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BY EMAIL

Gavin Jones
Director, Adjudication
Australian Competition and Consumer
Commission
23 Marcus Clarke Street
Canberra ACT 2601

ashurst

Cc: Tessa Crammond; Victoria Christie

Dear Mr Jones

Collective bargaining notification by Mood Media Australia Pty Limited/Stingray Group Inc – CB1

We act for Mood Media Australia Pty Limited (**Mood Media**) and Stingray Group Inc (**Stingray**) in respect of the above collective bargaining notification.

The Commission has asked the following question:

If a supermarket engages a background music supplier to supply background music in its venue, does the supermarket also separately need a licence from APRA?

Our clients' response is as follows:

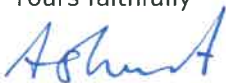
A supermarket (or any retailer) that plays music in its venue requires a licence from APRA. Some background music suppliers have an 'agency' licence with APRA that enable them to collect the APRA public performance fees from their clients on behalf of APRA (these fees would otherwise be paid directly by the client to APRA).

The fees are typically collected by the service provider from the client via their monthly/quarterly invoicing. There may be service providers who position that service to the client as a 'bundle' with their supply of music content.

Although they do not yet have a concluded view, Mood Media and Stingray may include in their dealings with APRA the negotiation of such agency licences.

Please contact Ross Zaurrini on (02) 9258 6840 or Tihana Zuk on (02) 9258 6343 if you have any further questions.

Yours faithfully



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