

## RECORDING INDUSTRY ASSOCIATION OF MALAYSIA (RIM)

Minutes of the 39<sup>th</sup> Annual General Meeting (AGM) of RIM held at RIM Conference Room, Recording Industry Association of Malaysia, No. L-8-2, 8th Floor, Block L, No. 2, Jalan Solaris, Solaris Mont' Kiara, 50480 Kuala Lumpur, Malaysia on Thursday, 28 September 2017 at 10.00 a.m.

Present: As per Attendance Sheet, attached

The RIM Manager, Mr. Woon King Chai, presented the Agenda for the AGM.

### 1. CONFIRMATION OF MINUTES OF THE 38TH AGM HELD ON 29TH SEPTEMBER 2016

The 38<sup>th</sup> AGM Minutes was adopted with comment to amend the 1<sup>st</sup> page to paragraph 2 - *Confirmation of Minutes of the 38<sup>th</sup>* instead of 35<sup>th</sup> as circulated to all RIM Members. Following that Mr Bon Siong Hooi of MVM Production Sdn Bhd proposed and Mr Anthony Gan of New Southern Records Sdn Bhd seconded.

### 2. CHAIRMAN'S SPEECH

The Chairman welcomed and thanked all members for their attendance at the 39<sup>th</sup> RIM Annual General Meeting. Chairman introduced the RIM Council as he noticed the presence of a lot of new members attending the AGM.

He mentioned that in recent years the Malaysian music industry faced many challenges. He was confident that together, RIM and all Members can bring the industry to the next level in the years to come. He also highlighted in the face of external challenges in the past year, such as the continued decline of physical format revenues, the rise of the technology disruptors, and the government intervention in royalty collection activities, RIM managed to adapt to each situation. It is hard work but we embraced the challenges to overcome all problems effectively whilst some were still works-in-progress.

### 3. COUNCIL'S REPORT

The Chairman briefed the members on the music industry's Council Report 2016/2017:-

Chairman updated that the Physical sales continued its expected decline. He also briefed that the Digital streaming revenue continues to increase positively whilst mobile personalisation revenue did not decline as significantly as expected. The Collective licensing income was down by 18% from the previous financial years due to regulatory intervention issues.

Chairman briefed the meeting the RIM's Long-Term Industry Development Strategy. The RIM Council is always of one mind, adhering to the association's directions, constantly undertaking innovative approach and seeking better opportunities to promote the growth of the Malaysian music industry with specifically on industry

development, government lobbying and communications. He confident that RIM a walking on the correct path of healthy and sustainable development. RIM is optimistic and confident that after so many years of decline we see the industry make gains, albeit, small gains.

The Chairman introduced Music Rights Malaysia Berhad (MRM) to all members and he highlighted that MRM is the sole licensing body authorised by the Malaysian Intellectual Property Organisation (MyIPO) to exercise licensing activities as per the resolutions passed in last year's EGM and AGM. MRM will operate continuously as an industry-driven entity. MRM will officially start the business on 1<sup>st</sup> October 2017 onwards. He informed that the MRM CEO, Mr Ramani Ramalingam, will share with Members on the updates about the sole music licensing body.

Chairman briefed the meeting on RIM's most significant initiatives, achievements and activities over the past year as part of the Council's Report for FY 2016/2017.

Pictures on the following activities from year 2016/2017 were shown to members: -

#### **A. Anugerah Industri Muzik (AIM)**

AIM-22 was held successfully on 18 December 2016 at the Putra World Trade Centre (PWTC). More than 2 million viewers watched the award night. This is one of the highest viewership ratings in many years. He pointed out that the #AIM22 hashtag trended globally at #5. The Chairman told the AGM that the AIM committee was led by Mr Rosmin Hashim. With the blessing of the Members and Council, he hoped to continue to host AIM every one and a half years.

#### **B. Launch of RIM Charts**

Chairman informed that the RIM Charts was launched on 3 March 2017 after a decade of absence since 2006. The charts focused on the Top 20 most streamed international & domestic songs and the Top 10 most streamed domestic songs in Malaysia. He hoped to extend this chart to eventually include the Chinese Top 10 once we are able to get a more comprehensive and expanded report from the digital streaming providers (DSPs). He highlighted that the RIM Charts is the only industry recognised digital charts in Malaysia that tracks the highest streamed tracks each week.

#### **C. Improve Stakeholder Relationship & Communications**

The Chairman updated that 2016 was an election year for RIM and the membership elected a new Council to represent the industry's best interest. He hoped through what was presented, the Council is able to share with members some of the work that we have achieved so far.

The Chairman shared that RIM is looking at and working on strengthening RIM's social media accounts - e.g. Facebook, Twitter and Instagram accounts - as a medium to communicate with RIM members and the public. He added that RIM began publishing quarterly newsletters from on what RIM was doing on behalf of the industry. He

urged all RIM members to liaise with RIM on this by providing RIM with content for RIM to share. He commented that although a lot of effort was made to produce the newsletter, unfortunately currently the statistic of members that read the newsletter was less than 20%. He hoped that members can read & circulate to the staff involved. He informed that the RIM website is currently being updated and the new website will be launched soon. The new website aims to improve the delivery of industry information and updates to members and the public.

#### **D. Regional & International Initiatives**

Chairman reported that RIM hosted the International Federation of the Phonographic Industry (IFPI) Asia Pacific Regional Meetings in Kuala Lumpur in 2016. This year, for the first time in more than 20 years, RIM will welcome the 23rd IFPI Asia Pacific Regional Board Meeting to Kuala Lumpur. He hoped to use this opportunity to open up channels of communication with the government to continue our dialogue for industry development.

He added that RIM also involved in HK Asia Music Festival 2017 held on the 17 March 2017. Hanz (Top Viewer's Choice Award) represented Malaysia. Chairman hope that next year onwards we can have more representative from Malaysia.

#### **E. Long-Term Strategy for Industry Development**

Chairman briefed that RIM is pursuing its Long-Term Strategic Goal which aims to grow the entire market value of the industry to RM500mil by 2018. Among the key initiatives that were carried out to achieve this goal are:-

- i. Economic impact assessment of the Malaysian music industry: On 4th May 2017, RIM launched the "RIM-PwC Economic Impact Study of the Malaysian Music Industry" in the inaugural *RIM Townhall: Meeting of the Minds* at the Content Malaysia Pitching Centre, Platinum Sentral, Kuala Lumpur. The report was launched by the then Minister of Communications & Multimedia Malaysia, YB Datuk Seri Dr Salleh Said Keruak.
- ii. An economic impact study was spearheaded by RIM to reveal the facts and figures of the Malaysian music industry and determine how the industry contributed to Malaysia's economy. The study assessed the economic impact of the Malaysian music industry from 2011 to 2015. Some of the key findings presented during the launch are:-
  - i. Malaysian music industry as a whole generated an "economic output" of approx. RM12.2 - RM13.4 billion a year.
  - ii. Malaysian music industry made an impact towards the country's GDP at about RM 5.5 - RM 6.1 billion per year.
  - iii. Malaysian music industry created around 75,198 - 83,113 job opportunities per year.
  - iv. Malaysian music industry made a tax impact at about RM 228 - RM 247 million per year.

These significant findings will form the backbone of the demands, as an industry, to lobby the government for further support and funding in the future.

- III. The Chairman also briefed that a policy to be driven by RIM, as a coordinator for the music industry, was the preservation of Malaysian music, history, and culture, issues on permits, licenses, and censorship. Through a RIM projects, RIM also aimed to reward and recognise contributions from various parties, encourage mentorship and talent upskilling, and stimulate international and talent exchange. RIM looks to participate in the digital economy, internationalise Malaysian music, and be part of the Global & Regional Marketplace. RIM was in the midst of discussion with the Malaysia Government to develop infrastructure for Music Cities that help develop the music industry. Music cities provide high-capacity venues and industry digital industry.

#### **F. Cooler Lumpur Festival 2017**

RIM is proud to be part of this year's Cooler Lumpur 2017 by supporting an art project called *Re:cover*. The project was an initiative of TBWA\KL where classic songs were given a contemporary reinterpretation. Among these classic songs were those by the late Tan Sri P. Ramlee, Sweet Charity, the late Datuk Sharifah Aini, and Anita Sarawak.

#### **G. YH Dato' Norman Abdul Halim's appointment as Chairman of IFPI Asia-Pacific Regional Board**

The Chairman extended his warmest congratulations to Dato' Norman for being the first ever Malaysian, and independent record label head, to hold this prestigious leadership position at the Asia-Pacific level. He also added that RIM pledged its support and look forward to a productive cooperation with IFPI at the Asia-Pacific level.

#### **H. Departure of Mr Ramani Ramalingam after 17 years of service as Chief Executive Officer (CEO) of RIM and PPM**

The Chairman took the opportunity to thank Mr Ramani Ramalingam for his 17-year service to RIM & PPM. Mr Ramani is assuming a new role as the CEO of Music Rights Malaysia Berhad (MRM). MRM is the sole licencing and collection management organisation in Malaysia which takes official effect on 1 October 2017.

#### **I. RIM Strategy moving forward**

Chairman shared with the members that as a result of MRM authorised as the sole collection management organisation (CMO), PPM will be separated from RIM. PPM will continue to serve its members' interest in distribution activities. The Chairman highlighted that RIM will continue its leadership role to develop new initiatives to grow the industry in the following key areas, as part of the on-going long-term industry development strategy. This strategy will be based on the following three main thrusts (i.e. industry development, Government lobbying, and communication)

as RIM realises the target of a total industry value of RM500 million by 2028. Chairman again urge to all RIM members to communicate with RIM or the council member so that RIM can develop the industry together.

#### **J. MRM Updates**

The MRM CEO updated that MRM received its collection agent-only operating licence from the Government on 1 August 2017 retrospective effect to 1 January 2017. MRM is a not-for-profit industry-driven joint-venture formed by the four existing Licensing Bodies (LBs):

- i. PPM
- ii. Music Authors Copyright Protection Berhad (MACP)
- iii. Record Performers Malaysia Berhad (RPM)
- iv. Performers Rights and Interest Society of Malaysia Berhad (PRISM)

The operating licences for the four licencing bodies were simultaneously revised to distribution agent-only. He added that MRM will start initial operations on 1 Oct 2017 with 24 staff - 15 and 8 were transferred from PPM and MACP respectively - with an initial CY2018 target of RM85m.

At the same time, the process to transfer PPM Sdn Bhd's distribution agent role for record labels to PPM Bhd has begun in accordance with a best practice direct membership CLG structure. He also highlighted that PPM Sdn Bhd will be renamed whilst remaining a wholly-owned RIM subsidiary to hold the existing Solaris Mont' Kiara office unit as a recording industry asset and to manage residual music service provider reproduction licences of less than RM1 Million. Mr Ramani also announced that Ms Caren Lau will take over as the new PPM General Manager and head while Mr Woon King Chai will assume the role of RIM Manager and head.

The Council Report was adopted by the AGM on a proposal moved by Mr Anthony Gan of New Southern Records Sdn Bhd and seconded by Mr Rosmin Hashim of Nova Music (M) Sdn Bhd.

#### **4. FINANCIAL REPORT / ACCOUNTS**

Ms Caren Lau, the Finance Senior Manager, tabled RIM's audited accounts for the financial year ending 30 June 2017.

She briefed the members on a matter that appeared on the statement financial position on the MRD system which was owned by RIM but sold to PPM. Thus the MRD system was no longer listed under RIM asset. There was a depreciation of funds to about RM1.4 Million. This was because RIM's liability is higher than its asset.

The income received was RM3.3 Million with RM900,000 contributed by PPM to finance RIM operations.

Projects organised by RIM contributed to the deficit:-

- i. AIM: RM590,054.00
- ii. Chinese AIM: RM155,436.00
- iii. Annual Dinner: RM36,951.00

The biggest contribution to the deficit was staff costs amounting to RM1,062,501, compared to RM562,245 in the previous year. This spike was a result of the retrenchment of 2 operations staff and 2 office staff (Ms Maisy Yao & Ms Fish).

Having been circulated earlier and there were no further questions from the floor, the financial report was adopted by the AGM on a proposal by DJ Fuzz of Mixology Music and seconded by Mr Murantheran of Belantara Asia Records.

5. TO RE-APPOINT MESSRS. MAZARS AS THE AUDITORS FOR THE PERIOD 1ST JULY 2017 TO 30TH JUNE 2018

Messrs. Mazars was re-appointed by the AGM as RIM's auditors for the period of 1 July 2017 to 30 June 2018. Ms Geraldine Loh of Rock Unite Inc Sdn Bhd proposed, and was seconded by Mr Rosmin Hashim of Nova Music.

6. IFPI UPDATES - 23<sup>RD</sup> IFPI ASIA PACIFIC REGIONAL BOARD MEETING 2017

Mr Woon King Chai updated that the IFPI Asia Pacific Regional Board Meeting 2017 will be held at interContinental Hotel on 16 - 17 October 2017.

7. CLOSE OF MEETING

The Chairman ended the meeting by encouraging all RIM Members to continue to communicate with RIM and support RIM in creating a "wonderful beautiful music industry". Once again he expressed his appreciation to Mr Ramani Ramalingam for his services and support over the past year. The Annual General Meeting (AGM) was declared concluded by the Chairman at 11:15 a.m.

Confirmed by,



.....  
Mr. Darren Choy  
Chairman



.....  
YH Datin Dr. Shireen Mardziah Hashim  
Secretary

**RIM**

RECORDING  
INDUSTRY  
ASSOCIATION  
MALAYSIA

**39TH RIM ANNUAL GENERAL MEETING**  
L-8-2 8th Floor, Block L, No. 2, Jalan Solaris,  
Solaris Mont' Kiara, 50480 Kuala Lumpur  
28th September 2017 at 10.00 a.m.  
**ATTENDANCE LIST**

No.	Category	Recording Company	Name
1	F	Archive Capital Sdn Bhd	Ms. Dina
2	F	Belantara Asia Records Sdn Bhd	Mr. Muralitheran A/L Munusamy
3	F	Belantara Asia Records Sdn Bhd	Mr. Aliff Chalik
4	F	Digital Idea Multimedia (M) Sdn Bhd	Ms. Jean Lau
5	E	EQ Music (M) Sdn Bhd	Ms. Yeok Lan
6	E	Halo Music (M) Sdn Bhd	Ms. Raine
7	F	Hud Hood Record	Mr. Amin Rawi
8	E	Indigital Sdn Bhd	Mr. Mohd Pauzi B. Abd Samad
9	E	Insictech Musicland Sdn Bhd	Ms. Kylie Tee
10	F	Kaban Music Production	Mr. Gibson Rentap
11	E	Kelarai Sakti Sdn Bhd	Mr. Izzat Rozman
12	F	Lakefront Records Sdn Bhd	Mr. Jing Hes
13	F	Lakefront Records Sdn Bhd	Mr. Simon Lee
14	E	Loonaq Records	Hj Rozman
15	F	Media Asia Production Sdn Bhd	Mr. Azri
16	F	Metro Music Sdn Bhd	Mr. Lee Keat Cheong
17	F	MISB Online Marketing	Mr. Ng Kum Wah
18	F	Mixology Music Sdn Bhd	DJ Fuzz
19	E	MVM Production Sdn Bhd	Mr. Boon Song Hooi
20	E	NAR Records Sdn Bhd	Mr. Amirruddin Sulaiman
21	F	Neo Worldwide Entertainment	Mr. Edrie Hashim
22	C	New Southern Records Sdn Bhd	Mr. Anthony Gan
23	F	Noh Phrofile Enterprise	Ms. Kimmy
24	E	Nova Music	Mr. Rosmin Hashim

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28th September 2017 at 10.00 a.m.

No.	Category	Recording Company	Name
25	D	Rock Records	Mr. Tan Chong Yi
26	E	Rock Unite Inc. Sdn Bhd	Ms. Geraldine Loh
27	F	Rocketfuel Records	Mr. Brian Veeriah
28	F	Rocketfuel Records	Mr. Adam
29	F	Rocketfuel Records	Mr. Ghazali
30	F	Rusa Marketing Sdn Bhd	Mr. Bratt Pua
31	F	Seventeen Eleven Music	Mr. Ash
32	A	Sony Music Entertainment Malaysia	Mr. Julius Ng
33	F	Sorry Music Entertainment Sdn Bhd	Mr. Adrian Lim
34	D	Suria Records	Mr. Edwin Tan
35	E	Tropic Jaya Entertainment Sdn Bhd	Ms. Amy Lai
36	A	Universal Music	Mr. Farriz Izzuan
37	F	Wahaha Production	Ms. Ellisan Tan
38	A	Warner Music	Mr. Darren Choy
39	F	Yuna Room Records Sdn Bhd	Ms. Nor Zaina Wardah
40	F	Zaza Dream Music	Ms. Hairiza
41	E	Bernaya Record PLT	Mr. Nor Hanafi
42	D	Star Media Distribution Sdn. Bhd.	Mr. Lim Wei Kang
43	E	PMP Artist Management Sdn. Bhd.	Mr. Lim Wei Kang
44	F	Semangat Zaman Music Ent. Sdn. Bhd.	Ms. Jean Lau



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28th September 2017 at 10.00 a.m.

**ATTENDANCE**  
**(INVITATION)**

No.	Company	Name
1	RIM	Mr. Ramani Ramalingam
2	RIM	Ms. Caren Lau
3	RIM	Mr. Woon King Chai
4	RIM	Mr. Faridz Fadzil
5	RIM	Ms. Nurwardinie