

Music Royalty Collection Society Nepal

Annual Report 2013

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Provisional member of:



*International Confederation of
AUTHORS AND COMPOSERS SOCIETIES*



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INTRODUCTION

About MRCSN

Music Royalty Collection Society Nepal (MRCSN) was established in June 2007, under the Copyright Act of Nepal, 2002, with the objective of collecting royalty for public performance of music in the first phase and mechanical royalty later. It has more than 879 music composers and lyricists as members at present and the membership is growing fast. The Executive Committee has 11 members out of which 5 are elected from among music composers and 5 from among lyricists. The Chairman is elected directly.

It has been successful in establishing an efficient, though small, administrative unit. Its day to day work is carried out by the management team. Working closely with office of Copyright Registrar and Copyright Protection Society of Nepal [CPSN], its application for membership of CISAC has been approved by the Board of Directors of CISAC in December 2008. The membership status at present is provisional.

In cooperation with TONO, it is currently receiving grants from Norcode, the Norwegian Copyright Development Association, for strengthening the administration of MRCSN and for training of its human resource. It is hoped that a strong and efficient collective management society in Nepal would contribute towards increased respect for the rights of the creators and help protect their economic and moral rights.

Mission

To manage copyrights of musical works of rightholders and foster the use of and promotion of musical works by collecting and distributing the royalties from such uses.

Vision

To ensure fair value for creation of musical works in the dynamic world.

Objectives

1. To develop efficient mechanism for collection and distribution of royalties to lyricists and music composers.
2. To aware rightholders, users as well as public about copyright in musical sector.
3. To maximize the repertoire of music through membership and registration of works.
4. To foster mutually beneficial relationships with other CMOs.
5. To serve users with one-stop for licensing musical works.

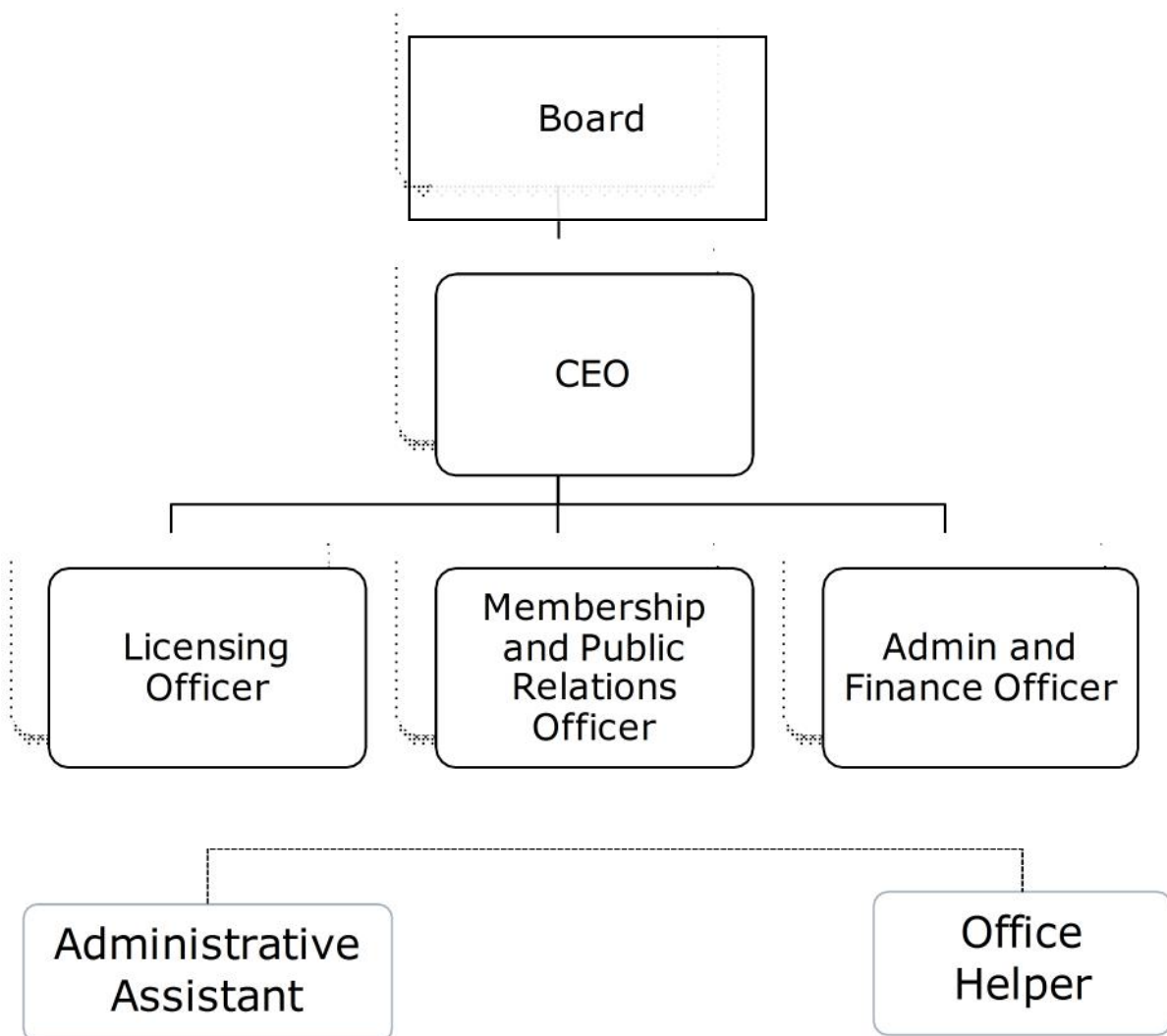
Values

1. Integrity
2. Transparency
3. Respect
4. Confidentiality
5. Fair dealing (Impartiality)
6. Equality
7. Credibility
8. Responsibility

Board of Directors

1. Mr. Suresh Adhikari - Chair
2. Ms. Lalita Kunwar - Vice Chair
3. Mr. Mahesh Khadka - General Secretary
4. Mr. Eknarayan Bhandari - Treasurer
5. Mr. Laxman Sesh Bindari - Member
6. Mr. Shantiram Rai - Member
7. Mr. Chetan Sapkota - Member
8. Mr. Bashanta Sapkota - Member
9. Mr. Sanjay Baral - Member
10. Mr. Lokraj Adhikari - Member
11. Mr. Kumar Upreti - Member

Organizational Structure

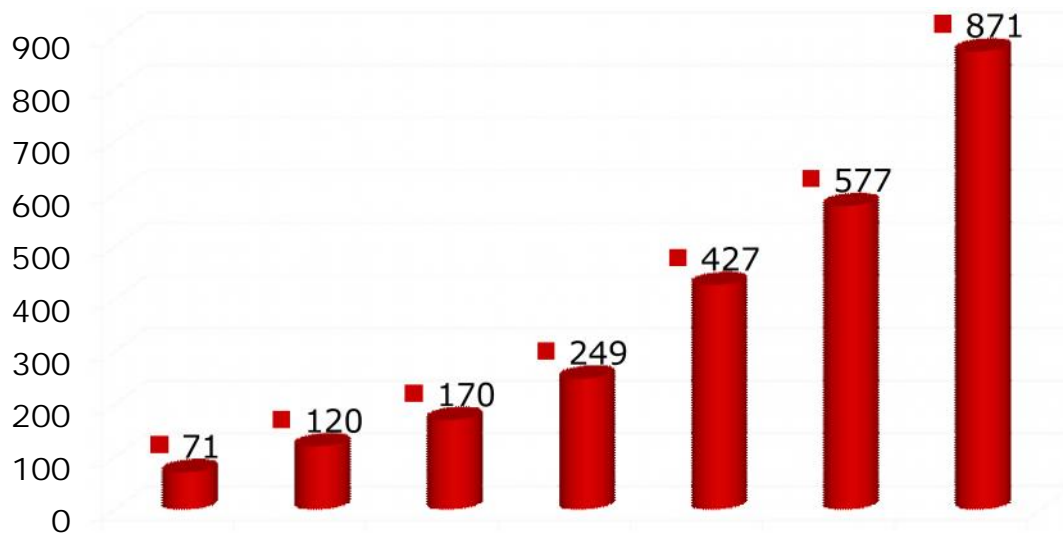


MEMBERSHIP

Conditions for Membership

An individual or organization who holds the copyright for musical works (lyricists and composers), voluntarily authorizing MRCSN to administer and manage the copyright of their works and meeting the requirements and completing procedures as prescribed in the charter of MRCSN can become a member of MRCSN.

Growth in the number of members annually



Membership rights and benefits

The members of MRCSN have rights to make important decisions according to the MRCSN Charter.

According to the Copyright Act of Nepal, 2002, MRCSN can represent its members to protect their rights and legitimate interests.

MRCSN represents its members to administer and manage their works equally, based on actual usage of works and without any discrimination to any members or works.

Members are provided with information about the activities of MRCSN, data on the royalties collected for the usage of their works, users from whom royalties are collected and so on, either directly or through websites, social networking sites, text messages, phone calls, etc.

The royalties are distributed to the members based on the logsheets provided by the users showing the actual usage of the works.

Categories of members

1. Full members:

According to the MRCSN Charter, the members who fulfill the standards for full membership as set by the committee will be full members and they have to keep fulfilling those standards to maintain full membership status. Since the standards are yet to be passed through the AGM, the full members of MRCSN are those members who were present at the time of registration of MRCSN. There are currently 71 full members.

Only the associate members are eligible for full membership.

2. Associate members:

The members not eligible for full membership are associate members. The Committee can provide associate membership to successor members also. These members can participate and discuss in the general meetings but they cannot vote.

LICENSING

Fields from which royalties are being collected currently

Currently, MRCSN is collecting royalties from concerts, radios, televisions, ringback tones, websites, iTunes etc.

List of licensees:

1. Radios:

- ? Fulbari FM 93.2 MHz, Tikapur, Kailali
- ? Fulbari FM 100.6 MHz, Gularia, Bardia
- ? Fulbari FM 107.3 MHz, Bhurigaon, Bardia
- ? Butwal FM (Siddhartha Media Services Pvt. Ltd.)⁹
- ? Rupakot Radio, Diktel 6, Khotang
- ? Radio Mukti 95.5 MHz, Butwal
- ? Radio Nepal, Singhadurbar

2. Television:

- ? Devchuli Television
- ? Nepal Television (Ongoing)

3. Website:

- ? Geetnepal.com
- ? iTunes through CASH

4. Ringback Tones:

- ? Music Nepal
- ? Nepal Telecom (Ongoing negotiations)

Royalties revenues annually

Royalty Collections (in NPR)



DOCUMENTATION AND DISTRIBUTION

Documentation and Database

Currently, MRCSN is using these systems for updating information about the members and their works, adhering to the international standards, as far as possible:

- WIPOCOS software, a software developed by WIPO, is being used for documentation of members and works. We are planning to use this system for distribution in the near future.

- CISnet is authors and musical works repertoire of international CMOs. It is used for identifying international musical works.

- Interested Party Identifier (IPI) number is a unique number which is used to identify authors and composers internationally, provided by SUISA.

Royalties' Distribution

Currently, MRCSN is deducting 10% of the collected royalties as deduction for administrative costs. The MRCSN Charter allows for such deduction upto 25% of collected revenues.

The royalties are distributed entirely on the basis of actual usage data provided by the users. The lyricists and composers get equal share for the usage of their works.

On November 15, 2013, MRCSN conducted a Royalty Distribution Programme for the fourth time. The Chief Guest was Minister of Finance, Industry, Commerce and Supplies Mr. Shankar Prasad Koirala.



RECIPROCAL AGREEMENTS

MRC SN has signed reciprocal representation agreements with the following sister societies all over the world:

S.N.	Reciprocal Agreement Societies	Date
1	PRS(UK)	1/1/2011
2	IPRS(INDIA)	1/1/2011
3	SOCAN(CANADA)	1/6/2011
4	MUST(TAIWAN)	1/1/2011
5	MCSC(CHINA)	1/1/2011
6	BUMA(NETHERLAND)	1/7/2011
7	CASH(HONGKONG)	1/1/2011
8	VCPMC(VIETNAM)	1/3/2011
9	JASRAC(JAPAN)	1/3/2011
10	FILSCAP(PHILIPINES)	1/1/2011
11	MACP(MALAYSIA)	1/1/2009
12	SESAC (USA)	1/1/2011
13	BMI(USA)	1/1/2010
14	SACEM(FRANCE)	1/1/2010
15	ACDAM(CUBA)	1/1/2011
16	APRA(AUSTRALIA)	1/1/2011
17	ASCAP(USA)	1/1/2011
18	TONO(NORWAY)	1/1/2011
19	COMPASS(SINGAPORE)	1/1/2011
20	SIAE (ITALY)	1/1/2011
21	KOMCA (Korea)	1/1/2013

CAPACITY BUILDING ACTIVITIES

MRCNS believes in empowering its human resources and making them grow along with the organization. The following capacity building activities were carried out this year:

- An induction program was carried out for the newly recruited CEO, Admin and Finance Officer and Licensing Officer where the executive board members and Mr. Santosh Sharma (General Secretary of CPSN) explained to the new employees about Copyright, royalty, MRCNS and the current situation.
- The CEO attended “Magnify the Leader in You” training programme conducted by Jeevan Vigyan.
- The CEO has completed General Course on Intellectual Property DL-101 from WIPO Academy.
- The CEO has also completed four phases of WIPO-NORCODE Advanced training on Exercise and Management of Copyright and Related Rights.
- On August 23, 2013 Mr. Amasi, Manisekaran from WIPO delivered a presentation in MRCNS about CMO and management of rights where the participants were the board members as well as the management team.
- On August 23, 2013 Corporate Good Governance training was conducted for Board Members and the management team of MRCNS.
- The Membership and Public Relation Officer participated in WIPOCOS data entry training organized by WIPO and MyIPO.
- Mr. Vinodh Arumugam from WIPO provided training on operating WIPOCOS software to the management team.

Moreover, we have conducted various awareness generating activities targeting different groups:

- Awareness generating jingles have been created and initiatives are being undertaken in order to make them broadcasted in radio stations.
- A rally was organized to celebrate World IP Day and participants were from different creative fields.
- An awareness generating program has been conducted in the Eastern regions of Nepal namely Birtamod (10th June), Itahari (11th June) and Hetauda (13th June). The target groups were creators and users.
- An awareness generating program was conducted in Pokhara (20th December) and Chitwan (22nd December).