

# INFORMATION ON DISTRIBUTION IN THE SOUND FILM CATEGORIES (T, TD, TD VR) 2022 FINANCIAL YEAR



Dear member,

The round-up below provides information concerning the **distribution** of **1 July 2023**, which relates to the use of your works in sound films, primarily during the **2022 financial year**. For more information about our royalty distribution, go to: [www.gema.de/royalties](http://www.gema.de/royalties).

## Announcements

- As of the distribution of 1 June 2023 we will be using a new IT system to calculate your royalties. To learn about this and the new features coming with it, please visit [www.gema.de/distribution-new-it-system-2023](http://www.gema.de/distribution-new-it-system-2023). For now, the changes only apply to category T.

## Annual distribution date

- 1 July for the **distribution** in categories **T, TD and TD VR**.

## Claims

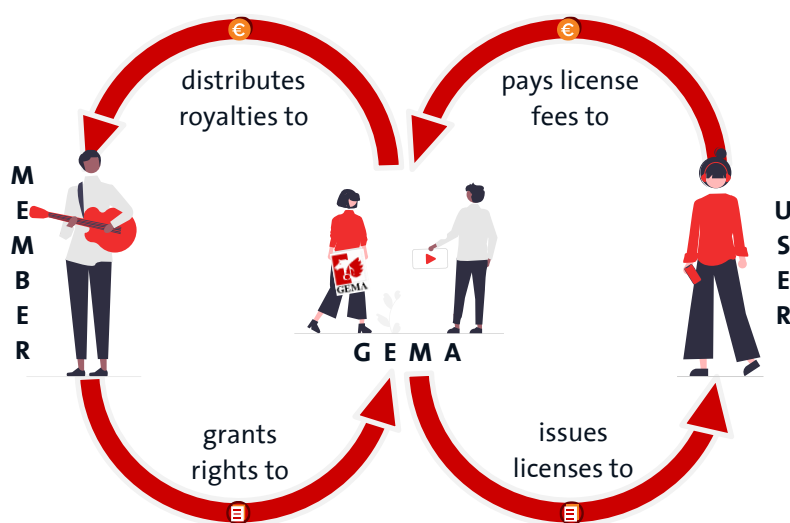
You have 18 months to file a claim following the distribution. You can use the Claim service in the **Online Portal** to claim quickly and simply in respect of uses of works: [www.gema.de/portal-claim](http://www.gema.de/portal-claim).

If you have any further questions, please visit our information pages dealing with this topic: [www.gema.de/claim](http://www.gema.de/claim).

Yours sincerely,  
GEMA

## How we calculate your royalties in the sound film categories (T, TD, TD VR)

The process by which we calculate your royalties is called **distribution**. It is based on the one hand on the **licensing income** we receive when music is used, and on the other hand on the **usage reports**, which tell us which works have been played when, where and how often.



In the **sound film categories (T, TD, TD VR)** we distribute income from licence payments that we receive for the use of your works, e.g. in cinemas, but also in educational, training, and documentary films. We distinguish between the use of musical works mainly in cinemas and at festivals (category T) and in commercial or image films (categories TD, TD VR). The usage reports show us which works were used, when and for how long. If we are able to match the works used with works registered with us, our members receive royalties.

The **distribution** in the sound film categories takes place annually **on 1 July** and relates mainly to music uses from the **period 1 January to 31 December of the previous year**.

## The sound film categories sound film (T)

In the **sound film category**, we distribute income from the screening e.g. of music in cinema films, cinema trailers and cinema advertising. In addition to the licensing income from e.g. cinema operators or film festivals, 30 % of the income from the reproduction of audio-visual media (DVDs, CDs, etc.) flows into the distribution sum (§ 133 Distribution Plan).

We distribute our income (minus administrative costs and deductions for social and cultural purposes) **collectively** by means of a **second value**. This means that each year we divide all income by the sum of all music seconds resulting from the usage reports. The resulting second value is the monetary value of a music second in a film screening. This is multiplied by the music seconds and distributed to the entitled persons (see sample calculation below). In the year of use 2022, the value per second is as follows:

Year of use 2022	Second value in €	Minute value in €	Supplement unallocated royalties in %
T	0,0001266812	0,1267	2,0059

Since our income and the works used vary from year to year, we recalculate the second values annually. You can find the values applied for previous years of use under “Further information” at [www.gema.de/radio-tv-film](http://www.gema.de/radio-tv-film).

Sample calculation category T	Number of screenings	Music seconds	Second value in €	Result
	1000	600	0,0001266812	
Calculation method	Number of screenings x music seconds x second value			
Calculation	1000 x 600 x 0,0001266812			76,01 €
<b>Distribution amount for all parties involved in the work:</b>				<b>76,01 €</b>

*In addition to the distribution amount, you receive the default supplement for unallocated royalties. This is a percentage supplement from the sum of free (e.g. authors deceased for more than 70 years) and non-represented (not a member of a collecting society) shares. Since these cannot be distributed, all members receive these shares as a supplement. Direct payment is made to extraordinary members. In the case of full members, the income flows into the GEMA pension plans.*

## Sound film direct distribution (TD, TD VR)

In the **categories of sound film direct distribution (TD, TD VR)**, we distribute income that we receive for the use of music in commercial and image films. These films are produced and reproduced e.g. for trade fairs, sales offices or similar narrowly defined purposes. Furthermore, educational, training, educational and documentary films shown to the public free of charge are also included in the direct distribution of sound films.

When acquiring the licence, we are informed which works are used. We distribute our income directly to the beneficiaries, minus administrative costs and deductions for social and cultural purposes.