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### International ISRC Agency Bulletin 2009/03 UPDATE: Approval of ISRC Managers to Assign ISRCs

25 September 2009

This Bulletin replaces ISRC Bulletin 2006/01 and Bulletin 2008/04 which are withdrawn.

The International ISRC Agency today announces simplifications to the arrangements under which ISRCs may be assigned by parties other than the rights owners themselves – termed "ISRC Managers". These changes do not affect existing arrangements but remove several restrictions which have not proved useful in practice.

In particular, the distinction between a Small Label (which had to use an individual Registrant Code) and an Independent Artist (which had to use a shared Registrant Code) is removed, and the use of an appropriate Registrant Code becomes a matter for the ISRC Manager and the National ISRC Agency.

The status of "Producer's Representative" is withdrawn and band managers, lawyers etc., should be treated in the same way as other third parties.

The International ISRC Agency encourages National ISRC Agencies to work with local distributors, aggregators and other well-placed companies to allow them to assign ISRCs on behalf of their clients. National ISRC Agencies are reminded that these arrangements can be implemented at their discretion, and that small record producers (as well as all other producers) may still assign their own ISRCs if they wish.

National Agencies should establish their own procedures for approving ISRC Managers, but they must ensure that these applicants abide by the revised procedures set out below. National Agencies must ensure that their rules are fair and non-discriminatory, for instance between members of industry associations and non-members.

Enquiries from National ISRC Agencies may be addressed to:

International ISRC Agency c/o IFPI Secretariat 10 Piccadilly London W1J 0DD United Kingdom isrc@ifpi.org www.ifpi.org/isrc

Enquiries about becoming an ISRC Manager should be addressed to the National ISRC Agency in the relevant territory. Note however that not all National Agencies may choose to use this facility. A list of Local ISRC Agencies is available at <u>www.ifpi.org/isrc</u>

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# Procedures for Assignment of ISRCs by ISRC Managers

# **1** Definitions

For the purposes of these procedures, the following definitions apply:

Recording:	A sound recording or music video recording to which an ISRC can be assigned.
Small Producer:	An owner of rights in Recordings that does not itself wish to assign ISRCs to its Recordings but wishes a third party to do so on its behalf.
ISRC Manager:	An entity assigning ISRCs on behalf of Small Producers that has been approved as such by a National ISRC Agency.

## **2** Other Documents

The following procedures shall be read in conjunction with the *International Standard Recording Code (ISRC) Handbook* and other *ISRC Bulletins*, which are available at <u>www.ifpi.org/isrc</u>.

# **3** Assigning ISRCs on behalf of Small Producers

- 3.1 A party may apply to a National ISRC Agency to be approved as an ISRC Manager to assign ISRCs to Recordings on behalf of a Small Producer under the following conditions:
- 3.1.1 The ISRC Manager and the Small Producer enter into a formal agreement that authorizes this.

Note: this may be a formally signed contract, a click-through agreement or part of standard terms of business. In any case, the terms of the appointment must be completely clear to both parties.

3.1.2 The agreement appoints the ISRC Manager exclusively with respect to some well defined part of the Small Producer's repertoire (the Nominated Repertoire). For instance, the appointment may cover the entire repertoire, "all recordings made since 1 January 2001" or "all classical recordings." It is also acceptable to nominate only that part of a label's repertoire which is provided to the ISRC Manager for other purposes.

Note: The appointment as an ISRC Manager for ISRC assignment is to be considered entirely separate from any other appointment as licensee or distributor of repertoire. Other appointments may be exclusive or nonexclusive, and may or may not be connected with the appointment as an ISRC Manager.

- 3.1.3 The Small Producer commits to ensure that no other ISRC Manager is appointed to assign ISRCs to Recordings in the Nominated Repertoire and that the Small Producer has not assigned, and will not itself assign, ISRCs to Recordings in the Nominated Repertoire.
- 3.1.4 The ISRC Manager commits to inform the Small Producer of the ISRCs that have been assigned to the Recordings.
- 3.1.5 The Small Producer commits to use the ISRCs assigned by the ISRC Manager in subsequent exploitation of the Recordings.

- 3.1.6 The ISRC Manager commits to keep good records and to make relevant records available to the Small Producer on demand.
- 3.2 The ISRC Manager and the Small Producer may agree such other terms (including financial terms) with respect to the appointment as ISRC Manager as they desire, provided they do not conflict with this Procedure.
- 3.3 If an agreement to act as ISRC Manager for a Small Producer is terminated or expires, then all records and control of any exclusively allocated Registrant Code (see clause 4.3) shall be transferred to that Small Producer.

Note: This will allow the Small Producer to continue to allocate ISRCs without fear of duplication. Further, it will allow a subsequently appointed ISRC Manager to do so.

3.4 If a Small Producer who has previously used the services of an ISRC Manager establishes a relationship with a new ISRC Manager, the ISRCs assigned by the previous ISRC Manager shall continue to be used. No new ISRCs shall be assigned to tracks that already have one. Where an exclusively allocated Registrant Code (see clause 4.3) has been used, the previous ISRC Manager shall transfer to the new ISRC Manager (i) all records relating to ISRCs assigned with the Registrant Code and (ii) control of the Registrant Code itself. The new ISRC Manager shall use this Registrant Code for the Nominated Repertoire.

Note: Where a label has had different ISRC Managers for different Nominated Repertoires, then the arrangements for new ISRC Managers shall ensure (i) that each exclusively allocated Registrant Code is under the control of a single ISRC Manager and (ii) that no more Registrant Codes are issued than is necessary.

3.5 The ISRC Manager shall ensure that Recordings to which an ISRC is assigned are registered together with appropriate metadata in the industry database relevant to the Small Producer, i.e., the database that they would have registered with if they had done so themselves.

Note: If the territory of residence of the ISRC Manager and the Small Producer are different, the choice of database will require careful consideration and probably consultation between the parties.

3.6 The National ISRC Agency may make a charge to the ISRC Manager to recover (i) the costs of administering their status as an ISRC Manager and (ii) the costs attributable to the Small Producers they act for.

## 4 Use of Registrant Code and Country Code

4.1 For a particular Small Producer, an ISRC Manager may follow either clause 4.2 or 4.3. The choice must be specified in the formal agreement described in clause 3.1.1.

#### 4.2 Standing Registrant Codes

- 4.2.1 The ISRC Manager may obtain for its own use as an ISRC Manager, one or more Standing Registrant Codes from the National ISRC Agency in the territory where the ISRC Manager is based. The ISRC Manager shall use one of these Registrant Codes in conjunction with the Country Code appropriate to the National ISRC Agency from which it obtained the Registrant Code. The ISRC Manager shall inform its National ISRC Agency that each Standing Registrant Code is to be used by an ISRC Manager on behalf of Small Producers.
- 4.2.2 The ISRC Manager shall use one of these Standing Registrant Codes and Country Code in respect of all Small Producers for which it acts under this clause 4.2.
- 4.2.3 It is permissible for an ISRC Manager to apply for Standing Registrant Codes from several Local ISRC Agencies only if this reflects the way the ISRC Manager's business is organized. It should not do this merely to reflect the territory of residence (or target territory for distribution) of the Small Producer for which it acts.

Note: This may mean that the ISRCs assigned will carry the Country Code (see ISO 3901 and the ISRC Handbook) of the ISRC Manager, not the Independent Artist. This is NOT a concern because, once assigned, the ISRC is a "dumb number" and no inference should be made from the Country Code about the territory where the recording was made or is owned.

#### 4.3 Exclusive Registrant Code

- 4.3.1 The ISRC Manager may, for each participating Small Label, obtain a Registrant Code on behalf of that Small Label from the National ISRC Agency in the territory of residence of the Small Label. The ISRC Manager shall inform the National ISRC Agency that the Registrant Code is being requested by an ISRC Manager on behalf of a Small Label that has authorized it for this purpose.
- 4.3.2 The ISRC Manager shall use this Registrant Code for all Recordings from the Nominated Repertoire of the Small Label.