

# Music Licensing Companies (MLCs)

The collective management of neighbouring rights is concerned with remunerating the producers of recordings and/or performers when their recordings are used in specific ways.

The usage types under collective management typically include radio and TV broadcasting, public performances, background music services, non-interactive streaming and dubbing (i.e. the copying of recordings associated with delivering these services) as well as private copying levies.

These uses may implicate the right of remuneration and/or exclusive rights. Due to the *licensing* activity carried out by most Collective Management Organisations<sup>[1]</sup> with respect to the users of recordings they are often termed Music Licensing Companies or MLCs. This document, and DDEX terminology, uses the term MLC when referring to neighbouring rights societies generally, whether they actually license users or if they only collect the remuneration from users licensed by law. An MLC will license venues, bars, broadcasters and so on throughout its territory. Licensees or users pay licence fees in return, and the MLC distributes the money to producers and/or performers.

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[1] In a few countries, some uses of sound recordings are licensed by law (for example: USA and France)