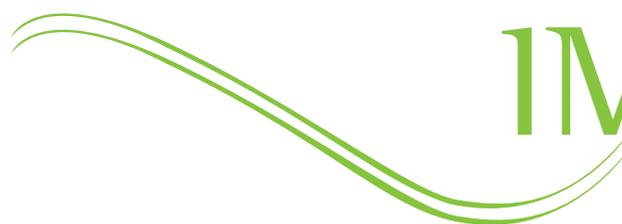


IMRO  
ANNUAL  
REPORT  
& ACCOUNTS  
2007





**IMRO**  
ANNUAL  
REPORT  
& ACCOUNTS  
2007

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**imro**

# CREDITS

## IMRO BOARD OF DIRECTORS:

Keith Donald (Cathaoirleach), Paul Brady, Philip Flynn, Eddie Joyce, Johnny Lappin, Steve Lindsey (UK), Donagh Long, Eleanor McEvoy, Charlie McGettigan, Christy Moore, James Morris, Michael O'Riordan, Niall Toner.

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**PRODUCTION MANAGER:** Mairin Sheehy

**CONTRIBUTORS:** Jackie Hayden, Greg McAteer, Colm O'Hare, Peter Murphy

**DESIGN & PRODUCTION:** Hot Press, 13 Trinity Street, Dublin 2.

**ART DIRECTOR:** David Keane

**ADDITIONAL DESIGN:** Graham Keogh

**PRODUCTION CO-ORDINATOR:** Anne Marie Conlon

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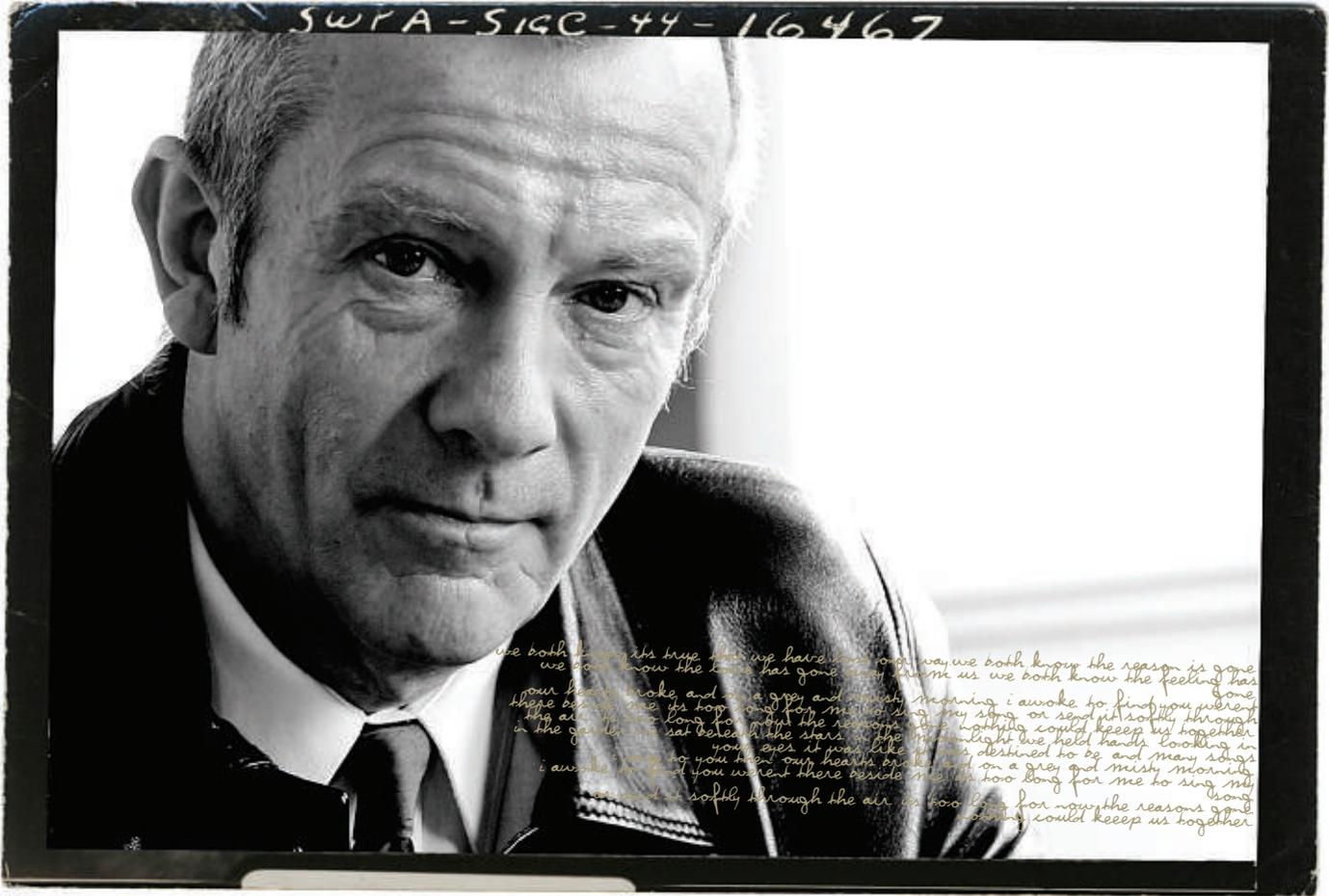
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we both know the time has gone away we both know the reason is gone  
 we both know the time has gone away we both know the feeling has  
 our hearts broke and in a grey and misty morning i awoke to find you were  
 these early in the morning for me to sing my song or send it softly through  
 the air in the morning to you the reason we both could keep us together  
 in the garden we sat beneath the stars in the moonlight we held hands looking in  
 your eyes it was like we were destined to be and many songs  
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# TAKING IMRO TO HEART

Recently-elected IMRO Chairman KEITH DONALD has been living and breathing music even before his debut gig as a 10 year-old playing recorder on the BBC. Here he chats about his background and what the future holds for IMRO.

Earlier this year, musician Keith Donald was elected Chairman of the IMRO Board for a three-year term. He is well known in this country and internationally as a founding member of the seminal Irish traditional/rock fusion outfit Moving Hearts (with whom he still performs). Before he played with Moving Hearts – who formed in 1981 – he was both a recording session player and member of several jazz groups, including Jim Doherty’s Spon, Noel Kelehan’s Quintet and various bands with Louis Stewart, Mike Nolan and many others.

Over the years he has played or recorded with Christy Moore, Ronnie Drew, Mary Black, Van Morrison, Bill Whelan, The Dubliners, Gerry Mulligan, Zoot Sims, Sinéad O’Connor, Gilbert O’Sullivan, Davy Spillane and many, many others. In recent years Donald has worked extensively in composing scores for film and

television and released several solo albums. He has wide experience working in all sides of the industry both as a musician and through his involvement in various industry bodies over the years.

**You’re best known in the public mind as a musician – mainly as a member of the legendary Moving Hearts. What qualifications or experience do you feel you have to serve in the position of Chairman of IMRO?**

Well, for a start I do think that it’s beneficial for someone in this position to have experience of the industry at large. And I do have that experience and, I believe, a very wide knowledge of the industry from a lot of different perspectives. To mention just a few, I was on Michael D. Higgins’ FORTE committee back when he was Minister for Arts and Culture; I was



on the IBEC Music Industry Group and I was in the Popular Music Industry Association in the late 1980s. I also worked with the Arts Council as their Popular Music Officer for five years. Then I ran MusicBase [musicians' information service] for a further five years. As a working musician and performer I've put in a fair bit of time – my first gig was when I was just ten years old, appearing live on BBC radio, playing jazz on the recorder. I was a semi-pro jazz musician working with adults by the time I was fourteen.

**How did you come to be elected to the position of Chairman?**

Well I started out as an ordinary member – a songwriter – and put myself forward for the Board and was elected in 1994. I have now been elected four or five times since then. So I should have assimilated a fair bit of the way IMRO operates by now. The way it works is that the membership of IMRO – which currently stands at around six and a half thousand people – are asked to elect people who put themselves forward to the Board. That happens every two years. The Board is comprised of five publishers, seven writers and three external directors. And then the Board elects their chair. This time around they elected me and I was honoured to accept the position. I've received plenty of messages of congratulations and a few commiserating with me (*laughs*).

**IMRO has been through some traumatic times in recent years. Looking to the future, what are your plans during your term as IMRO Chairman?**

The main thing I want to get across is that there's a strength about IMRO currently that hasn't always been there. Right now, we have a very strong and well-informed Board. We have taken the best advice possible as regards our corporate governance. We also had a forum for members to come and say what changes they would like to see. We've looked at those suggestions and incorporated a lot of them into the way we operate. We've also instituted four committees comprised of Board members who are empowered to seek advice whenever they need it. They look at issues within the company and report back to the Board. So, on

a lot of fronts we're a much stronger, leaner, more capable organisation than we were in the past. And that will benefit the members because everything we do is ultimately for the benefit of the members. This is a company with a turnover of about €38million a year – so it's a lot of money.

**With the internet and file-sharing there is a growing perception, especially among the younger generation, that recorded music is free. How does an organisation such as IMRO work to counteract that perception?**

The thing about music is – it doesn't cost nothing to produce. There's a cost at every level. It costs money to buy the recording gear, whether you have it at home or whether you go into a recording studio you've got to get it out there, manufactured, published, distributed, marketed. It also costs somebody's time and energy which is often forgotten. So there is a cost in making music – you just can't give it away for free. That's the fundamental principle behind IMRO. Our right that we're protecting is established throughout Irish and international law. Music being publicly performed, be it on radio or at the RDS or at any other live venue or all kinds of places from dentists' surgeries, to music on hold on the phone – it's all public performance.

**There has been a recent high profile court case involving IMRO and a major festival operator. Are we likely to see more of such cases in the future?**

I think I know what case you're referring to and I can't comment on that case in any way shape or form. What I will say is this: all users of music, whether they run a radio station, or a pub, or a gig or a festival – we will treat them equally. Under Irish law and under international law they owe money for the use of music in their business and it has to be paid. It's just like any other business who supply a product or a service. To make a simple analogy, if Guinness supplied beer to a pub over a long period of time without being paid for it they would eventually take that pub to court in order to get paid. So the court is the theatre of last resort but sometimes you've got to go there.

**IMRO continues to be involved in**

**supporting the songwriting community by organising seminars, workshops and tours. Do you see this role increasing in the future?**

The core business of IMRO is collection and distribution but if you want to encourage the songwriters of the future, you have to encourage them at the baby stage. You could call it a research and development operation. If we were any other company it would be the R&D department. We sponsor and organise a lot of things. The IMRO showcase tour, for example, as well as songwriting seminars and initiatives like film music workshops.

**Apart from the obvious big names which make up a small part of IMRO membership – is the ordinary working songwriter's lot better or worse than it has been in the past?**

I think there are probably less and less people who are recording songs that they haven't written themselves. So there's less of a market for songwriters to get their music out to others. There are exceptions of course but it's more limited than it used to be. In this era of co-writes you'll probably find that the person who is eventually going to sing the song is part of the writing team. Although, that said, we still do have great examples of people writing songs and getting them to artists who record them. The important point to make is that IMRO very often makes a difference between someone being able to work at songwriting or not. So we have a duty of care to collect on their behalf.

**Given your lifelong experience working in the business, would you recommend music as a career?**

To a certain extent with the music business you don't choose a career with it – it chooses you. If you feel the passion you just have to go with it otherwise you'll never be happy. One of my definitions of success in the music business is the ability to stay in it. If you are involved in the art of music you are not going to survive in the business unless you have some energy for the corporate world as well. But the way I see it the music community in Ireland is my extended family. I go to a gig down the country somewhere and when I meet up with them it's like meeting my cousins. I have a personal duty of care and desire to do what's right for them.



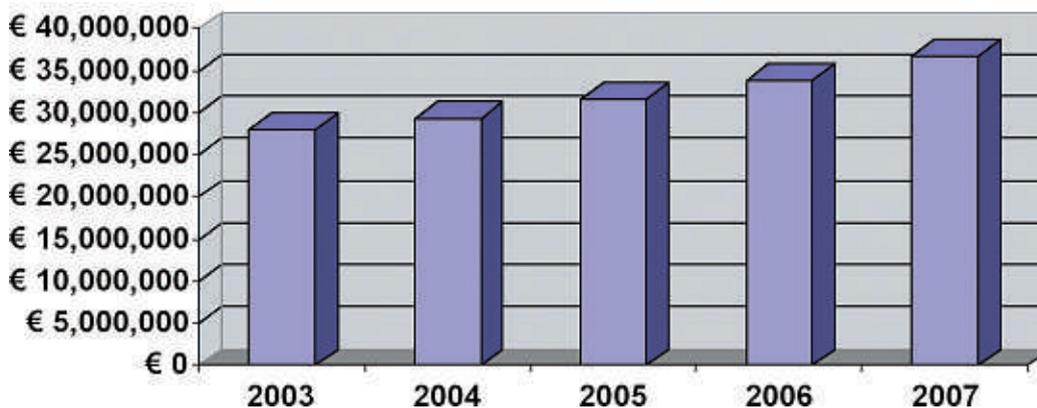
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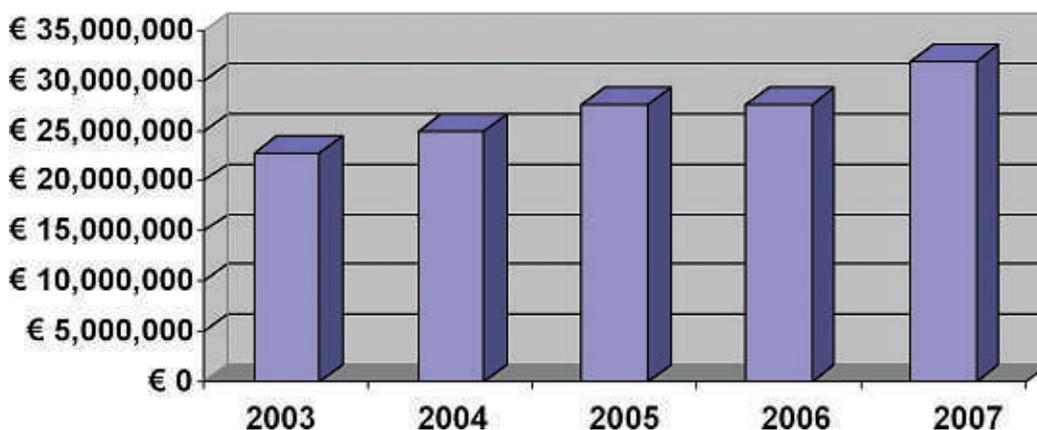
# HIGHLIGHTS IN 2007

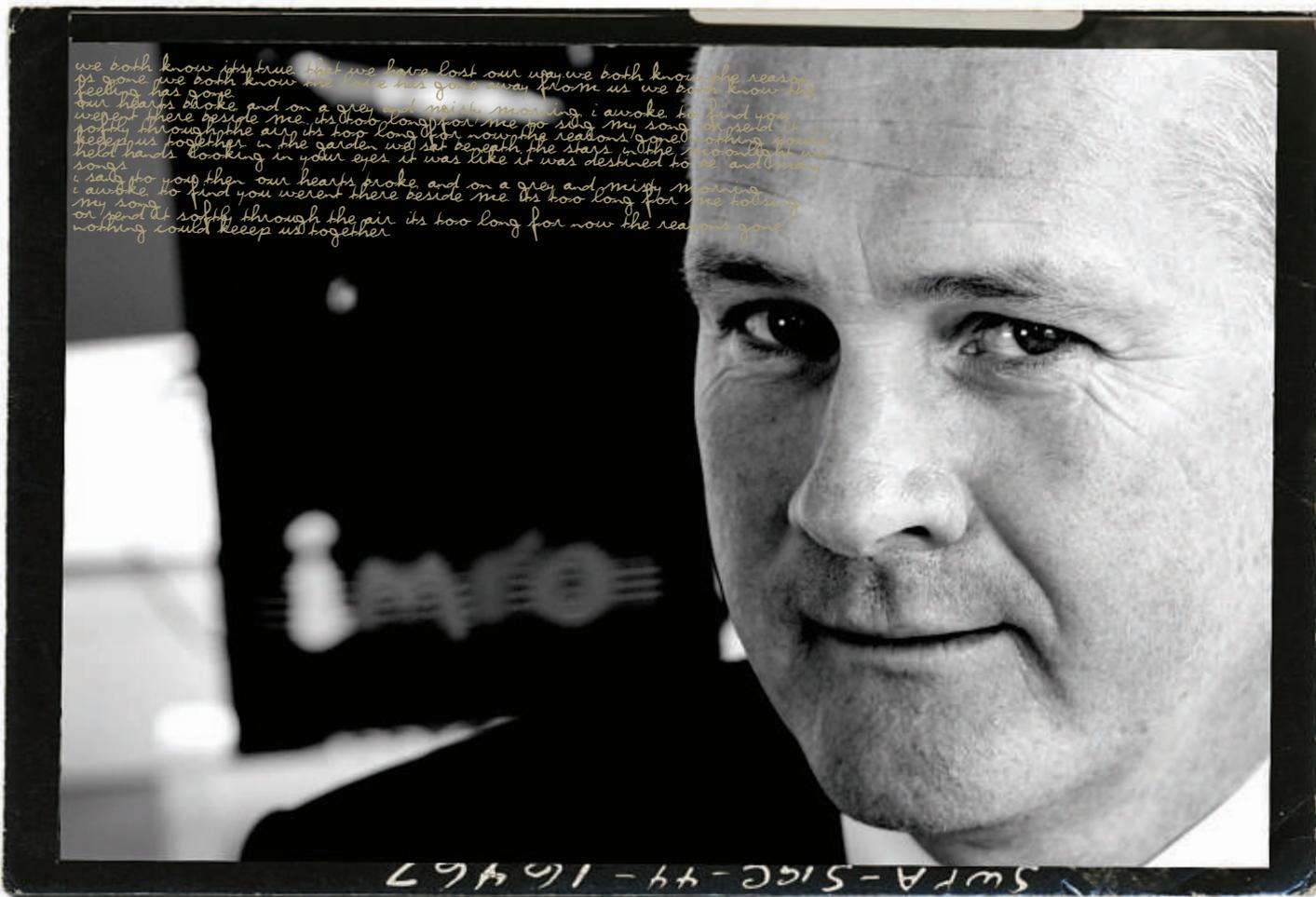
Total Gross Licence Revenue	€36.8m	+8.8%
Broadcasting Revenue	€8.6m	+18.5%
Cable Revenue	€11.4m	+8.3%
Public Performance Revenue	€13.2m	+7.7%
Overseas Revenue	€3.3m	-5.6%
Online Revenue	€0.3m	+11.1%
Net Distributable Revenue	€31.9m	+15%
Operating Costs as a Percentage of Income	12.8%	-0.6%

**Total Licence Revenue 2003 - 2007**



**Net Distributable Revenue 2003 - 2007**





# IMRO WELCOMES NEW CEO VICTOR FINN

Attracting Victor Finn to the post of Chief Executive Officer is a significant coup for IMRO and a vote of confidence in the organisation's future role, in a world where the pace of technological evolution is an ongoing challenge. Finn, a Chartered Management Accountant with a degree in Marketing from University of Limerick, was Managing Director of MCPS (Mechanical Copyright Protection Society) (Ireland) from 2001 until this year. During his tenure with MCPS (Ireland), he oversaw substantial progress in the Irish music publishing industry, as earnings for publishers and songwriters expanded greatly, moving from traditional physical product to encompass the digital arena. In tandem with IMRO, Finn brokered a ground-breaking licensing scheme facilitating on-line music users to access the repertoires of both MCPS (Ireland) and IMRO, while managing to maintain royalty rates. Here, he talks about his hopes for the future of IMRO.

**Having observed and co-operated with IMRO during your tenure with MCPS (Ireland), what is your view of IMRO's stature within the industry?**

I've always been supportive of an independent IMRO. It was very important that Irish copyright owners were enabled to dictate how their creative endeavours were licensed throughout Ireland, and to control how due royalties were collected and distributed. Prior to the introduction of IMRO, that had not always been

the case.

**Why make the move to IMRO now?**

I felt the timing was right for both IMRO and myself. With MCPS (Ireland) I enjoyed a very broad exposure to various facets of intellectual property rights, from synchronisation rights in films, TV and radio, to mobile and on-line uses of music. I felt I had a wealth of experience to bring to IMRO that they could benefit from. But it was a logical progression for me too.

**What are the most urgent challenges facing**

## **IMRO now?**

The most urgent challenges are to get licensing schemes up-to-date and to get our tariffs in line with those pertaining in the rest of Europe. We need to ensure our public performance licensing for smaller users of music, like pubs and clubs, is as widespread as it should be in the general marketplace. We also face challenges from the continuing growth of on-line and mobile uses of music. We want to expand the solid start we've made here.

### **Obviously these are priorities, but are there other pressing issues?**

Containing costs is another obvious priority, as it is with any collection society. There are increasing threats to collection societies in general. The EU would like to see societies compete for members, while also wanting users to have access to a one-stop shop for on-line rights throughout Europe. So the only way collection societies can ensure that they remain relevant is by severely containing costs and maximising revenues for their members. Otherwise, the larger copyright holders will seek to do it for themselves. Looking at it from the other side, collective licensing is the only defence against the might and economic power of multi-national on-line users and other physical format users.

### **Not to be a proponent of doom and gloom – but are there major difficulties ahead?**

There may be difficulties in getting new licensing schemes and tariffs accepted in the market, and there may be difficulties too in the possibility of having to defend them before the Controller. We must ensure we set our tariffs at a level that can be justified in any independent arbitration process.

### **Will the supposed recession have an impact?**

Some public performance areas may come under pressure, but the growing use of music in broadcasting in general, such as digital terrestrial radio and television, mobile and the on-line arena, where music is often the key factor in attracting subscribers and purchasers, will all provide new opportunities for increasing revenues. Some traditional music areas may come under some pressure, but I don't expect it to be severe.

### **Do you envisage any significant change in IMRO's strategy?**

Yes, especially in relation to increasing co-operation with other music industry bodies, including IRMA, PPI, MCPS (Ireland) and RAAP. We have common interests in relation to legislative changes that we would all like to see in key areas, such as ISP liability and file-sharing. It's in our common interest to address these issues with a united front with our own legislators and/or with those in Brussels, to ensure that legislation is in place to enable us to enforce the rights we have. I would also see our

partnership with MCPS (Ireland) growing. Users demand the most efficient way of obtaining licenses, and we've responded to that with the Joint On-Line licence. I would see that philosophy being extended to other areas.

### **Is there a danger of publishers and songwriters placing too heavy a reliance on new technology to generate income and ignoring traditional sources of income?**

We have to keep a firm eye on the new technology and where it's going, but it's equally important to understand that the absolute bulk of our revenue for the foreseeable future, will continue to come from the traditional areas, including live performance, radio, TV and the record industry. Negative headlines that focus on the drop in physical record sales ignore the fact that it's still a very large market, and I believe that there will always be a sizeable percentage of people who want music on a physical product. For example, despite predictions to the contrary, there are many people who still buy vinyl.

### **How do you feel Ireland is viewed by the songwriting and publishing industry internationally?**

Some publishers and songwriters from abroad feel that in some cases our licensing tariffs are lower than some other territories in continental Europe, and I would like to get us closer to those payment levels. I believe there is great confidence abroad regarding IMRO as one of the more transparent societies. We distribute eleven times each year, our deductions are clearly stated, and we have a totally democratically-elected board containing both publishers and songwriters, so in relation to those issues IMRO stands head and shoulders above many other societies. We continue to have an enviable reputation as a prime source of creative talent. I'm glad to say this is as strong as ever.

### **What are the key strengths of IMRO?**

IMRO offers music users a one-stop facility to acquire a blanket licence to use copyright material from Ireland and all over the world. It's difficult to envisage how a music user could gain legal access to such a vast body of material without the existence of IMRO.

### **Has the internet eroded the gains that had been hard fought for, and were finally made, in getting people to accept that they are not entitled simply to take, or to use, copyright music free of charge?**

The availability of free music has created the impression that there is no value pertaining to intellectual music property. That is a view that we must continually strive to counter. If you take the case of radio, although the music is available to listeners, the stations have had to pay for its broadcast and the public premises for any public performance of that music.

### **So is it still necessary to educate sectors of society about the legality and morality of**

## **copyright issues?**

Absolutely. We would like to see our education curriculum introduce some means to inculcate in students, as a matter of basic fairness, that creators of works that include intellectual copyright are legally and morally entitled to be rewarded financially for their creative endeavours. At IMRO we might look at the option of promoting a campaign of public awareness to tackle this issue.

### **Have you a message for IMRO songwriter members?**

Music has never been in such demand for use in a whole raft of arenas, as it is now. Indeed, music seems to be the linchpin of countless new types of businesses to an extent unimaginable only two decades ago. So as we move forward it should become easier for songwriters to be rewarded for the use of their works, and that is one of the key roles IMRO undertakes on behalf of our writer members – to ensure that they are paid for all of these uses.

### **How do you see the role of the media in relation to copyright issues?**

The music industry is often portrayed as a "fat cat" industry, so we don't always get a balanced view from some elements in the media. The vast majority of our members are not major earners and the income they receive through IMRO is crucial to them, yet that point is rarely, if ever, emphasised. But the onus is on us to educate the media in this regard too.

### **IMRO have been very pro-active in supporting new talent, will that policy continue?**

Yes it will. We're totally committed to fostering and developing new songwriting talent through the many national and international initiatives that we are involved with annually. This policy continues and indeed will expand further over the coming years.

### **Historically, musicians and songwriters have often complained about problems, while not wanting to be part of the solution. Do you agree that, overall, songwriter members of the IMRO board are now making a far more valuable contribution?**

Yes, they are. I would encourage all the high profile songwriter members of IMRO to be as pro-active and to be as public as possible in promoting the value of copyright and the importance of the services that IMRO provides. It's also crucial that all our lobbying efforts are clearly seen, by both the public and government, to have the support of our songwriter members.

### **Are you optimistic about the future?**

A new chapter is now opening for IMRO, and I believe there is enormous potential for our members, both at home and abroad. I am delighted to be joining IMRO at this point in its development, and I look forward to the coming years with great enthusiasm and optimism.

# HEADLINE ATTRACTIONS



*The End of History...* The Radiators From Space and Pogues songwriter and guitarist Philip Chevron is back on the road after treatment for throat cancer... **Therapy?** lead the tributes to Len Allen, the man behind Dublin's legendary White Horse pub and Attic venue... Lovebox at Malahide Castle takes place to considerable applause, with stand-out performances from Super Furry Animals, Jape, Groove Armada and The Rapture...

## AUGUST 2007

Cellist **Brian O'Kane** is the winner of the Clandeboye Young Musician of the Year 2007 title. The Corkman performed the first movement of Haydn's Concerto No 1 in C Major... *The Essential Dolores Keane* double CD collection is released with 26 tracks from her illustrious career, including Keane's collaborations with **De Danann**, **Emmylou Harris**, **Mary Black**, **Mick Hanly** and **Tommy Sands**... **The Flaws** wow the fans at Electric Picnic, not least those fortunate enough to see their stellar acoustic set in the Hot Press Chatroom. Their irresistible '1981' becomes one of the anthems of the year and their album *Achieving Vagueness* helps their cause no end... elsewhere onsite **Jinx Lennon** and **Miss Paula Flynn** headline three nights at the festival's Leviathan tent... **IMRO** host a *Music For Film And TV* seminar in the Sugar Club, moderated by **Todd Brabec** and with notable contributions from songwriter **Nick Kelly** among others...

## SEPTEMBER 2007

The Kíla camp gear up for the imminent release of their much-awaited new album *Gambler's Ballet*... Bubble Hits announce plans for a dedicated Irish TV service, to be rebroadcast nationally by NTL/Chorus, Magnet, Smart Vision and Sky from studios in Ashbourne, County Meath and London. Presenters on the station will include Dublin model Glenda Gilson... **The Frames**, **Groove Armada**, **Pet Shop Boys** and Buena Vista Social Club are confirmed for October's inaugural *Some Days Never End* festival in the Royal Hospital, Kilmainham... 30,000 celebrating fans see Snow Patrol play a homecoming set in Bangor's Ward Park. The band wear blue ribbons in honour of Lisa Dorrian, a 25-year-old local woman who went missing two years previously... The Clonakilty International Guitar Festival not only manages to attract such notable local luminaries as Eric Bell and Bill Shanley, but ace guitarists from abroad, including America's Preston Reed and players from the UK and elsewhere...

## OCTOBER 2007

The **Cork Jazz Festival** celebrates its 30th year as one of Europe's top jazz events... The 6th annual **Dublin Electronic Arts Festival** further cements its reputation as one of the most forward-thinking events in Ireland's cultural calendar, with its committed focus on experimental music... **Cathy Davey** releases her finest work to date, *Tales Of Silverleeve*, and makes October a month to remember with a series of residencies across the nation... Speaking during a heated discussion during Music Ireland '07 at the RDS,

## JULY 2007

**The Aftermath** have their Irish tour interrupted by a serious bus crash in Westmeath, but after medical treatment all members of the band and crew continue the tour... Despite the absence of keyboard-player Tom Simpson, Snow Patrol still turn it on for their headlining gig at Oxegen, with Muse and Scissor Sisters also delivering noteworthy performances... Fionn Regan is nominated for a UK Mercury Prize for his album

**F**rom the phenomenal success of the Celtic Woman production to Glen and Marketa's Oscar-winning triumph in LA, it's been a remarkable 12 months for Ireland's musical community. We look back at these and the other major events, which have made this a year to remember.

Irish songwriter Steve Wall appeals for more support for Irish music on Irish radio. His views are publicly supported by Louis Walsh... Former Smiths guitarist **Johnny Marr** arrives in Dublin to accept an Honorary Patronage from Trinity College's Philosophical Society and denies the band will be reuniting... Also in denial mode is Bono who says he's not writing a new song for the Spice Girls' *Greatest Hits*... Sinéad O'Connor appears on *The Oprah Winfrey Show* to talk about being diagnosed with bipolar disorder... Dervish return from the Eurovision underworld with *Travelling Show*, their best album in years

## NOVEMBER 2007

Dublin venue owner Harry Crosbie announces his deal with US concert giants Live Nation who now have a management contract to run The Point venue and the new 2,000-capacity theatre Crosbie is planning on Hanover Quay... Much excitement in Northern Ireland music circles with the news that Gary Lightbody and David Holmes are joining forces for a documentary about Terri Hooley whose Good Vibrations label discovered The Undertones, Rudi and The Outcasts... In typical "the show must go on" mode, Roisin Murphy goes through with her Irish shows



Clowise from top: Fight Like Apes, Cathy Davey and Glen & Markéta



despite having injured herself onstage in Moscow and undergoing emergency treatment... Dublin's rock radio station Phantom 105.2 acquire the Irish rights to Bob Dylan's *Theme Time Radio Hour* show... The Blizzards, The Thrills, Director, Brian McFadden and Roysen are just a fraction of the acts who have new albums out for the lucrative Christmas boom-time market...

## DECEMBER 2007

The Irish music scene is robbed of two of our most popular entertainers when the legendary Joe Dolan and songwriter Christy Hennessy pass away... U2 advise the public not to buy tickets online for gigs they have absolutely no plans to do, including a bogus two-week run in London's O2 Arena... **FM104's** new *Strawberry Alarm Clock: Best Of Uncovered Unplugged* album compilation is released and it includes a plethora of gems, including Aslan's 'Walk On The Wildside', Miss Paula Flynn's 'Let's Dance', The Coronas' 'My Love', Duke Special's 'Everybody Wants A Little Something' and Declan O'Rourke's 'Waiting In Vain'... 120,000 tickets are snapped up for three RDS Main Arena shows by Bruce Springsteen and The E Street Band scheduled for May 2008... Many Irish fans are disappointed when Amy Winehouse cancels her pre-Christmas tour, which was to have included Belfast and Dublin, because of "emotional strain"...

## JANUARY 2008

Kildare's finest Super Extra Bonus Party win the Choice Music Award for their self-titled album...

Mundy and (below) Republic of Loose



GRHAM FEECH



KIP CARROLL

## MARCH 2008

**Bulmers** launch a new TV campaign using the song 'Galway Girl' which has already been a massive hit for Sharon Shannon in two versions, one with **Steve Earle**, the other with **Mundy**... The people who brought *Celtic Woman* to the top of the US charts launch their new project, the **High Kings**... Much sadness throughout the Irish music industry at the news of the death of guitarist **Jimmy Faulkner** who had over the years graced performances by countless Irish artists, including **Paul Brady**, **Christy Moore** and **Luka Bloom**... The 17th IMRO Showcase kicks off, with some of the cream of new Irish talent, including **The Kinetiks**, **Halves** and **Television Room** set to play gigs across the country... Radio broadcaster and songwriter **Liam Merriman** readies his new album *Words In Music*, recorded in Nashville using musicians who have played with **Nanci Griffiths** among others, for release later this year...

## APRIL 2008

'Douze Pointe' composed by **Darren Smith** and **Simon Fine** and sung by **Dustin The Turkey** is chosen by public vote to represent Ireland at the Eurovision Song Contest next month in Belgrade... In a major coup for Irish publishing, **Bardis Music** place a composition by **Niall Toner** in *Grand Theft Auto 4* which also includes a track by **Thin Lizzy**, with sales to date exceeding \$7 million... Waterford band **Floyd Soul & The Wolf** win the National Student Music Awards at The Village and immediately book Nashville producer **Thom Jutz** to produce their debut single 'Give It A Chance'... **Pierce Turner** is working on a new five-track EP to include his new song 'Fading Away' for which his bizarre rooftop dance was quickly snapped up by YouTube... Irish Leeds-based singer-songwriter **Odi** is recording some new tracks with producer **Karl Odum**, while **Dave Odum** is working on a new single by the recently rejuvenated **The Jades**...

## MAY 2008

Amid much heated debate, **Dustin The Turkey** fails to get Ireland through to the final of Eurovision. Ireland's songwriters have won the event seven times, and this is only the third time Ireland will not be represented in the final... Now entering its ninth year, the **Bray Jazz Festival** is believed by many to be the leading Irish jazz festival after Cork... **Nick Cave and the Bad Seeds**, **Radio Soulwax** and **The Kooks** are the major attractions at this year's Heineken Green Energy festival in Dublin... New Irish songwriter and singer **Amy\*** charts with her debut single 'Got Ur Number'... **Tommy Leddy** of the Sound Shop in Drogheda celebrates 40 years in the Irish music business in a career which started with Tommy playing bass in **The Topper Showband**... Waterford band **Gorbachov** emerge as winners of Murphy's Live 2008 at a packed final in The Savoy in Cork, beating Dublin band **Bravado**...

## JUNE 2008

**Juliet Turner** releases her new album *People Have Names* to instant critical acclaim... Irish band **Chaplin** are main guests for a live concert, music seminar and workshop in Fishguard in Wales... There's a veritable Irish invasion of the Acoustic Stage at Glastonbury, including **Eleanor McEvoy**, **Glen and Marketa**, **Sinéad O'Connor**, **Luka Bloom**, **Camille O'Sullivan** and **Gilbert O'Sullivan** (no relation)... Plans are announced for an autumn show in Dublin in memory of the late **Jimmy Faulkner**... **IRMA** confirm studio grants for new bands to the tune of €130,000 in a major initiative with the **Arts Council** and **Music Network**... Canadian singer-songwriter **Leonard Cohen** earns rapturous reviews for three amazing concerts at the Royal Hospital in Kilmmainham... Music Network announce that **Fiona Kelleher** has been awarded €7,800 towards a nine-concert tour to promote her debut album *Waiting For The Lark*... **Dirty Pretty Things** headline Heineken Green Spheres at Dolan's Warehouse in Limerick, with local act **Walter Mitty & The Realists** in support...

**Cathy Davey**, **Republic Of Loose**, **Si Schroeder** and **Halves** are amongst the acts representing Ireland at the **Eurosonic Festival** in Groningen in Holland... Further successes for *Celtic Woman* in the USA. *Rolling Stone* magazine lists *Celtic Woman: A New Journey, Live At Slane Castle* at number five in its top DVDs of the year. *Billboard* magazine shows *Celtic Woman* as the Number 1 Top World Artist of the Year, with the show enjoying the extraordinary achievement of having the three top world music albums of 2007 with *A New Journey*, *A Christmas Celebration*, and *Celtic Woman* in that order... Also in the USA, the Irish film *Once* has been nominated in the Best Original Song category at this year's Oscars... **Michele Ann Kelly** announces that **Wayne Sheehy**, former drummer with **Cactus World News et al**, will produce her debut album. Sheehy has previously played in Kelly's backing band...

## FEBRUARY 2008

**Glen Hansard** of The Frames and his partner **Markéta Irglová** win the Oscar for Best Original Song for 'Falling Slowly' from the hit indie movie *Once*... **Mary Black** celebrates 25 years as one of our top home-based recording artists by releasing an album of 25 songs, many of which are remastered for the occasion... One of our most promising bands **The Chalets** announce they're splitting up via a blog on their MySpace page... **U2** are back in town for the launch of their new film *U23D*, with **David Holmes** selected to man the decks for the après-premiere festivities... **Frank Black** is unceremoniously hustled off in a Garda squad car after playing an impromptu set outside St. Stephen's Green prior to his Vicar St. show... **Hooray For Humans** announce the departure of their lead singer, **Aine Manganang**...



# IMRO MOVING AHEAD

We spoke to three publisher members of IMRO, current board member Michael O’Riordan of Rosette Music and president of the Music Publishers Association of Ireland (MPA), former board member Peter Bardon of Bardis Music, and current board member Steve Lindsey of Elevate Music, regarding the challenges and opportunities facing Irish music publishers and IMRO into the future.

Michael O’Riordan, Steve Lindsey and Peter Bardon have had much to be proud of over the past year. O’Riordan, who publishes tracks on Daniel O’Donnell albums, among others, celebrated the breakthrough of the Irish star into North America. Apart from the placement of songs in the TV series *CSI: Miami* and in ads for a wide range of products, including Yoplait, Lindsey has acquired a clutch of bright new signings in Cathy Davey, Irish film score composer Niall Byrne, Mickey Harte and Electric Penguins, alongside the ever-inventive Autamata.

Bardon had a similarly busy year. Apart from continuing to oversee the works of a solid catalogue of compositions by various writers, including Ronan Hardiman, Bardon achieved a major coup with a Niall Toner composition placed on the soundtrack of *Grand Theft Auto 4*, with sales exceeding \$7 million to date.

All three welcome the arrival of Victor Finn to IMRO. Bardon also welcomes the placement on the board of James Morris, formerly of TV3, but warns, “We should expect some difficult years ahead,” adding the hope that the IMRO board will show leadership, and pare costs back accordingly.

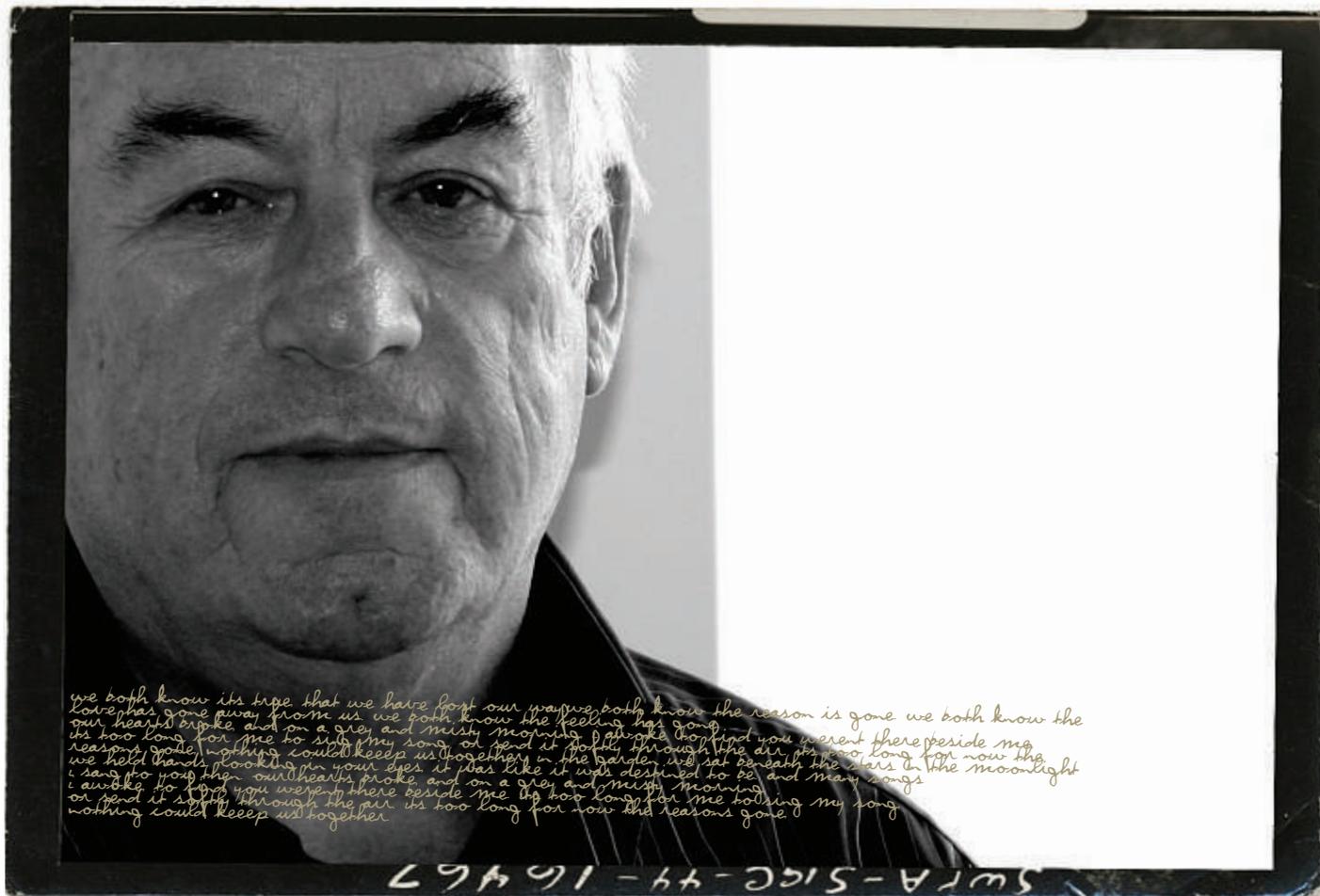
Steve Lindsey is concerned about the assumption, deeply ingrained in some quarters, that anyone can casually use music without

payment. “It isn’t only publicans,” he says. “Even top film directors feel they can use any piece of music for free, as if doing us all a favour. As music publishers, we must insist that music has a value.”

Peter Bardon concurs, and reckons that without IMRO “nobody would pay, and publishers and songwriters wouldn’t survive. IMRO performs a fantastic function for both writers and publishers in that regard.” Michael O’Riordan adds that “if songwriters are not paid for their creativity, the pool of new songs, the raw materials of the music industry, will simply dry up. MCPS and IMRO are encouraging organisations like YouTube to pay for using music, and MPAI supports their efforts in that. Our industry suffered from piracy and counterfeiting, and new technology has increased the opportunities for people to use music for free, and it should be stopped.”

A lack of legislation in certain areas allows some music users to avoid paying, but as Bardon explains, “It’s very simple. If you don’t feel that music is of benefit to your business, don’t use it. Music is a commodity that must be paid for, like electricity or a telephone. I agree with U2 manager Paul McGuinness’ view that if sites host music illegally, they should be removed.”

Bardon points out that music has been legally free to the public for private use via radio for



Peter Bardon (above), Michael O'Riordan & (opposite page) Steve Lindsey



years, but that doesn't mean that anyone can use another person's work without complying with their legal obligations. In this part of the world at least, radio stations pay for the privilege of using music. "It costs money to write, arrange, record, release and market new music – we can't be expected to give it away for free," he stresses. It's a perspective which suggests that there is further work to be done by IMRO, and other interested parties, in educating music users regarding copyright issues.

There is a general sense that IMRO's immediate priorities must also include a pro-active engagement with the new technologies and those who use them. There are major changes in the way publishers earn income on behalf of their clients, and while the new technology is opening up new income streams, record sales continue to drop.

As Lindsey emphasises, "The music industry is a completely different arena from 15 years ago, but opportunities have sprung up from the



*We both know questions that we have but we both know the reason  
 for some you both know the love has gone away from us we both know the  
 our hearts broke and on a quiet night morning i awake to find you  
 went through the air its long its long its long its long its long its long  
 together in the garden and through the mist like moonlight we  
 hold hands looking at your eyes it was like it was destined to be and many  
 words  
 and do you then our hearts broke and on a quiet night morning  
 awake to find you weren't there its long its long its long its long its long  
 on find it a night through the air its long its long its long its long its long  
 nothing could keep us together*

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proliferation of TV stations, radio stations, the internet and mobile phone usage of music. Yet record sales, although decreasing, are still, along with broadcast and live performance, key sources of revenue for publishers, with digital sales accounting for only about 10% of income.”

The expectations of some songwriters can seem unrealistically high, not only in their evaluation of their own artistic work, but also regarding its earning potential. Bardon observes that “nobody sets out to write a bad song, but songwriters may need to work more with artists, as there are fewer opportunities to get songs covered. Brendan Graham has had enormous success with covers of ‘You Raise Me Up’, but that’s an exceptional case of a classic song. IMRO has been very supportive over the years in bringing experts like Canadian songwriter Ralph Murphy for seminars – but there’s a reluctance by many writers to accept there is a craft to songwriting that they need to learn.”

The advent of so-called 360 deals – giving one ‘agency’ control over every aspect of an artist’s earning potential, including songwriting, recording, live performances and merchandising – may put further pressure on publishers. Lindsey is opposed to such deals. “There is too much potential for conflict of interests in 360 deals. Furthermore, no organisation is capable of being that good at so many facets of what is

an increasingly complex business, so I don’t see 360 deals as having much to offer me as a music publisher,” he states.

With record companies investing less in new talent, there may be a need for music publishers to take on more of the role of nurturing new artists. Lindsey agrees – but Bardon believes that music publishers have traditionally done so anyway, adding, “We can’t make money for our clients if there isn’t a sensible structure in place. If an artist signs a deal with a major label and their publishing company, the publishing arm does nothing to promote the act.”

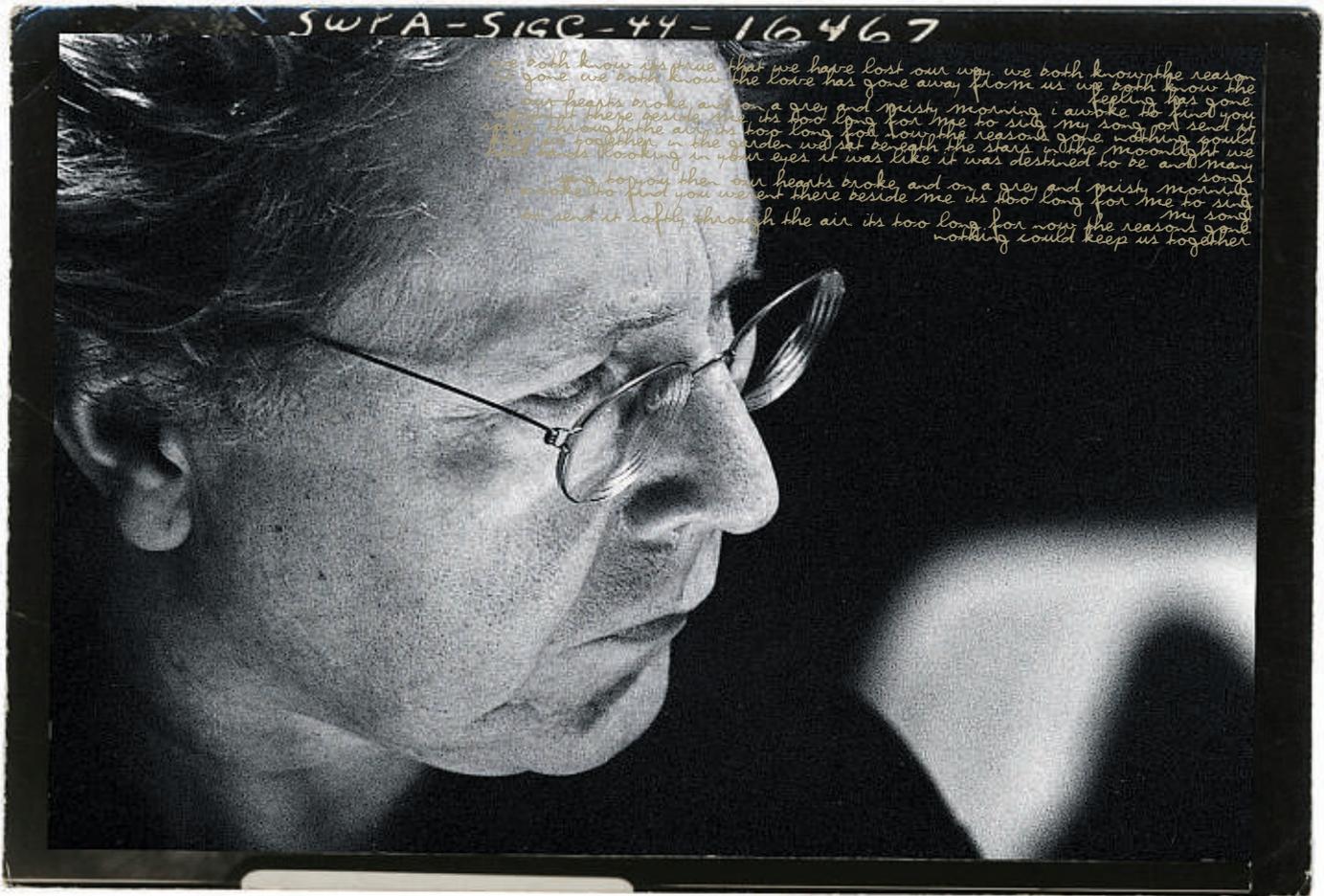
The thorny subject of Irish music on Irish radio rarely fails to quicken the pulse, but Bardon, himself a former shareholder of an Irish station, is sanguine about the topic. “There’s a big myth about this. How do you define Irish music? The country and Irish lobby didn’t regard U2 or Van Morrison or Chris de Burgh as Irish music, although the radio stations did. We have to accept that stations have to make a profit to survive and give their audience what they want. That said, there are lots of opportunities for good Irish music to be played on Irish radio.”

On the other hand, O’Riordan feels that more could be done by both Irish radio and government, to help new talent. “Radio’s attitude will not change as long as the bosses are chasing money. Irish radio stations often simply reflect the success of records in the UK and

America. Instead of setting trends, they follow them. Despite all the music in Ireland, there’s no weekly Irish music programme on television. The government could be more pro-active in putting money into the development of new talent, perhaps assisting independent producers to produce programmes that give exposure to Irish talent, including our songwriters, then helping those shows to tour the country,” he maintains.

O’Riordan reminds us the MPAI played an important role in the establishing of IMRO. “Now, Irish publishers and songwriters control our own destiny. IMRO has done a marvellous job in issuing licences, often to people who were reluctant to begin with. It’s encouraging to know that such an organisation is working on behalf of Irish publishers and songwriters,” he says.

While acknowledging the need to adapt to a changing marketplace, all three publishers are optimistic about the future. As Lindsey puts it, “The widespread developments in the music industry, as well as commercial pressures, have made us all examine how we invest money and time on every project, and I believe this is already leading to a greater efficiency that will benefit us all in the long run. So I am exceedingly optimistic about the future for music publishing – and the role IMRO will play in that future.”



## THE SONGWRITERS' PERSPECTIVE

**P**AUL BRADY and ELEANOR MCEVOY are two internationally-acclaimed songwriters who have put Irish songcrafting on the world map, while both have also been generous in their commitment to espousing the cause of songwriters on the IMRO board. Here they tell us about the challenges facing the modern-day songwriter.

Paul Brady feels it's now more difficult for songwriters in Ireland in terms of income generation. "The availability of songs on, for example, YouTube, makes it harder for a writer to trace usage of their songs and to get the money due to them. Mechanisms to collect that money are not yet universally settled or accepted. Agreements are still being forged and negotiations taking place all the time, but in the meantime, the songwriter is losing out," he believes.

Eleanor McEvoy agrees. "Persuading major companies to give up the data about music used is a major difficulty. The information is there, but getting it is proving to be impossible in many cases. One of my own songs has generated over a million hits, sometimes accompanied by videos I had no act or part in, and sometimes with just the music, or the lyrics with the music playing in the background, but I've had absolutely no payment for any of that," she says. But she also points out that for songwriters wanting to reach a generation that primarily engages with music via downloads, it may be getting better, while for songwriters creating material for music fans who are not of that generation, matters may indeed be disimproving.

But there are increased opportunities for songwriters to have their works used, through ringtones and other new technologies, and McEvoy welcomes most of the developments. "iTunes is a huge plus in that you get paid direct for your downloaded music. But the availability of so much music free through numerous other channels has given the public a sense that all music now is free, and it's not! This is a worse problem now than ever before." As Brady vehemently argues, "Music is the songwriter's trade, so it's highly immoral that anybody should expect to use somebody else's work for free. Since pubs were hit by the smoking ban and more people have taken to drinking at home, they're increasingly dependent on music to attract customers in. But there's a strange notion abroad that while everybody else, doctors, dentists, electricians, and others can make a living, songwriters are expected to work

merely for the privilege of doing it!"

Brady acknowledges that there are extra avenues for generating income today, although he suspects that ringtones could be a short-term fad. He also feels that while some songwriters might find it harder to get covers these days, there are glimpses of hope. "One area that is now opening up for songwriters is the crossover pop classical market. Artists from Josh Groban to Andrea Bocelli need new works in that style, so there are more opportunities for songwriters to get their works covered in that genre," he says. McEvoy adds that the roles of writer and performer have changed dramatically from what they once were, creating a mix of challenges and problems that have to be tackled. "Once upon a time, writers wrote songs and singers sang them, and the roles were quite distinct. Today, an increasing number of performers are writing their own material, so it's harder to know which of today's artists you can pitch your songs to."

She has also observed an increase in recording artists wanting a songwriter share from songs they want to record. This may stem from the artist feeling that their artistry and recording and performing efforts will generate income for the song and they want a share in it. This can be a double-edged sword. It puts further pressure on writers to give away part of their potential income, although it may also mean they get more songs covered. But Brady believes that this has always been a complex business for songwriters, and no less so now. As he says, "It's a fallacy that songwriters just write the songs and music publishers get them covered, unless you're the kind of songwriter who writes in the publisher's basement. Publishers' main focus these days is on administration and tracking income streams. I have a terrific relationship with my publishers, but most of my covers have not come as a direct result of their input.

"The days of substantial publishing advances have gone too, certainly at the medium level," McEvoy maintains.

With so many artists now recording their own material, McEvoy is concerned that this can lead to a drop in song quality. "A full-time non-performing writer, totally committed to working

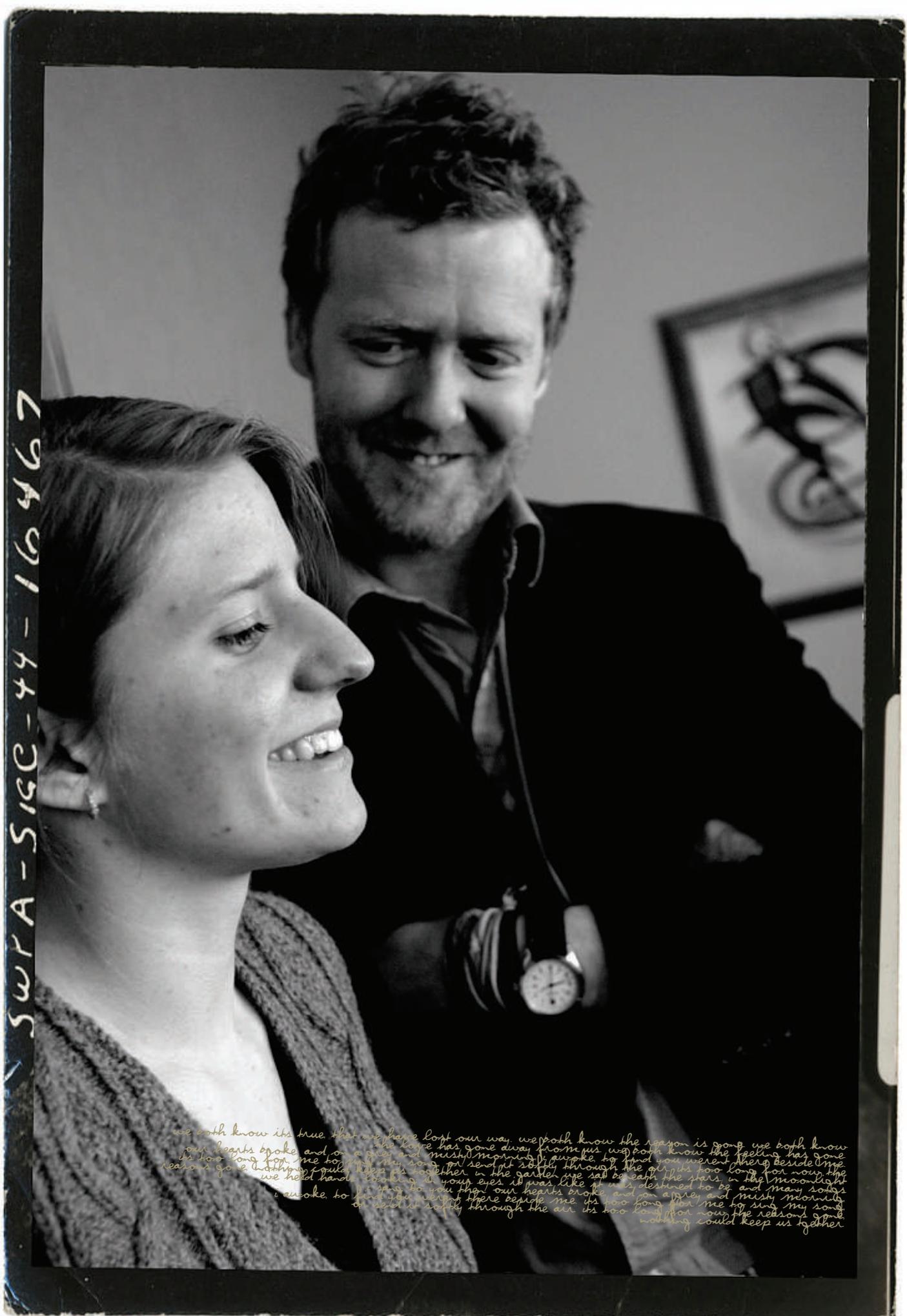
at his or her craft, can dedicate all of their time and energies to that craft. But a songwriter who is also a performer will have much of their time and energies diluted by time spent touring, in the recording studio, rehearsing, doing promo work and other duties. I wonder if the standard of songs has dropped a little as a result?" she asks. To that end she welcomes the increasing tendency in Ireland, in many cases through the efforts of IMRO, for songwriters to collaborate in partnerships, pointing out that while there is a strong tradition internationally for songwriters to work in tandem (Rodgers and Hart, Bacharach and David, Leiber and Stoller, Lennon and McCartney et al), this has been less prevalent in Ireland, but seems to be changing.

Songwriters understandably want their work heard in the best possible performances through the best audio quality available, but the generally poor quality of sound available through the internet, even compared to a medium quality CD player or radio, concerns McEvoy. "I've tried to deal with this in my own way, by making high-quality records, surround-sound mixes, releasing them in the SACD format and packaging them really well, so that when my fans buy one of my CDs they're getting a quality they could not get elsewhere for free," she explains.

Regarding the role of IMRO in relation to songwriters, Paul Brady is buoyant. "The high-profile that IMRO has now throughout Irish society is a constant reinforcement of the fact that music is a valuable commodity like anything else. Some songwriters, perhaps those who are younger and keen to put forward an anti-establishment stance, shy away from that idea of music as a commodity, but they very soon realise that this attitude is a luxury they can't afford, and I would discourage them for thinking that way about their music. You have to value yourself before you can expect others to value you or your work. To me, a song has its own spirit and life-force. It's a magic thing that can never be explained, and, thankfully, that magic still exists," he says.

Music fans all across the globe will be thankful too.

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we both know its true that we have lost our way, we both know the reason is gone we both know  
our hearts broke and on a clear and misty morning i awoke to find you werent there beside me  
its too long for me to wait my song for send it softly through the air its too long for now the  
reasons gone both our equal held it together in the garden we sat beneath the stars in that moonlight  
we held hands looking in your eyes it was like it was destined to be and many words  
i said to you then our hearts broke and on a clear and misty morning  
i awoke to find you werent there beside me its too long for me to wait my song  
to send it softly through the air its too long for now the reasons gone  
nothing could keep us together

# ONCE UPON A TIME

They've sold-out New York's Radio City Music Hall, beguiled Steven Spielberg, and, oh yes, won an Oscar. We find GLEN HANSARD and MARKETKA IRGLOVA still pinching themselves after their Academy Award-winning triumph.

On the night of Sunday February 24, Glen Hansard and his partner Marketa Irglova found themselves on the stage of the Kodak Theatre in LA clutching the Oscar for best original song, 'Falling Slowly' from John Carney's *Once*, the indie cinema dark horse of 2007.

The film, an unconsummated love story that rejuvenates the musical format by featuring songs rendered in credible, realistic settings, was shot in Dublin for about a hundred grand but made back more than 14 million dollars worldwide, won Sundance and Independent Spirit awards, and garnered ecstatic critical notices and praise from industry old boys like Steven Spielberg. That the song bagged a Grammy nomination was almost forgotten in the Oscar fuss.

"With this, there's a sense of responsibility," Glen said, the day after he and Marketa returned to Dublin from their awfully big Oscar adventure. "It's like, 'There's your award, now hold it, and don't try to get off the hook. This is yours.'"

Glen and Marketa first met seven years ago through Marketa's father, a promoter, cultural figure and independent newspaper publisher in the Czech Republic. Over subsequent visits they forged a collaborative relationship, but given the 17-year age difference, Glen was understandably wary of anything other than a musical tryst. *Once*, the story of a Dublin busker and Czech immigrant who forge a profound connection through their shared passion for music, changed all that.

"I think ultimately John cast the film 'cos I guess he saw something," Glen considers. "He cast Mar before he cast me, and Cillian (Murphy) was still on board then. And when Cillian pulled out, John didn't jump on me immediately, he thought about a few different options. What was his name, the guy from *The Tudors*? Jonathan Rhys Meyers. And I'd suggested Damien Rice to him. I hadn't suggested myself, only because of my whole *Commitments* experience, the last thing I wanted to do was act again. I just didn't feel the

need. But eventually John came to me and said, 'I'd really like you to do it.' And I kind of knew it was coming in some way, and my initial reaction, as Mar remembers well, was, 'No way. I don't wanna do it. It's too close to me.'"

Was he initially afraid of putting his real life on the screen?

"Exactly. My first fear was that the film would be viewed as a vanity project, made by the ex bass player of my band, about me. What was embarrassing about it was that I was a busker, and there were aspects of John's scripts that were based on me telling John stories: the guy stealing the money, the bank manager singing me a song, me getting the Frames together from people I met on Grafton Street, all of these things have happened to me in real life. And I was nervous, because if the film is rubbish, then it becomes *The Glen Hansard Story* from 18 to whatever. And the other problem I said to him was, 'I'm 35. I'm too old to play this guy.' 'Cos John's original idea was the guy be 21 and the girl be 35. And what he ended up with was a mirror image of it."

So when did they become a couple?

"We basically graduated April last year, when we went to America. I guess it would be a lie to say there wasn't some kind of... John kept on saying to us, 'I'm watching the dailies, and there's definitely *something*,' - 'cos he wouldn't let us watch them. He said, 'I guarantee you two, at some point, will have a relationship.' He kept jokingly calling us his Bogart and Bacall, 'cos John's a total cinephile, so all his references are based in classic cinema. And he was right. It took a little longer than he thought. And I think he, what's the word, not exploited, but *used* whatever tension there was. Like you say, there wasn't a lot of acting."

So it came to pass that on the night of February 24th in the Kodak Theatre, more than halfway through the 80th Oscar ceremony, Colin Farrell introduced Glen and Marketa, who delivered a gorgeous, orchestra-embellished performance of 'Falling Slowly', and received a response that

verged on an ovation.

"The performance was easy," says Glen. "We were in a room with 3000 people, forget the cameras, this is what we do. Whereas when I look back to the speech, I actually wasn't in my skin at all. And I was really reluctant to prepare anything, 'cos I'm so used to thinking on my feet onstage anyway, I thought, if by some chance it happens, it'll be fine. But the one thing that I'd planned to say was, 'Everyone who's helped us, you know who you are, the only person I want to thank is John Carney.' Which I totally left out!"

And, as has been widely reported, when Marketa stepped up to the mic to say thank you, the orchestra cut her off. However, during the ad-break the show's producer Gil Cates asked host Jon Stewart to bring her back on to say a few words, an almost unprecedented move in a show as tightly scripted as the Oscars.

Marketa: "Jon Stewart had said to me, 'It looked like you were in the middle of a special moment, we didn't mean to cut you off.' So I walked on totally confused as to what was happening. Luckily I managed to get something together that made sense."

Glen: "When they showed the clip from 'Falling Slowly', the response, for me and Mar it was just amazing. It seems to me that the Academy really wanted to acknowledge *Once* somehow, and the best thing to do was put the song up."

Marketa: "It's almost like, because we have an Oscar now, we've nothing to prove. Whatever you do now, you're off the hook or something. For me it's freedom."

And so it proved. The success of *Once*, one of the few films to succeed in organically and naturalistically building its narrative around music, has afforded Glen and Marketa the opportunity to ink substantial publishing deals and put together a revue style show that, featuring the Frames as backing band, has headlined everywhere from Radio City to Oxegen.

Sometimes it really is all about the songs.



# KEEPING IT CONTEMPORARY

**B**ased in an 18th century building in Dublin's Fishamble Street, the CONTEMPORARY MUSIC CENTRE champions a 21st century outlook on music. We find out what enthuses its general manager, JONATHAN GRIMES.

## **How long have you been involved in music?**

I followed a traditional route into music. I learned it from a young age and took up the trombone aged about 10. I studied at the College of Music and at the Royal Irish Academy throughout secondary. I did a music degree – a B. Mus. Ed, a teaching degree which is a joint course run by the R.I.A. And Trinity. I started out as a music teacher but it didn't suit me. Performance was what got me into music and I worked as a freelance player for a while. You need to take whatever comes your way as a brass player. Trombone is a very varied instrument and you need to be versatile. I performed with the orchestras for a time, played in concert bands, jazz groups, musicals, depped for players in the Gaiety pantomime, even played with Oasis on their 1997 UK tour.

## **Have you ever been involved in composition?**

I've never composed, I've been with the CMC 10 years at this stage, but I've always been more drawn towards performance. I always had an interest in contemporary music though. Even as a young player learning the classical repertoire I got hooked on what wouldn't be considered mainstream. Then I took a masters degree in what was called 20th Century Music in Queens

University Belfast. That involved research into what has been written for the trombone, including what had been written in Ireland for the trombone. I was lucky in that my two course supervisors were Michael Alcorn, who is now head of the Sonic Arts Research Centre at Queens, and Piers Hallawell. I spent a lot of time with them and developed an interest in their work and in contemporary composition.

## **What do you think distinguishes contemporary Irish composers from their peers internationally?**

Composers here see themselves as existing on an international stage. Nationality doesn't come into it. Stylistically there wouldn't be an essence that defines Irish composition and there is a very wide age range of active composers. Quite a few of our really exciting composers are increasingly well known on the international stage. Rock and pop music from Ireland has a high profile. In a sense, there is a brand there that young bands can work off. Irish composers though, have been an unknown quantity. This has shifted in the last ten years or so. Now we have composers who are increasingly well known.

## **How come?**

The world has changed, we're all more



connected, and technology has had an impact, but there has also been a shift on a macro level to do with the Celtic Tiger. From the mid to late '90s onwards we became more confident, economic success brought a confidence in a new generation of composers. They're up to speed with everything that happens internationally, with new technologies for example, but they put their own stamp on this on an individual basis without there necessarily being a reference to Ireland.

After ten years in the CMC it's exciting to see a completely different new music scene. A lot of our younger composers reflect the positive changes. They're self-assured, innovative and willing to take risks. They have a spirit of entrepreneurship too, they'll take control of their own destiny, put on their own concerts.

**Obviously the CMC itself has had a part to play in all this...**

We've always had a very international focus, and we're linked in to similar organisations worldwide, which has helped in getting Irish composers' work out there. We've been able to document what has gone on. Looking back on this period I think we'll see that this has been

amongst the most exciting periods for Irish music. We've been able to carry out a number of important services, like our score copying service – it's almost a given that our members are unpublished. There are no indigenous publishers of contemporary music, the market is shrinking, in my opinion it's virtually dead, there's no money to be made in it, so it has been vital that the CMC has been there to distribute Irish composers' music like a traditional publisher.

**Has technology made it easier for composers to get their music out there in the same way it has for more commercial musical forms?**

A lot of CMC's success has been web-based, using the internet. We've used social networking, podcasting and video delivered online to provide a window into what is happening in new music. Traditionally coverage of new music has been confined to a small niche, so CMC has had to see itself as a content provider, promoting contemporary Irish composition. There is a national audience to which the CMC is tuned in, but the web has made that audience international. In terms of

web visitors to the CMC site, the largest slice come from the USA, followed by Ireland, the UK and the Netherlands.

**It sounds like you may have found a formula that works for promoting Irish composers.**

You could never say that the formula is right, there are still things to be done and still always more resources needed. The CMC brief to promote Irish composers is a wide one and it's important not to stagnate. Last year and this we've been working towards a new strategy and planning new initiatives which will be unveiled in the Autumn of this year. We'll be addressing the period 2009 – 2011, and like any small organisation with finite resources there has been a lot of self-examination, asking if everything we do is still needed, and looking at where there are gaps.

A huge concern is the lack of commercial recording opportunities. There are major figures in Irish music who are unrecorded and this needs to be addressed. We've been looking at the feasibility of setting up a download platform or even a record label. There needs to be more support so that people can access quality recording of Irish composers.

# LICENSING REVENUE 2007 COMMENTARY

## Overview

Licensing Revenue at €36.8m increased by 9% in 2007. This compares favourably to a 7% increase in 2006. Satisfactory revenue growth was experienced across almost all revenue sectors, reflecting in particular a buoyant broadcast sector and a strong market for live music. 91% of revenue was generated in Ireland, with the remainder coming from abroad.

Historical figures across the main licence sectors can be seen in Chart 1.

## Licence Revenue from Ireland

The breakdown of Domestic Licence Revenue can be seen as part of Pie Chart 1, with an analysis by use in Pie Chart 2. Overall Licence Revenue from Ireland grew by 10% to €33.5m in 2007. This was considered a strong result.

## Broadcast

Broadcasting Revenue excluding Cable, at €8.6m, increased by 18% in 2007. This performance reflected a strong radio and TV advertising market. Revenue in this sector comes from RTE, TG4, and Commercial Radio and TV Broadcasters. The only major development in this area in 2007 reflected the fact that IMRO's licence with RTE expired in 2007; this is currently being renegotiated.

## Cable

Revenue from this sector reflects the charges for cable retransmission of UK terrestrial

and satellite channels in Ireland. Revenue at €11.4m increased by 8% (€0.9m) in the year. The majority of this revenue is distributed to the cable rights-holders involved in the rebroadcast of BBC, ITV Channel 4 and S4C on cable networks, with the remainder being distributed to IMRO rightsholders.

## Public Performance

Revenue from this sector arises from the public performance of copyright music in shops, bars, cinemas, hotels, offices, etc and at large live concerts. Revenue from this sector at €13.2m grew by 8% in 2007.

Major developments in this area in 2007, included a new five year tariff introduced with the Hotel, Nightclub, Restaurant and Dublin Pub sectors. Significant licence fee increases of between 3% and 14% pa over the next 5 years were introduced as part of these negotiations. In addition, a new tariff was introduced for pay-in live music concerts. The only disappointment reflected a continuing dispute with the cinema industry as regards a new tariff, introduced in 2005. Very strong efforts were made in 2007 to resolve this dispute and these are continuing in 2008. In addition, IMRO made strong efforts to tackle the issue of premises/music users that refuse to take our licences, and those who continuously refuse to pay their annual licence fees. These efforts continue in 2008 and they have been intensified, with the twin objectives of increasing revenue and reducing the levels of our bad debt provision. Another objective in 2008 is to increase our market penetration across all business sectors.

## Online licensing

Revenue from this sector reflects mobile and online music use by content providers such as music download sites, music streaming sites, and mobile downloads, both full track and ringtones. Music download sites are licensed in conjunction with our partner, the Mechanical Copyright Protection Society (MCPS Ireland), via our Joint Online Licence (JOL).

Revenue from this sector at €0.3m is small, but did show growth of 11% in the last year. Ongoing licence negotiations should see this strong revenue growth increase. Negotiations are currently focused on music streaming sites like YouTube, Bebo, MySpace, Muzu, etc.

## Overseas Revenue

Overseas revenue arises from the use of IMRO members' repertoire in other countries – See Pie Chart 3. All of this revenue comes to IMRO members via our sister societies in

other countries e.g. PRS in the UK, ASCAP & BMI in the US, APRA in Australia, GEMA in Germany, SACEM in France, JASRAC in Japan, etc. The level of this revenue, particularly as it arises from the UK (47%) and continental Europe (26%), demonstrates the strength and success of our members' repertoire outside Ireland. The only area where Overseas revenue is disappointing is the US, which accounts for only 14% of total Overseas Revenue. This low level mainly reflects the fact that a large number of US premises do not have to take out a licence from US societies for the use of music on their premises. This US-specific legislation remains on the US statute books, despite being the subject of an adverse ruling in an IMRO-led case taken by the European Commission at WTO level back in 1999. Lobbying on this issue by European collection societies continues at an EU level.

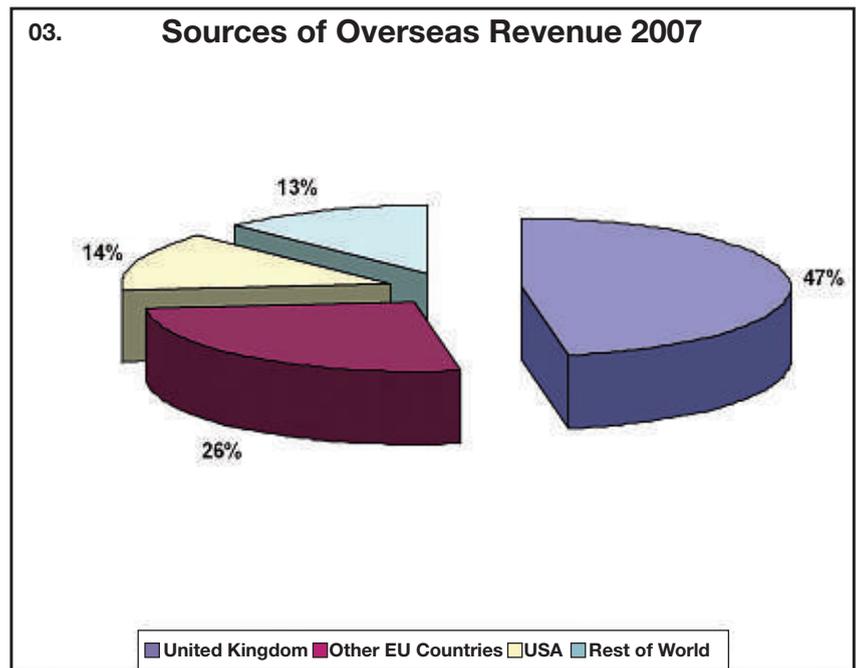
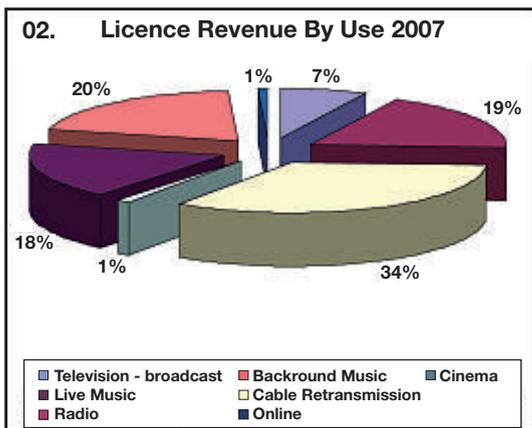
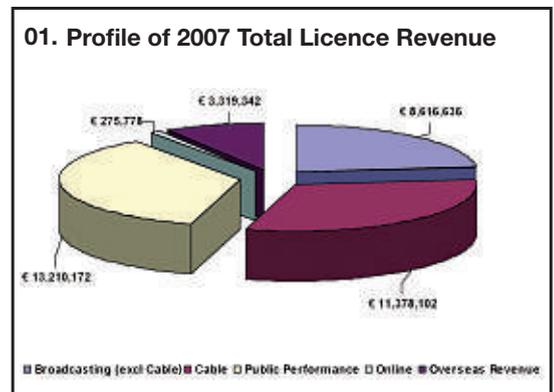
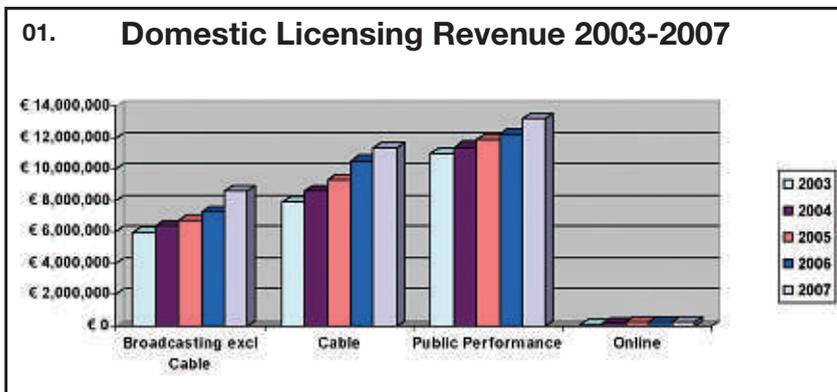
## Future Developments

Over the next few years IMRO will be focusing on a number of initiatives, including:

- Reviewing various licensing schemes to ensure that they represent a fair and equitable return for songwriters, composers and music publishers and for music users;
- Growing online revenue, particularly via webcasting and streaming income;
- Increasing our market penetration in various industry segments;
- Increased enforcement of songwriter, composer and music publisher rights via a more effective on-the-ground presence and via a rigorous defence of our members copyrights.

This will ensure that revenue growth continues in the years to come, and despite the economic downturn expected in 2008, IMRO is confident that it can increase its return to its members.

**Brendan Griffin**  
Director of Licensing



# DISTRIBUTION DEPARTMENT

## Introduction

2007 proved a very busy year for IMRO's distribution department with an increase in providers and ever-growing usage data to process and distribute.

With 11 payment runs a year, IMRO is at the forefront internationally of providing the most frequent distribution of royalties to its members.

## Broadcast

There are two broadcast distributions per year (April & October) in which IMRO distributes revenue from TV and Radio.

In July 2007 a new regional radio station, Spin SW, came on air and was distributed for the first time in April 2008.

IMRO has continued moving towards paying all broadcast royalties on a census basis.

In 2007 Midlands Radio 3's music reporting requirements were increased to full reporting for automated logs and 2 days a month for non-automated logs.

Shannonside/Northern Sound's reporting requirements were increased to full reporting for automated logs and 3 days per month for non-automated logs.

On TV, IMRO began collected census logs from both City Channel and Channel 6 for distribution in 2008.

IMRO distributed over €8.4m in broadcast and public reception royalties in 2007.

## Public Performance

### Live Concerts

IMRO makes 11 distributions (February to December) a year of live concert revenue. In 2007 IMRO distributed almost €1.2m from this revenue pool. These distributions feature both large and smaller concerts where a specific invoice has been raised for the event.

### Live Music Survey

IMRO distributes revenue collected for the use of live music in pubs and hotels across data collected in our extensive live music survey. In 2007 over 754 survey visits were made on IMRO's behalf by an independent market research company. The live music survey distribution takes places in July and December each year. Almost €2.5m was distributed in 2007 over the survey data.

### Tours & Residency Scheme

This scheme allows IMRO's members and sister societies to self-report on live events that take place in smaller venues around the country. In 2007 IMRO distributed almost €330k through this scheme.

### Background Music

Revenue for the use of background music in shops, bars, hotels, restaurants etc. is distributed using analogies of radio logs and music charts. This is distributed in July and December each year and in 2007 IMRO distributed €2.9m to its members and sister societies from this revenue pool.

### Online & New Media

Processing ringtone and download data increased significantly in 2007 and distributions in the year exceeded €160K.

## Overseas Revenue

IMRO members' works continue to perform strongly internationally and in 2007 IMRO distributed more than €3.5m of revenue received from sister societies. These royalties are distributed 11 times a year (February to December).

## Developments in 2007

### New Distribution System

Apart from meeting all the regular demands of distributing royalties, in 2007 the distribution team was also busy developing and testing our new distribution system designed to meet the demands of the Internet age, as rapidly-growing music streaming and downloads bring more complexity to the role of accurately distributing royalties to IMRO members and sister societies.

Anticipating an on-going increase in the amount of data it will have to handle, in 2006 IMRO began to plan and develop a new distribution system to better manage this data so as to more accurately, efficiently and cost-effectively distribute payments to members.

By using recognised industry technology standards, IMRO has also been able to integrate more easily with the International Confederation of Societies of Authors and Composers (CISAC), an umbrella body for collection bodies worldwide. CISAC provides a range of IT tools and services to help societies distribute royalties more effectively. The new system allows IMRO to maximise the benefit of those services.

Development of the system is on-going and is

due for completion in 2008.

### International Commitments

IMRO is committed to actively participating in and promoting CISAC-led initiatives in the use and development of common information systems. The primary aim of these initiatives is to reduce cost and increase efficiency in copyright administration within and between societies. IMRO is an active member of three international committees/working groups and a key member of a CISAC project team. It participated fully in these groups' meetings and activities during 2007. IMRO now holds the position of co-chair of the CIS-Net Management Committee.

In addition, IMRO hosted the Distribution Technical Committee session which met in Dublin in May 2007. The DTC meets annually with CISAC and society representatives and focuses on distribution issues. IMRO now holds the position of vice-chair of the DTC.

## IT Department

2007 saw the creation of a dedicated IT department. This is part of a broader IT strategy that will see the upgrade of all systems, including the licensing and finance systems, all tightly integrated in an overall streamlined company-wide system.

The key goals of the IT department are to:

- Improve operational efficiencies throughout the company
- Minimise the cost of collecting and distributing royalties
- Improve membership / customer relationship management

The top priorities of the team in the coming years are:

- Completion of the new distribution system
- Installation of improved IT infrastructure
- Replacement of the licensing system
- Further pilots of "fingerprinting" music recognition technology

In addition there are plans for the deployment of a whole suite of office collaboration systems including a documentation management system and archive, work flow systems including performance management systems, purchasing process, and systematic elimination of inefficient paper-based processes.

**Declan Rudden**  
Director of Distribution & I.T.

# MEMBERSHIP DEVELOPMENT

## Introduction

In January this year IMRO created a new membership department structure. Previously, the Distribution and Membership sections functioned as one department within the IMRO organisation corporate structure. The rapid growth in membership numbers in recent years and the increased range of services and initiatives provided to IMRO members necessitated the provision of one department dedicated to serving the needs of members. The separation of the departments into two distinct operations within IMRO will ensure that the organisation is best positioned to offer an enhanced level of service and development programmes for all members into the future.

IMRO's corporate policy of fostering and supporting new music creation in Ireland continued in 2007. In total, almost one hundred projects were supported and endorsed by IMRO last year. IMRO has long recognised that a strong creative environment for new music is the lifeblood of the music industry as a whole. IMRO has for many years actively supported a wide range of projects that seek to create such an environment in Ireland. Projects supported during the course of the last 12 months cover areas such as music education, masterclasses, showcases, performance, production, and projects with cultural and educational dimensions.

A small selection of the many projects and initiatives supported by IMRO over the last year includes:

## Independent Broadcasters of Ireland (IBI) Conference

Over 120 senior members of the Irish broadcasting industry attended the inaugural

IBI broadcasting conference that took place in the Four Seasons Hotel in Dublin at the beginning of March this year. The conference was sponsored by IMRO. Debate topics included 'Radio Play for Irish Artists' and the 'Changing Landscape in Broadcasting in Ireland'. In his opening speech to delegates Brendan Griffin, Director of Licensing at IMRO, took the opportunity to champion the role of the music creator and to demonstrate the importance of music in the programming output of all Irish broadcasters.

The conference hosted a lively panel discussion entitled 'Radio Play for Irish Artists,' which was chaired by Niall Stokes, editor of *Hot Press*. Contributors included:

- Michael O Keeffe, Broadcasting Commission of Ireland
- Colm O'Sullivan, Programme Director, Red FM
- Dave Kelly, Programme Director, FM104
- Steve Wall, lead singer with The Walls
- Dave Pennefather, Universal Ireland
- Feidhlim Byrne, Nielsen Music Control

David Tighe, Chairperson of the Independent Broadcasters of Ireland, told conference delegates that new media has become a very strong competitor for independent broadcasters. "Tradition would dictate that RTÉ is the big competitor for independent broadcasters, both in radio and television. But, in fact, new media is becoming more of a competitor than the state broadcaster. Instant gratification is key to consumers and this has found its way into broadcasting through iTunes, MP3s and the internet. We need to be creative to bring the buzz that was associated with live broadcasting back into vogue. The answer is relevant content, which is what allows us to offer a product that internet sites or iPod's cannot match."

Speaking at the conference, Eamon Ryan

TD, Minister for Communications, Energy and Natural Resources said that digital is the buzz word and that the challenge for Irish broadcasters is to ensure that they are to the forefront of new technologies.

"Recent years have seen an explosion in the number and variety of new platforms through which audio and audio-visual content is made available and can be accessed. Traditional broadcasters themselves are exploiting new technologies – from pod-casting to MP3 players to web-streaming to the provision of content for mobile consumption. The situation is changing, digital is the buzz word and roles are blurring and converging.

"Globalisation is a significant theme in the television broadcasting sector. More and more content from jurisdictions outside Ireland is becoming available and the challenge to Irish broadcasters is to remain relevant and popular."

## IMRO Showcase Tour

The legendary IMRO Showcase Tour returned for its 17th year in Spring 2008. With a strong reputation for showcasing the best newcomers on the Irish music scene, the Tour is renowned for attracting attention from key players in the media and music industry, both at home and abroad. Over the years, the Tour has developed an enviable reputation on the various A&R networks as the place to spot some of the best newcomers from these shores.

Many new Irish acts have played some of their first shows at the IMRO showcase nights. Recent acts to appear on the Tour include Declan O'Rourke (V2), The Marshals (Faction Records / Universal), La Rocca (Chrysalis Music), The Flaws (Universal), Roesy (N4 Records), 8 Ball (Lakota Records), Oppenheimer (Bar/None US), Leya (Rubyworks), Mainline

(Loog Records UK) and The Immediate (Fantastic Plastic Records UK) to name a few.

Over forty acts took part in the Tour which snaked its way around the country during March and April, performing at ten regional gigs in Dublin, Cork, Galway, Belfast, Waterford and Dundalk. The culmination of the Tour saw a "Best of Tour Gig" in The Village, Dublin at the end of April. The event was attended by a large number of record label and publishing A&R executives from the UK and Ireland. Sponsors for the Tour this year were RTÉ 2FM and *The Star* newspaper.

## Songs In the Classroom Project

Earlier this year IMRO, Songschool.ie and hit songwriter Ruth-Anne Cunningham toured secondary schools throughout the country as part of a new IMRO Songs In The Classroom initiative.

The programme involved representatives from IMRO, Songschool.ie and Ruth Anne herself travelling to 15 secondary schools around the country to present a series of live concerts and songwriting workshops.

Students were given the opportunity to perform their own compositions live in front of their peers. This was followed by a songwriting workshop where Ruth Anne discussed her own songwriting, and along with the Songschool representative, provided the students with tips for successful songwriting. An IMRO membership department representative talked about the importance of performing rights and current trends in the music industry. Following the success of this initial pilot programme it is envisaged that this initiative will be developed further during the next school term.

## Music From Ireland Initiative

The Music From Ireland Initiative has grown from strength to strength in the last 12 months. IMRO is a key partner in this collaborative venture alongside First Music Contact, The Arts Council, Culture Ireland, Livewire Business Management and Enterprise Ireland. Music From Ireland programmed very successful international showcases, industry networking functions and trade exhibitions at the following events: South By Southwest (USA), London Calling (UK), MIDEM (France), Popkomm (Germany) and CMJ (USA). Among the many Irish acts showcased at these events were Cathy Davey, Delorentos, Fight Like Apes, Channel 1 and Paddy Casey, to name a few.

## IMRO Music For Film & Television Seminar

In August IMRO hosted a seminar on the theme of Music For Film and Television.

The seminar took place in a packed-to-capacity Sugar Club in Dublin, clearly demonstrating the interest this area of music composition holds for many members. The seminar covered the broad topic of music for film and television, a notoriously difficult area for emerging Irish composers and songwriters to break into. The event was moderated by Todd Brabec Executive VP & Director of Membership at ASCAP and an expert panel (Steve Lynch; composer, Tom Lawrence; composer, Greg McAteer; Music Clearance & Publishing, Nick Kelly; composer and scriptwriter) were on hand to give their collective insights and experiences on this aspect of the music business. Later this year IMRO will announce details of its forthcoming Film Scoring Workshop in collaboration with the RTÉ Concert Orchestra.

## RTÉ Living Music Festival 2008 – Featured Composer - Arvo Pärt

IMRO continued its association with the RTÉ Living Music Festival earlier this year. Over six concerts in central Dublin venues, acclaimed Irish and international artists performed more than 20 of Pärt's works. Under the artistic directorship of leading Scottish composer James MacMillan, the programme ranged from large-scale orchestral and choral pieces such as *Passio*, the *Berliner Messe*, *Tabula Rasa* and *Stabat Mater* to shorter but no less significant works like *Spiegel im Spiegel*, *Für Alina* and *Frates*.

The festival programme also included a composition seminar led by Ivan Moody with both Arvo Pärt and James MacMillan in attendance, and an education project overseen by noted animator Paul Rissmann.

## IMRO Songwriting Retreat

In February IMRO hosted its annual Songwriting Retreat. Returning once again to the idyllic surroundings of the Sandhouse Hotel in Rossnowlagh, Co. Donegal, the event was attended by 40 IMRO songwriters.

This songwriting event was run along similar lines to those previously hosted by IMRO in that it focused on songwriter collaboration and live performances of new material.

Each morning workshop participants were randomly paired off together to spend the day co-writing, the output of which resulted in many quality new songs and writing partnerships. In addition, a number of songwriter masterclasses were programmed over the course of the workshop. One of the highlights of the event included a masterclass by international hit writer Bob Regan. Regan has had songs recorded by artists ranging from Hank Williams Jr. to Andy Williams, Roy Rogers to Keith Urban and BR549 to Donny Osmond. For any member wishing to explore

the co-writing route the IMRO Songwriting Retreat might just be the event to kick start your leap into the world of collaboration.

## Choice Music Prize

Super Extra Bonus Party's album *Super Extra Bonus Party* emerged as the winner of the 3rd annual IMRO sponsored Choice Music Prize – Irish Album of the Year 2007, which took place in Vicar Street in February.

The remaining nominated acts were:  
Adrian Crowley – *Long Distance Swimmer* (Tin Angel)

Cathy Davey – *Tales Of Silversleeve* (EMI)  
Delorentos – *In Love With Detail* (Cottage)  
Dry County – *Unexpected Falls* (Lazybird)  
The Flaws – *Achieving Vagueness* (Arrivals)  
David Geraghty – *Kill Your Darlings* (Decal)  
Kila – *Gambler's Ballet* (Kila Records)  
Roisin Murphy – *Overpowered* (EMI)  
Stanley Super 800 – *Louder & Clearer* (Sofa)

The Choice Music Prize – Irish Album of the Year – was established to celebrate and acknowledge the work of Irish musicians. Every single year hundreds of albums are released by Irish artists in every genre, from indie, trad and pop to electronic and jazz. The Choice Music Prize aims to highlight those albums which deserve some extra time in the spotlight and, ultimately, to select the album which best sums up the year in Irish music. Instead of using sales or airplay as criteria, the Choice Music Prize focuses simply and solely on the music. The first Choice Music Prize was won by Julie Feeney for her self-released *13 Songs* debut. She subsequently signed to Sony-BMG. The Choice Music Prize for Irish Album of the Year 2006 was won by The Divine Comedy for the *Victory for the Comic Muse* album.

## National Song Contests

Over the years, IMRO has been a firm supporter of the many regional song contests that take place annually around the country. Many of our hit writers have cut their teeth in the world of songwriting at such events. Sadly, many of the major songwriting competitions have gone by the wayside in recent years, which is surely an anomaly when you consider the plethora of TV talent shows nowadays. Among the surviving national song contests on the circuit, IMRO had the pleasure of supporting The Glinsk, Clonmel, An Tostal and Tipperary Peace Song Contests over the course of the last 12 months.

## Irish Composition Summer School

The IMRO sponsored Irish Composition Summer School celebrated its 25th anniversary last year with an open lecture by the renowned

Irish composer John Buckley.

The Irish Composition Summer School started as the Ennis Composition Summer School, founded in 1983 by John Buckley, and has been responsible for twenty five years of excellence in composition teaching by Irish and international composers. Previous directors have included James Wilson, John Buckley and Michael Alcorn. Many of the most successful young Irish composers of the last two decades have attended the Summer School. It has provided them the opportunity to work with leading names in composition – including Anthony Payne, Poul Ruders, Christopher Fox, Thoma Simaku, Simon Bainbridge and Michael Finnissy – and in performance, including Dorothy Dorow, Collette McCahon, the Prey Trio, The Degani Quartet, Jane Manning and The Fidelio Trio, among others.

In 2007 the principal guest composer was Nicola LeFanu, the performers were the Bridgewood string quartet and the event was once again hosted at NUI Maynooth.

## Songschool

Songschool with support from IMRO have been delivering quality music education services throughout Ireland since 1999. The main emphasis is on creative expression through songwriting, recording and performance. Delivery of the services is through workshops, projects and courses in primary and secondary schools as well as youth clubs and centres. There is a strong focus on encouraging collaboration and the participation of all students attending the workshops. A Songschool workshop offers a first hand insight into life as a professional songwriter/musician and an overview of songwriting and the music business. Students are given the opportunity to write and record their own songs during the workshop. Following the workshop each student receives a CD of their song(s) along with a Songschool / IMRO certificate of participation. The workshop is supported by the website [songschool.ie](http://songschool.ie) where students can continue to access information to develop their skills. Workshops are delivered by trained tutors who are IMRO members.

## Berklee College of Music

IMRO's close association with Berklee College of Music continued in 2007 and an additional 3 music bursaries were granted to IMRO members late last year.

There are strong connections between the Irish and Boston – and indeed Berklee College of Music has taught and hosted a number of Irish musicians over the years. Berkleemusic.com, the online extension school of Berklee

College of Music, offers a new way for musicians to study their craft online. The online school offers more than 80 instructor-led online courses and programs and provides students with the opportunity to study Berklee's renowned curriculum on their own time, from anywhere in the world.

Berkleemusic's music business curriculum addresses the challenges and opportunities for people pursuing a career in the music industry of today and tomorrow. Online courses like Music Business 101, Music Publishing 101 and Music Industry Entrepreneurship give students the information and business strategy to launch a career in music, or create new musician businesses that can thrive in the changing world of music. Berkleemusic's online songwriting courses help musicians generate better ideas, construct expressive melodies, and express themselves more effectively by teaching students to craft songs the way hit writers do.

Learn More: [www.berkleemusic.com/welcome/imro](http://www.berkleemusic.com/welcome/imro)

## New Music Online - A Seminar on Music and the Internet - Distribution, Promotion and Networking

In response to a growth and interest in online developments for distributing and promoting music the Contemporary Music Centre hosted a seminar last Summer, with support from IMRO, to stimulate discussion and debate as well as provide practical information.

What are the global trends in digital music distribution and promotion? How do these impact on composers and musicians? These questions and much more were discussed and debated at the gathering of composers which took place in the National Concert Hall.

Current global trends were outlined and future forecasts were predicted. Practical tools like podcasting, video online, blogging and social-networking were explained and assessed.

Presentations by Helen Shaw (Managing Director, Athena Media) and Scott Cohen (Founder and Vice President International, The Orchard) with case studies outlined by Julie Feeney, composer and singer and Gavin Prior, musician, producer and improviser completed an insightful day of discussion.

## Sligo International Jazz Summer School and Festival

In August, Sligo Jazz Project, with financial support from IMRO, hosted the biggest music education event of its kind ever held in Ireland. An international star-studded faculty of jazz educators and performers was recruited for six days of masterclasses, workshops and

concerts incorporating Sligo Jazz Festival 2007.

The summer school featured a faculty of over 11 world renowned educators and musicians giving masterclasses in jazz vocal, drums, double bass, guitar, saxophone, trumpet and, for the first time, electric bass. As well as instrumental masterclasses, ensemble and specialist workshops such as pulse and ear training were held in Ballinodde College, Sligo between 7 and 12 August, with concerts each night by faculty members and guest artists.

## Hard Working Class Heroes Festival

Back with a bang in 2007, the IMRO-sponsored Hard Working Class Heroes festival celebrated its 5th Birthday in what turned out to be its best festival yet. Close on 100 Irish music acts performed over the course of the festival. The three-day music session also saw an international photography exhibition in a dedicated space and 'speed-dating' mentor sessions with seasoned industry professionals from Ireland, the UK and USA.

## Dublin Electronic Arts Festival - DEAF

IMRO continued its long association with the DEAF festival in 2007. The theme of the festival was Asian – and it offered audiences not just the opportunity to sample the work of Chinese, Japanese and Thai artists amongst others, but also the chance to witness Irish artists deliberately engaging with other musical and artistic traditions in an explorative and open-ended creative process. Some musical highlights from the extensive programme included a return appearance for the world-renowned thereminist Pamela Kurstin who last performed at DEAF in 2005; also, performances by Wu Fei (a Beijing-born student of the traditional guzheng who has marked out a space for herself by taking this traditional instrument into a contemporary setting) and Miya Masaoka (a leading Japanese koto player, composer and performance artist whose sound projects have explored race and the interconnectedness of different species). Other highlights for '07 included a special presentation by the veteran Australian-born cinematographer Christopher Doyle, describing his experiences as a pivotal figure in the Hong Kong film industry for more than twenty years, plus Trevor Knight who presented a live collaboration between Gyohei Zaitzu (Japan, Butoh dancer), Itaru Oki (Japan, trumpet and accessories) and Trevor Knight (Ireland, keyboard/electronics) called 'Featherhead'.

**Keith Johnson**  
Director of Marketing & Membership

# CORPORATE GOVERNANCE

## IMRO Board

During 2007 two new directors came on to the Board. Steve Lindsey of Elevate Music Productions was elected as a publisher director and Charlie McGettigan was elected as a writer director. In early 2008 James Morris joined the Board as an external director and in May Keith Donald was appointed Chairman of the Board for a three year period.

## Chief Executive

In June this year Victor Finn became Chief Executive of IMRO. Many members will be familiar with Victor from his former position as Managing Director of the Mechanical Copyright Protection Society (Ireland).

## Company Practices and Procedures

The Board keeps the operation of the company under continuous review, with the aim of achieving best practice. As part of this, an internal audit process was put in place at the beginning of 2007. Farrell Grant Sparks were retained to carry out the internal audit and a Finance and Audit Committee of the Board was established. The internal audit process, which is ongoing, involves analysing the processes in the company, identifying risks and implementing changes where necessary. As well as the Finance and Audit Committee, three other committees were established – a Distribution Committee, a PR & Marketing Committee and a Remuneration Committee. Each committee meets a number of times during the year and all committee decisions are subject to ratification by the Board.

## Consultation with Members

The Board welcomes suggestions and comments from members on the operation of the company and last November invited you to a forum to discuss the corporate governance of the company, although discussion was not limited to corporate governance matters. Issues that came up for discussion included the composition of the Board, the remuneration of directors, the need for a strategic review of the company, the definition of IMRO's role, communication with the membership and the voting power of members. A summary of proceedings was circulated to all members

in January. In February this year a survey of members was carried out to find out how you felt about a number of issues. The Board would like to thank all members who attended the forum, as well as those who responded to the survey and also those who sent in suggestions for consideration.

## Changes to Articles of Association (approved at EGM 12th March 2008)

Following on from the Forum, the survey and discussions that had been taking place at Board meetings over several months, the Board made a number of recommendations for changes to the Articles of Association and these were approved at an extraordinary general meeting of the company in March this year. The changes are set out below.

- Increase in the number of external director positions on the Board from 2 to 3, thereby increasing the resources available to the Board.
- Making the chief executive eligible to be appointed a director, thereby ensuring that the executive head of the company shares full responsibilities in line with all members of the Board.
- Providing for the removal of a chairman or deputy chairman by a two thirds majority of the votes of the members of the Board for the time being, thereby ensuring that there is a formal procedure in place for the removal of a chairman or deputy chairman.
- Reducing the minimum number of writers and directors necessary for a quorum from 3 to 2 respectively, while maintaining the overall total necessary for a quorum at 7, thereby allowing the Board greater flexibility in its operations.
- Providing for resolutions of the Board of directors in writing to be in electronic form, thereby bringing the Articles into line with modern means of communication.
- Providing for Company Notices, including all documents relating to general meetings, to be sent by email, again bringing the Articles into line with modern means of communication and also facilitating considerable cost savings and improved communication with the members.

The Board is continuing to review the operation of the company and may make further recommendations for change. It is taking account of suggestions made by members in the past and would welcome further input in the future.

The Board is continuing to review the operation of the company and may make further recommendations for change. It is taking account of suggestions made by members in the past and would welcome further input in the future.

Carmel Ryan  
Director of Corporate Governance



# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

**Directors' Report and Financial Statements**

**Year Ended 31 December 2007**





**imro**



# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)



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# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## DIRECTORS AND OTHER INFORMATION

### Board of Directors at 31 December 2007

Paul Brady  
Keith Donald  
Philip Flynn  
Eddie Joyce  
Johnny Lappin  
Steve Lindsey  
Donagh Long  
Eleanor McEvoy  
Charlie McGettigan  
Christy Moore  
Michael O'Riordan  
Niall Toner

### Solicitors

McCann FitzGerald  
Riverside One  
2 Harbourmaster Place  
Sir John Rogerson's Quay  
Dublin 2

Matheson Ormsby Prentice  
30 Herbert Street  
Dublin 2

Arthur Cox & Co  
Earlsfort Centre  
Earlsfort Terrace  
Dublin 2

### Secretary and Registered Office

Carmel Ryan  
Copyright House  
Pembroke Row  
Lower Baggot Street  
Dublin 2

### Bankers

Bank of Ireland  
Lower Baggot Street  
Dublin 2

Bank of Scotland  
Bank of Scotland House  
124-127 St. Stephens Green  
Dublin 2

Anglo Irish Bank Corporation plc  
Stephen Court  
18/21 St Stephen's Green  
Dublin 2

### Independent Auditors

PricewaterhouseCoopers  
Chartered Accountants and Registered Auditors  
One Spencer Dock  
North Wall Quay  
Dublin 1

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## DIRECTORS REPORT

The directors present herewith their report and the audited financial statements for the year ended 31 December 2007.

### Principal activities

The company administers the performing rights in copyright music on behalf of its members and, as a non exclusive licensee, on behalf of the societies affiliated to it.

### Fair review of development and performance of the business and of its position

Licence revenue at €36,800,030 shows an increase of €2,978,768 (8.8%) over 2006. Broadcast related licence revenue contributed largely to this increase. Operating costs at €4,727,590 showed an increase of €191,249 (4%) in the year. Operating cost as a percentage of income was 12.8% (2006: 13.4%). Other operating income fell by €451,166 (48.1%) on the prior year. Royalties have increased by €4,159,773 (15%) over 2006 as a result of increased activity.

The directors consider this to be a satisfactory result for the year.

Further growth in revenues is expected in 2008.

### Description of the principal risks and uncertainties

The performance of the business is dependent on the use of copyright music generally in the Irish broadcast and public performance sectors and the use of IMRO members copyright music in overseas territories. The principal risks relate to increases or decreases in such use, the tariffs charged for such use and the continued willingness of sister collection societies around the world to maintain reciprocal arrangements with IMRO, whereby IMRO represents their repertoire in the Republic of Ireland, while they represent the IMRO repertoire in other countries.

### Financial Risk management

The company is exposed to a variety of financial risks that include price risk, credit risk, liquidity risk and cash flow risk. The directors have programmes and controls in place to manage the financial risk exposures of the company.

#### *Foreign exchange risk*

With the exception of overseas revenue the company does not have any material exposure to foreign exchange risk. The substantial part of its business is conducted in Euro.

#### *Credit risk*

The company has a significant level of debtors at any point in time. Procedures are in place which monitors the risk from existing debt.

#### *Liquidity risk*

The company has significant bank balances. It has no exposure to debt finance and has sufficient available funds to meet the day to day operations and strategy of the company.

#### *Price risk*

The company is not exposed to any specific price risks. The directors review the appropriateness of their pricing policy and pricing arrangements with external parties on an ongoing basis in order to manage any price risk exposure.

#### *Cash Flow risk*

The company does not have any material exposure to cash flow risk. Cash flow from operations continues to remain strong.

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## DIRECTORS REPORT - Continued

### Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable Irish law and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Accounting Standards Board and published by The Institute of Chartered Accountants in Ireland.

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for preparing books of accounts which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with accounting standards generally accepted in Ireland and comply with the Irish Companies Acts, 1963 to 2007. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Proper books

The measures taken with regard to keeping proper books of account include the use of appropriate procedures and the employment of competent and reliable persons. The books of account are kept at the company's premises at Copyright House, Pembroke Row, Lower Baggot Street, Dublin 2.

### Results

The income and expenditure account is set out on page 9.

### Dividends

The company is limited by guarantee and it is not possible for such a company to pay a dividend.

### Directors

The directors of the company at 31 December 2007 were:

Paul Brady  
Keith Donald  
Philip Flynn  
Eddie Joyce  
Johnny Lappin  
Steve Lindsey  
Donagh Long  
Eleanor McEvoy  
Charlie McGettigan  
Christy Moore  
Michael O'Riordan  
Niall Toner

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## DIRECTORS REPORT - Continued

### Directors - continued

On 30 January 2007 Noel Cullen resigned as a director. On 31 January 2007 Barbara Galavan and Mike Hanrahan ceased to be members of the board of directors. Steve Lindsey was appointed a director on 28 February 2007. (Note: these details were contained in the 2006 Annual Report.)

In accordance with the company's Articles of Association, three writer directors, Paul Brady, Keith Donald and Niall Toner, retired by rotation. There was also a fourth writer director position to be filled following the departure of Mike Hanrahan earlier in the year. Following a postal ballot, the successful candidates, Paul Brady, Keith Donald, Niall Toner were reappointed and Charlie McGettigan was appointed to fill the 4 writer director positions at the annual general meeting on 19 September 2007.

Also in accordance with the Articles of Association, two publisher directors, Eddie Joyce and Michael O'Riordan, retired by rotation and publisher director, Steve Lindsey, who had been appointed to fill a casual vacancy, retired, as required under the Articles. There was a fourth publisher director position to be filled following the departure of Barbara Galavan earlier in the year. Only 3 nominations were received for the 4 available positions and accordingly there was no postal ballot for those positions. The 3 nominees, Eddie Joyce, Michael O'Riordan and Steve Lindsey, were appointed publisher directors by the members at the annual general meeting on 19 September 2007.

Mr Philip Flynn's term of office as external director ended on 31 December 2007 and he was reappointed for a two year period from 1 January 2008 to 31 December 2009.

Mr James Morris was appointed external director on 22 January 2008.

### Board Attendance

The total number of Board meetings in 2007 was 15 (2006: 9).

Attendances by each Board member were as follows:

	Number of meetings	
	Attended	Held in year/ since appointment
Paul Brady	13	15
Keith Donald	15	15
Philip Flynn	14	15
Eddie Joyce	13	15
Johnny Lappin	15	15
Steve Lindsey	13	14
Donagh Long	15	15
Eleanor McEvoy	14	15
Charlie McGettigan (since appointment on 19 September 2007)	4	4
Christy Moore	11	15
Michael O'Riordan	15	15
Niall Toner	15	15

### Transactions involving directors

Details of transactions involving directors are set out in note 17 to the financial statements. Apart from these, there are no contracts or arrangements of any significance in relation to the business of the company in which the directors had any interest, as defined in the Companies Act 1990, at any time during the year ended 31 December 2007.

### Subsequent events

There have been no significant events affecting the company since the year end.

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

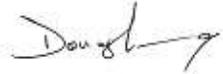
(a Company limited by guarantee and not having a share capital)

## DIRECTORS REPORT - Continued

### Auditors

The auditors, PricewaterhouseCoopers, will be re-appointed in accordance with Section 160(2) of the Companies Act 1963.

### Approved on behalf of the board by:



Donagh Long  
Director



Johnny Lappin  
Director

7 May 2008

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## **Independent auditors' report to the members of the Irish Music Rights Organisation Limited (a company limited by guarantee and not having a share capital)**

We have audited the financial statements on pages 9 to 24. These financial statements have been prepared under the accounting policies set out in the statement of accounting policies on pages 13 and 14.

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and the accounting standards issued by the Accounting Standards Board and published by The Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) are set out in the Statement of Directors' Responsibilities on page 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 193 of the Companies Act, 1990 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 2006. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account.

We also report to you our opinion as to:

- whether the company has kept proper books of account;
- whether the directors' report is consistent with the financial statements; and

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## **Independent auditors' report to the members of the Irish Music Rights Organisation Limited - continued** (a company limited by guarantee and not having a share capital)

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at 31 December 2007 and of its surplus and cash flows for the year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Acts, 1963 to 2006.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion the information given in the directors' report on pages 3 to 5 is consistent with the financial statements.

**PricewaterhouseCoopers**  
**Chartered Accountants and Registered Auditors**  
**Dublin**

**26 May 2008**

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## INCOME & EXPENDITURE ACCOUNTS

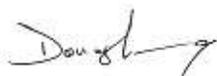
Year Ended 31 December 2007

	Notes	2007 €	2006 Restated €
<b>Licence revenue</b>	1	36,800,030	33,821,262
Operating expenses:			
- Non exceptional	2	(4,727,590)	(4,536,341)
- Exceptional	3	(951,148)	-
Other operating income		486,521	937,684
<b>Operating surplus before royalties</b>		31,607,813	30,222,608
Royalties		(31,909,458)	(27,749,685)
Operating (deficit)/surplus		(301,645)	2,472,932
Interest receivable		534,646	316,931
Other finance income	10	80,600	69,500
<b>Surplus before taxation</b>	5	313,601	2,859,354
Taxation	6	(128,943)	(153,327)
<b>Surplus for the year</b>		184,658	2,706,027

There is no difference between the surplus on ordinary activities before taxation and the surplus retained for the year stated above, and their historical cost equivalents.

The results of the company all derive from continuing operations.

Approved on behalf of the board by:



Donagh Long  
Director



Johnny Lappin  
Director

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

Year Ended 31 December 2007

	Notes	2007 €	2006 €
Surplus for the year		184,658	2,706,027
Actuarial gain in respect of pension scheme	10	131,200	600,000
Current tax on actuarial gain		(16,400)	(74,995)
Total recognised gains and losses relating to the year		<u>299,458</u>	<u>3,231,032</u>

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

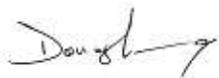
(a Company limited by guarantee and not having a share capital)

## BALANCE SHEET

31 December 2007

	Notes	2007 €	2006 €
<b>Fixed assets</b>			
Tangible assets	7	<u>1,440,428</u>	<u>1,400,236</u>
<b>Current assets</b>			
Debtors	8	11,891,076	10,125,042
Cash at bank and on hand		<u>11,117,397</u>	<u>12,758,179</u>
		23,008,473	22,883,221
<b>Creditors – amounts falling due within one year</b>	9	<u>(23,003,642)</u>	<u>(22,924,244)</u>
<b>Net current assets/(liabilities)</b>		<u>4,831</u>	<u>(41,023)</u>
<b>Net assets excluding pension liability</b>		1,445,259	1,359,213
Pension liability	10	<u>(534,188)</u>	<u>(747,600)</u>
<b>Net assets including pension liability</b>		<u>911,071</u>	<u>611,613</u>
<b>Surplus on reserves</b>	16	<u>911,071</u>	<u>611,613</u>

Approved on behalf of the board by:



Donagh Long  
Director



Johnny Lappin  
Director

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## CASH FLOW STATEMENT

Year Ended 31 December 2007

	Notes	2007 €	2006 €
Net cash (outflow)/inflow from operating activities	11	(1,831,406)	8,062,535
Returns on investments and servicing of finance	12	534,646	316,931
Taxation paid		(133,800)	(169,361)
Capital expenditure and financial investment	13	<u>(210,222)</u>	<u>(192,439)</u>
(Decrease)/increase in cash in the year	15	<u>(1,640,782)</u>	<u>8,017,666</u>

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## ACCOUNTING POLICIES

The significant accounting policies adopted by the company are as follows.

### Basis of preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Acts, 1963 to 2007. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board.

### Going concern basis

The directors have prepared the financial statements on the going concern basis, which assumes that the company will continue in operational existence for the foreseeable future.

As at the year end, the company had net assets of €911,064.

### Accounting convention

The financial statements have been prepared under the historical cost convention. The currency used in these financial statements is the Euro denoted by the symbol €.

### Licence revenue

Licence revenue represents royalty income exclusive of value added tax.

Broadcasting and public performance revenue is recorded on an invoice basis

Overseas income is recorded on a receipts basis.

### Cable television

The total amount collected from this source is included under licence revenue with the allocations to the rightsholders included in royalties.

### Fixed assets

Fixed assets are stated at cost less depreciation.

The cost of fixed assets is their purchased cost together with any incidental costs of acquisition.

Depreciation is calculated so as to write off the cost of fixed assets on a straight line basis at the rates stated below, which are estimated to reduce the assets to residual values by the end of their expected useful economic lives.

Property	50
Improvements to property	7
Computer equipment	3 - 5
Motor vehicles	5
Furniture and equipment	7

### Foreign currencies

Foreign currency transactions are translated into Euro at the rate of exchange ruling at the date of the transactions. Assets and liabilities denominated in foreign currencies are translated to Euro at the rate ruling at the balance sheet date. Any differences arising on translation are included in the results for the period.

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## ACCOUNTING POLICIES - continued

### Retirement benefits

Defined benefit pension scheme assets are measured at fair value. Defined benefit pension scheme liabilities are measured on an actuarial basis using the market valuation method. The excess of scheme liabilities over scheme assets is presented on the balance sheet as a liability net of related deferred tax. The defined benefit pension charge charged to operating profit comprises the current service cost and past service costs. The excess of the expected return on scheme assets over the interest cost on the scheme liabilities is presented in the profit and loss account as other finance income. Actuarial gains and losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised in the statement of total recognised gains and losses for the year in which they occur.

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## NOTES TO THE FINANCIAL STATEMENTS

### 1 Licence revenue

	2007	2006
	€	Restated €
The analysis of licence revenue by geographical market is as follows:		
Ireland	33,480,688	30,305,894
United Kingdom	1,571,407	1,606,238
Other EU countries	869,367	1,133,617
United States of America	452,244	287,309
Rest of the world	426,324	488,204
	<u>36,800,030</u>	<u>33,821,262</u>

### 2 Net operating expenses

	2007	2006
	€	€
Net operating expenses are made up as follows:		
Administration costs	4,727,590	4,536,341
Less		
Other operating income	(486,521)	(937,687)
	<u>4,241,069</u>	<u>3,598,654</u>

### 3 Exceptional items

The exceptional charge for the year of €951,148 relates to High Court legal costs and settlement costs in respect of former executive staff of the company.

### 4 Employees and remuneration

The average number of persons employed by the company during the year, excluding non-executive directors, was 34 (2006: 34) and all were categorised as administration.

The company's employment costs for all employees excluding non-executive directors comprise:

	2007	2006
	€	€
Wages and salaries	1,647,777	1,534,765
Social welfare costs	181,023	165,862
Pension and life assurance costs	288,751	260,168
	<u>2,117,551</u>	<u>1,960,795</u>

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 1 Surplus before taxation

	2007 €	2006 €
Surplus before taxation for the year is stated after charging/(crediting):		
(i) Directors' remuneration:		
- for services as directors	247,904	225,026
- compensation in respect of loss of office	-	122,000
(ii) Depreciation	<u>169,021</u>	<u>216,713</u>
(iii) Auditors' remuneration	<u>48,000</u>	<u>44,000</u>
(iv) Loss/(profit) on disposal of fixed assets	<u>511</u>	<u>(11,194)</u>
And crediting		
(v) Interest income	<u>534,646</u>	<u>316,931</u>

### 6 Tax on surplus for the year

	2007 €	2006 €
Current tax:		
Irish corporation tax on surplus for the year	117,447	141,128
Adjustments in respect of prior years	<u>(2,604)</u>	<u>924</u>
Current tax charge for the year	114,843	142,052
Deferred tax charge	<u>14,100</u>	<u>11,275</u>
	<u>128,943</u>	<u>153,327</u>

The current tax charge for the year is lower than the current charge that would result from applying the standard rate of Irish corporation tax to surplus on ordinary activities. The differences are explained below:

	2007 €	2006 Restated €
Surplus on ordinary activities before tax	<u>313,601</u>	<u>2,859,354</u>
Surplus on ordinary activities multiplied by the average rate of Irish corporation tax for the year of 12.5% (2006: 12.5%)	39,200	357,419
Effects of:		
Disallowable expenses	19,137	4,421
Depreciation in excess of capital allowances	8,503	15,994
Higher tax rate for non-trading income (25%)	50,607	49,419
Adjustment to tax charge in respect of previous years	(2,604)	924
Royalties including prior year adjustment	-	(326,125)
Current tax charge for the year	<u>114,843</u>	<u>142,052</u>

IRISH MUSIC RIGHTS ORGANISATION LIMITED  
(a Company limited by guarantee and not having a share capital)

NOTES TO THE FINANCIAL STATEMENTS - continued

6	Tax on surplus for the year - continued	2007	2006
		€	€
	<b>Tax recognised in the Statement of Total Recognised Gains and Losses</b>		
	Current tax:		
	Irish corporation tax charge attributable to actuarial gain	(16,400)	(74,995)

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## NOTES TO THE FINANCIAL STATEMENTS - continued

7 Tangible fixed assets	Property	Improvements to property	Computer Equipment	Motor Vehicles	Furniture and equipment	Total
	€	€	€	€	€	€
<b>Cost</b>						
At 1 January 2007	1,379,279	70,550	1,300,883	154,356	211,335	3,116,403
Additions	22,298	740	186,614	-	570	210,222
Disposals	-	-	(2,389)	(59,587)	-	(61,976)
At 31 December 2007	1,401,577	71,290	1,485,108	94,769	211,905	3,264,649
<b>Accumulated depreciation</b>						
At 1 January 2007	310,338	62,514	1,038,131	128,442	176,742	1,716,167
Charge for year	27,586	4,358	103,661	18,954	14,463	169,022
Disposals	-	-	(1,381)	(59,587)	-	(60,968)
December 2007	337,924	66,872	1,140,411	87,809	191,205	1,824,284
<b>Net book value</b>						
At 31 December 2007	1,063,653	4,418	344,634	6,960	20,700	1,440,365
At 31 December 2006	1,068,941	8,036	262,752	25,914	34,593	1,400,236

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## NOTES TO THE FINANCIAL STATEMENTS - continued

8 Debtors	2007	2006
	€	Restated €
Amounts falling due within one year:		
Broadcasting and public performance debtors, net of bad debts provision	11,003,956	9,327,747
Other debtors and prepayments	865,927	797,295
Corporation tax recoverable	21,193	-
	<u>11,891,076</u>	<u>10,125,042</u>
9 Creditors	2007	2006
	€	Restated €
Amounts falling due within one year:		
Members and affiliates royalties payable	12,998,005	11,747,694
Cable TV rights holders royalties payable	2,486,932	3,201,337
Public performance deferred revenue	5,457,910	5,252,536
Sundry creditors and accruals	992,677	2,127,203
VAT payable	996,600	529,869
PAYE/PRSI	71,500	65,605
	<u>23,003,624</u>	<u>22,924,244</u>

## 10 Retirement benefits

### (a) Defined benefit scheme

The company operates a closed defined benefit pension scheme which provides benefits based on final pensionable salary. All other and new employees are provided with pension benefits on a PRSA basis. The assets of the defined benefit scheme are held separately from those of the company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the Market Valuation Method. The most recent valuation was at 1 January 2005. The assumptions which have the most significant effects on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment return on new investments pre retirement would exceed actual pensionable salary increases by 2.35% and that the investment return on new investments post retirement would exceed actual pensionable salary increases by 1%, and that present and future pensions would increase at the rate of 2.25% per annum.

The most recent actuarial valuation showed that the market value of the scheme's assets was €4,162,855 and that the actuarial value of those assets represented 87.3% of the benefits that had accrued to members after allowing for expected future increases in earnings. The variable rate of contribution by the company was set at 11.8% of earnings with effect from 1 January 2005 in accordance with the recommendation of the actuary. However, in addition and as part of a 10 year Minimum Funding Plan agreed with the Pensions Board, the company also contributes annual lump sum payments of €176,250 indexed in line with inflation payable over a 9 year period. This lump sum payment is subject to review by the actuary each year to ensure that the Scheme remains on track to meet the Minimum Funding Standard by the end of the funding proposal i.e. 31 March 2014. The contributions by employees is 6% of pensionable salaries.

The actuarial report is not available for public inspection but is available to the members and other persons as provided for in the Occupational Pension Schemes (Disclosure of Information) Regulations, 1998.

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 10 Retirement benefits - continued

#### (b) Financial Reporting Standard 17 'Retirement Benefits' disclosures

The company operates a defined benefit scheme. A full actuarial valuation was carried out at 1 January 2005 and updated to 31 December 2007 for Financial Reporting Standard 17 disclosure purposes by a qualified independent actuary. The main financial assumptions used in the valuation were:

	At 31 December		
	2007	2006	2005
Rate of increase in salaries	4.25%	4.25%	4.25%
Rate of increase in pensions in payment	2.25%	2.25%	2.25%
Discount rate	5.60%	4.60%	4.25%
Inflation assumption	2.25%	2.25%	2.25%

Assumptions regarding future mortality are set based on advice from published statistics and experience. The average life expectancy in years for a pensioner retiring aged 65 is as follows:

	2007	2006
Male	20.1	19.0
Female	22.8	22.0

The assets in the scheme and the expected rate of return were:

	Long-term rate of return expected at 31 December 2007	Market value at 31 December 2007 €'000	Long-term rate of return expected at 31 December 2006	Market value at 31 December 2006 €'000	Long-term rate of return expected at 31 December 2005	Market value at 31 December 2005 €'000
Equities	6.8%	3,983	7.0%	4,626	7.5%	3,945
Bonds	4.46%	649	4.2%	591	3.5%	672
Other assets	4.90%	799	5.0%	465	5.2%	396
		<u>5,431</u>		<u>5,682</u>		<u>5,013</u>

The following amounts at 31 December 2007, 31 December 2006 and 31 December 2005 were measured in accordance with the requirements of Financial Reporting Standard 17:

	2007 €'000	2006 €'000	2005 €'000
Total market value of scheme assets	5,431	5,682	5,013
Present value of scheme liabilities	(6,042)	(6,536)	(6,558)
Deficit in the scheme	(611)	(854)	(1,545)
Related deferred tax asset	76	107	193
Net pension liability	<u>(535)</u>	<u>(747)</u>	<u>(1,352)</u>

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 10 Retirement benefits - continued

#### (b) Financial Reporting Standard 17 'Retirement Benefits' disclosures - continued

The following amounts have been recognised in respect of the defined benefit pension scheme:

	2007 €'000	2006 €'000
<b>Charged to operating profit</b>		
Current service cost	(243)	(254)
<b>Credited to other finance income</b>		
Interest on pension scheme liabilities	(297)	(275)
Expected return on assets in the pension scheme	378	344
Net credit to other finance income	<u>81</u>	<u>69</u>
	2007 €'000	2006 €'000
<b>Analysis of amounts recognised in statement of recognised gains and losses</b>		
Actual return less expected return on pension scheme assets	(806)	203
Experience gains/(loss) arising on the scheme liabilities	108	(30)
Profit on changes in assumptions underlying the present value of the scheme liabilities	829	427
Actuarial gain recognised in the statement of total recognised gains and losses	<u>131</u>	<u>600</u>
	2007 €'000	2006 €'000
<b>Movement in deficit during the year</b>		
Deficit in scheme at 31 December	(854)	(1,545)
Movement in year:		
Current service cost	(243)	(254)
Contributions paid	275	275
Other finance income	81	69
Actuarial gain	131	600
Deficit in scheme at 31 December	<u>(610)</u>	<u>(855)</u>

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## NOTES TO THE FINANCIAL STATEMENTS - continued

### 10 Retirement benefits - continued

#### (b) Financial Reporting Standard 17 'Retirement Benefits' disclosures - continued

	2007 €'000	2006 €'000	2005 €'000	2004 €'000	2003 €'000
<b>History of experience gains and losses for the year ended 31 December</b>					
Difference between the expected and actual return on scheme assets	(806)	203	477	115	154
Percentage of scheme assets	14.84%	3.56%	9.51%	2.77%	4.17%
Experience (loss)/gain on scheme liabilities	109	(30)	9	270	417
Percentage of present value of scheme liabilities	1.8%	0.47%	0.14%	4.97%	8.93%
Total gains/(losses) recognised in statement of total recognised gains and losses	131	600	(216)	(184)	571
Percentage of the present value of the scheme liabilities	2.17%	9.18%	3.29%	3.39%	12.24%

The actuarial methods and assumptions required by FRS 17 are different from those used in the most recent statutory actuarial valuation.

Notwithstanding that the valuation of the scheme in accordance with the requirements of FRS 17 shows the deficit outlined above, the actuary is of a view that the scheme does not yet satisfy the statutory Minimum Funding Standard as at 31 December 2007. A funding proposal is in place to improve this position.

11	Reconciliation of operating (deficit)/surplus to net cash (outflow)/inflow from operating activities	2007 €	2006 €
	Operating (deficit)/surplus	(301,645)	2,472,932
	Depreciation	169,021	216,713
	Loss/(profit) on sale of fixed assets	511	(11,194)
	Reversal of pension contributions	(274,420)	(274,900)
	Retirement benefits service charge	242,799	254,200
	(Increase)/decrease in debtors	(1,744,841)	1,387,520
	Decrease in amounts receivable on sale of property	-	5,118,959
	Increase/(decrease) in creditors	77,169	(1,101,695)
	<b>Net cash (outflow)/inflow from operating activities</b>	<b>(1,831,406)</b>	<b>8,062,535</b>

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

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## NOTES TO THE FINANCIAL STATEMENTS - continued

<b>12</b>	<b>Returns on investments and servicing of finance</b>	2007 €	2006 €
	Interest received	<u>534,646</u>	<u>316,931</u>
<b>13</b>	<b>Capital expenditure and financial investment</b>	2007 €	2006 €
	Purchase of tangible fixed assets	210,222	(203,633)
	Sale of tangible fixed assets-disposal proceeds	(511)	11,194
		<u>209,711</u>	<u>(192,439)</u>
<b>14</b>	<b>Analysis of changes in net cash</b>	At 31 December 2006 €	Cashflow  At 31 December 2007 €
	<b>Net cash</b>		
	Cash at bank and on hand	<u>12,758,179</u>	<u>(1,640,782)</u> <u>11,117,397</u>
<b>15</b>	<b>Reconciliation of net cash flow to movement in net cash</b>	2007 €	2006 €
	Movement in net cash in the year	(1,640,782)	8,017,666
	Net cash at 1 January	12,758,179	4,740,513
	Net cash at 31 December	<u>11,117,397</u>	<u>12,758,179</u>
<b>16</b>	<b>Reserves</b>		€
	1 January 2007		611,613
	Total recognised gains and losses relating to the year		299,458
	At 31 December 2007		<u>911,071</u>

# IRISH MUSIC RIGHTS ORGANISATION LIMITED

(a Company limited by guarantee and not having a share capital)

## DETAILED INCOME AND EXPENDITURE ACCOUNT – continued

### 17 Related party transactions

Financial Reporting Standard 8 (FRS 8) requires the disclosure of all material transactions undertaken by the company with related parties. Under the terms of FRS 8, all directors are related parties.

There are three groups of directors of the company, Publisher directors, Writer directors and External directors. External directors are not members of the company and so do not receive royalties from the company. Like all members of the company, Publisher and Writer directors, and parties related to them, are entitled to royalties from the company in respect of the performance of any copyright works owned by them. Parties related to Publisher and Writer directors include family members and companies controlled by these directors. Parties related to Publisher directors also include the publishing companies and their subsidiaries.

During 2007 total royalties paid by the organisation to the directors of the company and to parties related to the directors of the company amounted to €251,137 (2006: €264,872). Amounts paid to parties related to the publisher directors were not necessarily for the benefit of the directors themselves or their families. These royalties were calculated on the same basis as royalties paid to all members, that is full, provisional, and associate members, and are paid in accordance with the company's normal procedures.

Colette Rooney, wife of J. Lappin, was paid €13,703 in 2007 (2006: €16,512) for debt collection services. Mr N. Toner was paid €Nil in 2007 for copyright infringement and repertoire research services (2006: €300 for song writing workshops).

In addition, travel and membership development grants in the amount of €4,110 were paid to 3 member directors (2006: €2,540 - (two member directors)).

The Irish Music Rights Organisation regards its membership as the ultimate controlling party.

### 18 Future capital expenditure not provided for

	2007	2006
	€	€
Authorised by directors and contracted for	90,699	257,485

### 19 Reclassification

The prior year classification of royalties and net operating expenses in the Income and Expenditure account have been reclassified to conform with the current year presentation.

### 20 Approval of financial statements

The financial statements were approved by the directors on 7 May 2008.



**imro**

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