



ANNUAL
REVIEW
2021/22

PUBLISHERS'
LICENSING
SERVICES



FROM THE CHAIR

ROSIE GLAZEBROOK

Since our last annual review we have celebrated 40 years of PLS managing collective licensing on behalf of the publishing industry. We were particularly pleased to mark the fact that PLS had distributed over £500m to publishers in that time, revenues that go straight to publishers' bottom lines. PLS has of course expanded its offering to publishers in the last decade with its Access to Research, PLSclear and other rights and licensing services so there was plenty to reflect on. We took the opportunity of our 40th anniversary to publish a short history of PLS so please do ask for a copy if you have not yet seen it.

PLS continues to go from strength to strength, with distributions to publishers exceeding £38 m, topping those of last year, as well as steady growth of PLSclear. The PLS team has worked hard to achieve these results whilst also adapting, with considerable success, to hybrid working following the easing of the restrictions of the pandemic. The Board has supported PLS and steered it through what has been a challenging period.

I am delighted by the Board's confidence in me and to be serving a second term as chair. This has also allowed me to continue in my role as co-chair of Copyright Licensing Agency (CLA), alongside Authors' Licensing and Collecting Society Chair, Tony Bradman, in what has been the best year ever for (CLA).

We were very sorry to have to say goodbye to Lis Tribe of Hodder Education when she completed her second term on the PLS Board. She was succeeded by Andrew Freeman of Pearson who is already making his mark and will be one of the PLS nominated directors on the CLA Board, as Lis was. Stephen Lotinga recently announced his departure from the Publishers Association (PA) and he will be missed on both the PLS and CLA Boards. We are pleased that Dan Conway, the PA's incoming Chief Executive, will join the PLS Board.

Chair

PLS is owned and directed by:



Association of Learned
and Professional
Society Publishers



The PPA stands
for professional
publishers



Publishers
Association



THE YEAR IN BRIEF

SARAH FAULDER

We have been listening to our staff to help shape and fine tune our own pattern of hybrid working as the country has been adapting to living with Covid. Our aim has been to capitalise on the benefits of both working from home and from the office. The next challenge for this pattern of working will come later in the year when we move into new offices. We are very pleased to be co-locating with Copyright Licensing Agency (CLA) and Authors' Licensing and Collecting Society (ALCS) after the success of this arrangement for the last nearly seven years.

Notwithstanding all the above distractions the PLS Team has performed steadily throughout the last year, delivering all the services mentioned elsewhere in this review and, most importantly distributing over £38 million to publishers. We are indebted to both CLA and NLA media access for their excellent work in continuing to license and collect revenues in an ever more challenging climate.

We have been working over several months with the other members of CLA, namely ALCS for the authors and Design and Artists Copyright Society (DACS) and Picture Industry Collecting Society for Effective Licensing (PICSEL) for the visual artists, to prepare the ground for a review of the 2015 Rights Valuation. Please look out for more information about this over the coming months in your eBulletins as our success in improving the publishers' share of collective licensing revenues will depend on the level of cooperation and assistance we get from you, the publishers.

I take this opportunity to thank the entire PLS Team on your behalf for turning in such a good year once again and Rosie and the PLS Board for their strength and support throughout. Our services to all of you are undoubtedly enhanced by our now having resources dedicated to policy and communications.

A handwritten signature in black ink that reads "S. Faulder". The signature is written in a cursive, flowing style.

Chief Executive

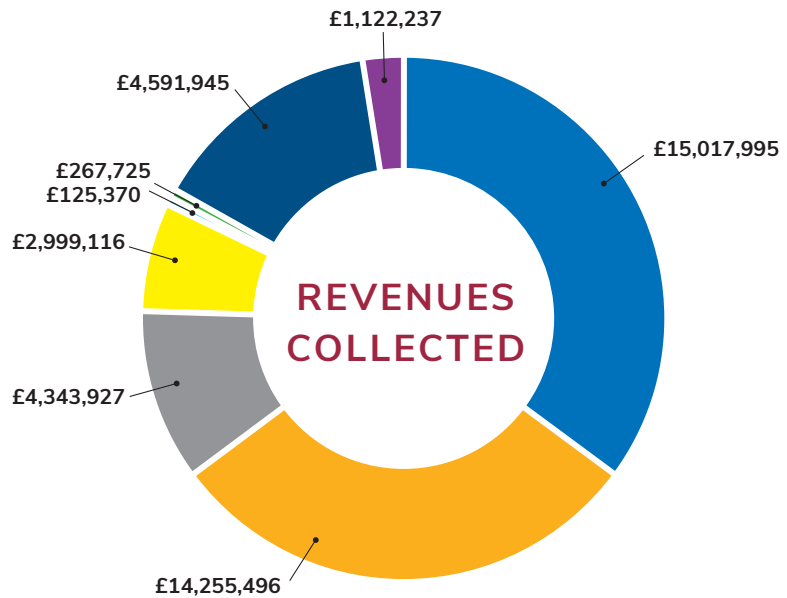
COLLECTIVE LICENSING: REVENUE AND DISTRIBUTIONS 2021/22



- £38.2m (net) was paid out to publishers in 2021-22.
- Over 98% of distributable revenues* were paid out within 21 days of receipt.
- More than 15,000 individual payments.
- Revenue direct to bottom line.

All figures in the chart are gross revenue before PLS admin fees. The NLA figure includes the shares payable to authors and visual artists. In accordance with the decision in the Rights Valuation, effective 1 January 2016, and as reflected in the Distribution Charter, PLS paid the shares due to authors (17.5%) and visual artists (10%) to ALCS and to DACS and PICSEL respectively for onward distribution prior to distributing NLA revenues to publishers.

*Net of PLS 6% admin fee.



- Education (CLA)
- Business (CLA)
- Business + Government (NLA)
- Government inc. NHS (CLA)
- Document Delivery (CLA)
- Media Monitoring (CLA)
- Overseas (CLA)
- Exceptional Distribution (CLA)

OTHER SERVICES



Access to Research is a service that provides free, walk-in access to nearly 40 million peer-reviewed, academic articles in public libraries across the UK. We currently have 21 publishers providing journal content and nearly 3000 public libraries signed up to the service.

Although the service was suspended whilst libraries were closed during the height of the pandemic and the UK's lockdowns it has started to make a gradual return towards pre-pandemic usage figures.

Earlier this year we asked library staff to share their thoughts on Access to Research as part of a survey. We received a very positive response with overwhelming support for the service. One respondent noted that Access to Research 'enhances the value and excellence of public library services'.

Looking ahead, we will be focusing our efforts on recruiting the handful of local authorities yet to sign up to this free service, our objective being 100% local authority participation. We will also be exploring some exciting promotional and partnership opportunities with a view to increasing service visibility and usage.

Rights & Licensing Hub

In the recent years, PLS have undertaken a number of initiatives to highlight the importance and value of good rights management to publishers across the industry. The PLS Rights Group, consisting of industry rights experts, was formed in 2020 to discuss key issues affecting rights teams and to develop resources to promote best practice across the industry. The PLS Rights Group collaborated to launch the Rights and Licensing Hub (rightsandlicensing.co.uk) with case studies, guidance, and training resources for the industry.

In June 2021, in collaboration with Rights2 Consultants, we launched the Rights Management Essentials Courses to explain the basic principles of rights management and highlight its importance to all areas of publishing (not just rights teams). This intuitive and accessible series of free training resources has now been completed by nearly 300 individuals across the industry including publishers, students, and literary agents, and is available at pls.thinkific.com.



2022 marks five years since we launched PLSclear with the aim of providing a service that would streamline the permissions process for all publishers regardless of the size or sector of the company. The service is now a firmly established part of the permissions landscape both in the UK and globally. PLSclear handled requests to use publishers' content coming from users in 97 countries in the 2021-22 financial year.

There are now nearly 300 publishers from a broad range of publishing sectors using PLSclear to manage their permissions requests and increasing numbers of publishers from overseas participating. With continued growth in the number of publishers using the platform, we also saw a 30% increase in revenue coming through PLSclear in the 2021-22 financial year and an 8% increase in number of requests.

In our annual survey of publishers using PLSclear, 97% of publishers who responded believe PLSclear is good value for money and 95% of publishers would recommend the service to others. 71% of publishers also stated that PLSclear has reduced their permissions processing times, aligning with many anecdotal stories we've heard from publishers since we launched PLSclear.

We also continued to deliver updates to the PLSclear platform to further improve the service for both publishers and requestors. Improvements to PLSclear are led by feedback we've received from publishers and requestors.

INCOME AND EXPENDITURE 2021/22

	2022 (£)	2021 (£)
COPYRIGHT FEES RECEIVED	43,360,709	40,982,150
Distributable to rightsholders	(40,819,178)	(38,530,554)
Administrative expenses	(2,312,899)	(2,338,138)
OPERATING SURPLUS	228,632	113,458
Interest receivable	5,655	19,129
SURPLUS BEFORE TAXATION	234,287	132,587
Taxation	(45,793)	(28,452)
SURPLUS FOR THE YEAR	188,494	104,135
RETAINED EARNINGS BROUGHT FORWARD	818,755	714,620
RETAINED EARNINGS CARRIED FORWARD	1,007,249	818,755

BALANCE SHEET

as at 31 March 2022

	2022 (£)	2021 (£)
FIXED ASSETS		
Tangible assets	26,933	44,791
Intangible assets	125,062	159,063
Investment in Joint Venture	5	5
	152,000	203,859
Current assets		
Debtors	1,420,249	1,418,364
Short term bank deposits	1,268,661	4,268,694
Cash at bank and in hand	8,271,374	4,684,136
	10,960,284	10,371,194
Creditors: amounts falling due within one year	(10,084,724)	(9,728,219)
Net current assets	875,560	642,975
Provisions for Liabilities	(20,311)	(28,079)
TOTAL NET ASSETS	1,007,249	818,755
CAPITAL AND RESERVES		
Profit and Loss Account	1,007,249	818,755

Commentary: The financial information on this and the previous page does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The income and expenditure account and the balance sheet have been extracted from the audited statutory accounts for the year ended 31 March 2022. These accounts have been delivered to the Registrar of Companies and carry an audit report, which was unqualified and did not contain a statement under Section 495(4) of the Companies Act 2006.

POLICY

In January 2022, PLS responded to an Intellectual Property Office (IPO) consultation that asked for views on the possible expansion of the current non-commercial copyright exception for the purposes of text and data mining. PLS argued in its response for an improved licensing environment and that any expansion of the exception to cover commercial research was unnecessary and unfair to rightsholders, as they would not be rightfully paid for the use of their work for commercial purposes. The consultation outcome is to be published during the summer.

PLS also welcomed the IPO's decision to delay a final decision on a potential change to the UK's IP exhaustion regime due to a lack of economic data. The IPO has since confirmed, however, that the issue is still under consideration and that a final decision on whether the UK will maintain the status quo or adopt an international IP exhaustion regime is likely to be made by the end of the year. A change from the current regime is likely to have serious consequences for the future health of the publishing industry.

This year's Queen's Speech contained the long-awaited Online Safety Bill that has already begun being scrutinised by MPs and will be the UK's first attempt to regulate online platforms and their content. The speech also contained a commitment by the government to publish a draft Digital Markets, Competition and Consumers Bill, which provide the Digital Markets Unit with the statutory powers it requires and will be the first legislative step to obtaining a fairer deal for publishers from large online platforms who benefit from their work.

With a new dedicated Policy and Communications Manager, PLS will continue to work over the next year with our trade association owners and through organisations such as the British Copyright Council to ensure our members' voices are heard in Westminster and beyond.

INITIATIVES

UKRAINE INITIATIVE

The tragic scenes of war and suffering in Ukraine have galvanised many in the UK and across the world to help the Ukrainian people. PLS responded to a request made during the London Book Fair by the Ukrainian Embassy in London to assist First Lady Zelenska's initiative, 'Books Without Borders', and to help produce Ukrainian books for refugee children in the UK.

The 'Books Without Borders' initiative helps young refugees by giving them access to Ukrainian books, a tangible reminder of something cherished and familiar, as they embark on a new life in a new, unfamiliar country. The books have been specifically chosen by a panel of psychologists and are for ages 2 to 17.

Ukrainian publishers have sadly not been able to escape the war's destruction. They have however given free permission their books to be produced in the UK and across Europe to help realise the Books Without Borders initiative.

In partnership with the Embassy and printers, Halstan, PLS has facilitated the realisation of this initiative in the UK. Both PLS and Halstan have funded the project with sponsorship in kind from Canon. If more books are needed then PLS will invite UK publishers to lend their direct support. The Publishers Association and The Department for Education have supported the distribution of the books to refugee children across the UK.

SUSTAINABILITY

With sustainability now a major, crucial topic of interest, PLS has also begun to look at its own operations and how it can improve sustainability not just within the organisation but across the publishing industry.

With the creation of an internal PLS sustainability group, planning has started on a sustainability strategy that will look at how PLS can make better, more sustainable choices in future. The strategy will cover all aspects of PLS' work and will seek to help promote the use of cleaner transport, recyclable material, and increase the consideration of sustainability in decision making across the organisation.

In addition to the internal aspect, PLS is also looking to help promote sustainability across the publishing industry. As part of its sustainability strategy, PLS will begin to highlight examples where publishers have made positive changes to increase sustainability and will also signpost best practice and further information that may help publishers with their own efforts to improve sustainability.

PLS BOARD OF DIRECTORS

as at 31 March 2022



Rosie Glazebrook
Chair
PLS



Sarah Faulder
Chief Executive
PLS

ALPSP

Wayne Sime
Chief Executive
ALPSP

Deborah Dixon
Editorial Director
Oxford University Press

Sarah Fricker
Senior Group Legal Advisor
IOP Publishing

IPG

Bridget Shine
Chief Executive
IPG

Oliver Gadsby
Director
Rowman & Littlefield International

Tim Williams
Managing Director
Edward Elgar Publishing

PA

Stephen Lotinga
Chief Executive
PA

Mark Majurey
Commercial Director & VP
Taylor & Francis Group

Andrew Freeman
Vice President, Secondary
Schools Portfolio, Pearson

PPA

Sajeeda Merali
Chief Executive
PPA

Andrew Yeates
Intellectual Property Advisor
PPA

Nick Service
Chairman
Hemming Group

PLS STAFF

as at 31 March 2022



Sarah Faulder
Chief Executive



Tom West
Chief Operating Officer



Amy Ellis
Head of Rights & Permissions



Will Crook
Policy & Communications Manager



Danielle Williams
Executive Assistant



Mohammed Anisuzzaman
Head of IT



Francesca Wallis
Publisher Relations Executive



Richard Guest
Head of Distributions



Polina Sengupta
Marketing & Events Executive



Martin Dixon
Project Manager



Katherine Wyatt
Account Services Supervisor



Kirsty Cassia
Account Services Officer



Helen Jennings
Rights & Permissions Executive



Natalia Kornioukhova
Rights & Permissions Executive



Carla Roda
Rights & Permissions Administrator



Jamie Allerton
Monies in Trust Officer



Andrea Graham
Monies in Trust Officer



Josh Woodward
Finance Assistant



Sarosh Daruwala
Finance Director



Claire Rogers
Finance Manager



Adnaan Rana
Management Accountant



Andy Martin
HR Director



Nicola Stalley
HR Administrator



Samehra Khan
Credit Controller



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