperforms. We don't have that safety net. Therefore we look closely at our APRA revenue to ensure it reflects the quality of the music we represent and its commercial value. For Mushroom Music and its writers, this is a matter of survival.

While some rights societies are poorly managed, the APRA expenses to revenue ration remains one of the lowest in the world. The senior staff have been fortunate to have former CEO Brett Cottle to guide their careers. He has moved to a consulting role from July 2018 and is succeeded by Dean Ormston who has worked closely with Brett at APRA for twenty years. In a changing revenue

landscape the experience of their managers in licensing negotiations and, if necessary, legal action is vital.

Whenever an ACCC authorisation has occurred in the past, there has inevitably been organisations or individuals that take advantage of the situation to air their grievances or try to gain a commercial advantage. There is a bigger picture to be considered. The collective licensing of musical works has generally been shown to be the most effective system for both the rights holders and the businesses needing copyright clearance, provided that they are managed efficiently. If the current system is weakened then the money distributed will decline. This has a direct effect on the 100,000 APRA writer members and the publishers. Quite often those who complain get more attention. In this case it is worth taking into account the many people who either create the music or work behind the scenes to ensure that royalties get paid. To some extent this submission is made on their behalf. We believe that APRA is doing an important and accurate job and we would be the first to challenge the management at board level if we thought that wasn't the case.

Regards

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the left.

Linda Bosidis  
Managing Director