

PERFORMANCE-BASED INCOME

The reported performance-based income in the world fell by 1.7% to \$2.62bn compared with 1995. Within the performance sector, the income from radio and television broadcasting remained the largest element, accounting for 58% of performance-based income. The global income from the live performance and the public performance of recorded music saw its share of all performance-based income decline from 47% in 1995 to 42% in 1996. There was a 8.3% fall in revenues in this sector. This was in marked contrast to the 12.7% rise in revenues from the use of music on radio and 9.2% increase in the revenues for the use of music on television. This is further confirmation of the continuing expansion of broadcasting around the world and of the importance of music programming as a key element of that expansion.

One reason for the decline in performance-based income, of course, was the strong dollar; on a flat exchange rate the sector saw a 3% increase to \$2.72bn. However, it was noticeable that in the US, which accounted for 30% of all performance-based revenues, income from radio and live performance was flat. The slight fall in live performance income in the US, from \$163.38m to \$163.06m, is in contrast to the 10% rise in the value of concert ticket sales in North America, from \$950 to 1.05bn, as reported by the US trade paper, Pollstar. Clearly most of this growth came from Canada, where live performance revenues rose 79% from \$5.35m to \$9.55m, and Mexico, where performance-based revenue — there was no break out of live performance revenues — rose 35% from \$8.89m in 1995 to \$12.03m.

Among the largest national markets for performance-based income, Italy moved from fifth place to fourth, displacing France, Austria (which was unplaced in 1995) to seventh, displac-

ing the Netherlands, and Brazil from 10th to ninth, displacing Argentina. Ten of the leading 20 markets saw the music publishing industry derive greater income from public performance than from reproduction. These were, by rank, the US (where performance-based income was 44% of the total), Italy (66%), Spain (43%), Canada (34%), Switzerland (53%), Sweden (42%), Argentina (70%), Denmark (51%), Finland (52%) and South Korea (80%). In France, where performance-based income was overtaken by reproduction-based income for the first time in 1995, it accounted for 33% of total revenues.

The 7% increase in performance-based revenues in South Korea signals that outside the larger music markets there were considerable advances in the collection of performance-based revenues from broadcasters and other music users. In Hungary, performance-based income rose 12% to \$8.05m; in Ireland by 55% to \$19.6m and in Mexico by 35% to \$12.03m.

CHART 5 Performance-Based Income

