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You may have read about senior living communities that reported a representative from the Motion Picture Licensing Corporation (MPLC) stopped in at their community to inform them that if they were showing movies in common areas or through closed circuit television systems that they were required to have a license to do so. Some time ago this issue was brought to the attention of LeadingAge (formerly AAHSA) at which time they and two other national associations entered into discussions with MPLC on behalf of senior living providers. Earlier this month LeadingAge announced they had reached an agreement with the MPLC regarding this issue.

This document explains who the MPLC is, which senior living communities have to have a license, under what circumstances and what the fees are. It also contains information about the Copyright Act and how it applies to the motion picture industry.

MPLC

The Motion Picture Licensing Corporation (MPLC) is the leader in motion picture copyright compliance, supporting legal access across five continents and more than 20 countries. They represent over 400 producers and distributors from major Hollywood studios to independent and foreign producers.

The MPLC was started more than 20 years ago by motion picture studio executives, including a lawyer with the Motion Picture Association of America. Their goal was to develop a process to help the public leverage the work of the creative community without infringing on copyrights. Today, they have unequalled access to Hollywood studios, as well as independent film makers, and have skillfully negotiated preferred rates for corporate and organizational use.

The MPLC licenses over 450,000 locations worldwide, including multi-national companies, child care programs, non-profit organizations, federal, state and local governments, private clubs, healthcare, campgrounds and libraries, to name a few.

When do you need a license? What type of license do you need? What is the cost?

Leading Age and the other associations have reached a licensing agreement with MPLC to clarify when senior living providers will need a license and pay a licensing fee to show movies to their residents in common areas or via closed circuit TV systems.

Members of LeadingAge will receive a 10% discount on all of the below stated rates. Additional discounts are available based on the number of licensed facilities. Members who have already

secured a new MPLC license beginning January 1st, 2011, will have their current term extended for FREE to coincide with the start of this agreement on April 15th. In addition, they will receive the 10% discount off their current term, in the form of another term extension. The MPLC will contact and advise each licensed member of this extension.

Please contact the MPLC directly at www.mplc.org or 800-462-8855 to obtain additional information, including a calculation of your fees, and obtain a license.

Closed Circuit Television Systems:

Any senior community or facility, regardless of its type or license status, which has a closed circuit television system (such as an in-house channel) playing movies shall obtain an [MPLC Umbrella License](#)[®] at the annual rate of \$12 per connection.

(Please contact the MPLC directly at www.mplc.org or 800-462-8855 and they will answer your questions and assist you in determining what type of license you need as well as the cost.)

Performances in Common Areas:

Nursing and assisted living facilities - the MPLC will not seek to collect license fees from nursing homes and assisted living settings (SLF included) that show movies in common areas.

Independent Living – A license is required and the fee must be paid based on the number of apartments for those showing movies in common areas which include videos/DVDs rented, borrowed, or purchased by residents being shown to other residents. This applies to independent living settings whether free-standing or part of a setting where AL and/or nursing units are in the same building or on the same grounds.

NOTE: If the independent living setting also has a closed circuit television system the MPLC Umbrella License[®] should be purchased even if movies are also show in common areas. Under these circumstances the community does not need to secure and pay for the common area license.

The annual license fee is based on the following schedule:

- A. \$6.00 for each of the first 300 independent living units, apartments or other similarly defined living quarters.
- B. \$3.00 for each of the next 301-500 independent living units, apartments or other similarly defined living quarters.
- C. \$1.00 for each independent living unit, apartment or other similarly defined living quarter in excess of 500.

Please note, the rates are on a per facility basis, and cannot be combined for multiple facilities. Also, there is a minimum annual per facility license fee of \$300.

HUD Financed Facilities - Low income senior housing units or facilities which have a Housing and Urban Development (HUD) contract that show Videos in the common areas of the facility

shall **pay a reduced license fee of \$3.00 per unit for the first 500 units**. However, the facility must provide the MPLC with (a) the project number and (b) the number of units covered under HUD to receive the discount.

Please contact the MPLC directly at www.mplc.org or 800-462-8855 and they will answer your questions and assist you in determining what type of license you need as well as the cost.

MPLC FAQs

We own the DVD, so do we still need a license to view or show it in public?

Yes. The location requires a license regardless of who owns the audiovisual work. While you may own the actual DVD, you are only granted the right to view it in your home, not to perform it in public.

We don't charge admission. Do we still need a license?

Yes. A license is required regardless of whether an admission fee is charged. However, the Umbrella License covers only those situations where admission is not charged.

We're a non-profit organization. Do we still need a license?

Yes. Under the law, it doesn't matter if you're a non-profit or for-profit organization. You are required to have a public performance license to show motion pictures and other audiovisual works.

How much does the Umbrella License cost?

In most cases, the MPLC has set license fees based on the type and size of facility. However, if the facility and/or use falls outside of these categories, the fee will be based on the nature and size of the audience and anticipated frequency of showings.

We show films on our closed-circuit system. Do we need a license?

Yes. Exhibition of works via closed-circuit transmissions are considered public performances.

We're not open to the general public. Do we still need a license?

Yes. Even if the guests are limited to members-only, any location outside of the home is considered public for copyright purposes and requires a license.

We rent out our facility to other groups. Can we be liable for copyright infringement?

Yes. The facility owner can be held vicariously liable or considered a "contributory infringer".

We are only showing a one minute scene. Do we still need a license?

Yes. Some people think they do not need a public performance video license because they are only using a short scene, it was on YouTube, they are teaching someone, they are not getting paid for it, or because they are giving the studio free advertising. Those assertions are all incorrect.

Please contact the MPLC directly at www.mplc.org or 800-462-8855 and they will answer your questions and assist you in determining what type of license you need as well as the cost.

About the Copyright Law:

Motion pictures and other audiovisual works that are available for rental or purchase are intended for personal, home use only. If you wish to show the work in any other place, you must have a separate license that specifically authorizes the public performance of that work.

These rules are detailed in the federal Copyright Act, as amended, Title 17 of the United States Code.

- According to The Copyright Act, only the copyright owner holds the exclusive right, among others, “to perform the copyrighted work publicly.” (Section 106)
- The rental or purchase of a motion picture or other audiovisual work does not bear the right to perform the copyrighted work publicly. (Section 202)
- Films may be shown without a separate license in the home to “a normal circle of family and its social acquaintances” (Section 101) because such showings are not considered “public.”
- Films may be shown without a license to non-profit educational institutions for “face-to-face teaching activities” because the law provides a limited exception for such showings. (Section 110(1)).
- All other public performances of motion pictures and other audiovisual works are illegal unless they have been authorized by license. Even “performances in ‘semipublic’ places such as clubs, lodges, factories, summer camps and schools are ‘public performances’ subject to copyright control.” (Senate Report No. 94-473, page 60; House Report No. 94-1476, page 64).
- Both for-profit organizations and non-profit institutions must secure a license to show films, regardless of whether an admission fee is charged. (Senate Report No. 94-473, page 59; House Report No.94-1476, page 62)

Non-compliance with the Copyright Act is considered infringement and carries steep and significant penalties for both the exhibitor and anyone that contributes to the infringing conduct. Unlicensed public performances are federal crimes and can be subject to a \$150,000 penalty per exhibition and other penalties (Sections 502-506).