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Dear Dominic Lake,

### **PLR Rate per Loan 2016**

Thank you for your email of 9 November regarding the rate per loan.

We are pleased to note that you propose the increase on the rate per loan next year from 6.66 pence to 7.67 pence per loan. We accept the British Library Board's recommendation that the 2016 payments are made at a rate per loan of 7.67 pence but wish to make the following additional observations:

#### **1. Increased income**

We are pleased to note that the PLR scheme has received increased income. PLR continues to be an important source of earnings for authors and we would urge the Government to ring-fence the (already meagre) PLR Fund in any future spending review, particularly in view of the comments we make below in relation to audiobooks and ebooks.

#### **2. Volunteer Libraries**

We are sad to note the decrease in the estimated loans of books registered for PLR, caused, no doubt, by the cuts in library services and the exclusion of some volunteer-run libraries from the scheme. We urge the Government to include volunteer-run libraries within the PLR scheme so that true figures for library lending can be recorded and remunerated.

#### **3. Library Cuts**

We urge the Government to fulfil its obligation to provide a 'comprehensive and efficient' library service and to protect and maintain the library service which is under serious threat.

#### **4. PLR on audiobooks**

We are pleased that PLR has been extended to audiobooks 'lent out' from library premises for a limited time. Obviously these claims have not yet been quantified and it will be important to maintain and increase the PLR Fund to pay for them. Increasingly audiobooks are also lent digitally and remotely and this lending should also attract PLR.

#### **5. PLR on onsite lending of ebooks**

We note that PLR has been extended to onsite lending of ebooks but, as we anticipated this is an illusory change since no ebooks are lent out from library premises.

#### **6. Remote lending of ebooks**

The Sieghart e-lending review stated 'To extend PLR to the remote downloading of digital books will require primary legislation, but is critical to allow libraries to progress with their digital strategies. This review therefore recommends that the government find the necessary legislative space in its programme at the earliest opportunity to allow these changes' and in its response the Government said 'Extending the PLR to incorporate remote lending will require primary legislation, and is an amendment we will seek to pursue in future parliamentary sessions, subject to considering whether that would be compatible with the Copyright Directive.' We understand that the Government is

considering plans to bring in PLR payments for remote e-lending. Libraries now remotely lend a significant number of ebooks and it is only fair that authors should be remunerated for these. Publishers have been reluctant to ensure that authors receive a fair share of licensing revenues for remote lending. We believe that an author's receipts from ebook lending should equate to the total earnings the author would have received on a physical copy over the lifetime of the book from the combination of royalties on sale and PLR on every loan. The same considerations apply to the remote lending of digital audiobooks. We recommend that all interested parties should work together as part of the current library review led by Kathy Settle to agree models for payments via the PLR body which remunerate authors appropriately for remote loans of ebooks. Such a model could be an agreed solution which mirrors PLR but does not create a new exception, or a clear and narrowly-defined statutory solution extending PLR to ebooks while maintaining frictions (which all parties have agreed are essential) and the right of authors to control the licensing of their works.

**7. Efficiency savings**

We are delighted to note the efficiency savings and increased income for the PLR fund. However, we regret the loss of Jim Parker and his energetic advocacy for PLR over the years, particularly in the area of international PLR. We hope that efficiency savings will not prevent continued work to obtain overseas PLR for UK authors and to encourage more countries to introduce similar schemes.

- 8.** Finally, we welcome Tom Holland as Chair of the Public Lending Right (PLR) Advisory Committee for the next three years from today and thank Tracy Chevalier for her good work over the past three years. Both are past Chairs of the Society of Authors' Management Committee and we appreciate all their work on behalf of authors.

Yours Sincerely



Nicola Solomon  
Chief Executive