INFORMATION ON THE DISCOTHEQUE MONITORING OF GEMA

DISTRIBUTION OF THE DK AND DK VR CATEGORIES AS OF 1 JUNE 2022

GEMA licences mechanical music playbacks in venues with regular dance events pursuant to tariff M-CD II 2. Reproduction of works of the GEMA repertoire that are intended for uses as in the course of communication to the public are licenced pursuant to tariff VR-Ö:

https://www.gema.de/musiknutzer/musik-lizenzieren/diskothek-club-mit-tanz

Approx. 1,600 dancefloors are monitored in Germany; they mainly include discotheques, but also other dance venues with varied music offers.

From the dancefloors that are part of the monitoring, a so-called "stratified random sample" is determined in accordance with statistical principles to provide a representative mapping of the entire spectrum of the music titles played back within a year. Dancefloors are not weighted according to their size or licence fee.

The total quantity to be surveyed and examined (so called "population") is the quantity of all music reproduced in domestic discotheques and discotheque-like establishments in one year. With the aid of the sample, a projection is made determining which part of the total playing time of all music playbacks is attributable to a specific music title. As a result of using advanced procedures of mathematical statistics, this projection is very accurate. Due to the decline of dancefloors in Germany, the population forming the basis of the projection in the 2020 financial year was adjusted.

There are four underlying geographic strata to the statistical selection of dancefloors for the discotheque monitoring by GEMA in the 2020/2021 financial years; they are in accordance with the regions:

- Hamburg, Bremen, Lower Saxony, Schleswig-Holstein
- Bavaria, Baden-Wuerttemberg
- Hesse, Saarland, Rhineland-Palatinate, North Rhine-Westphalia
- Mecklenburg-Western Pomerania, Brandenburg, Berlin, Saxony, Saxony-Anhalt, Thuringia.

In addition, a systematic distinction is being made in these regions between rural (less than 500,000 residents) and urban areas (between 500,000 and 1,000,000 residents) and metropolitan areas (more than 1,000,000 residents). This gives rise to a total of twelve strata. In each of these strata, an independent sample is created.

For each selected dancefloor, two hours are monitored per operating week. Once the total playing time for a title per dancefloor has been established, a projection must be generated for all dancefloors of this stratum based on the randomly selected dancefloors of that stratum. The result of the addition across all strata is a reliable (mathematically "unbiased") projection of the annual total playing time of a specific title on all dancefloors.

For this kind of discotheque monitoring, specialised recording devices, which are directly installed at the mixing consoles, have been developed. Neither the DJ nor the audience can determine whether and when recordings are made. Interference and manipulation attempts are captured and documented. In order to improve the statistical representative character, a part of said recording devices is generally exchanged across all strata once a year.

Yacast, a Paris based company instructed by GEMA, made the analysis of the recordings in 2021, as in the years before. The sampling concept with random checks is based on mapping the population; claims for individual uses are therefore excluded.

Due to the closures of clubs and discotheques as a result of the pandemic, monitoring in 2020 and 2021 was only carried out for a few months. Nevertheless, it was possible to apply the usual process in line with the planned projection method for these periods.

The amounts generated in the 2021 financial year in the discotheque sector also partially relate to the 2020 usage year. As a consequence, the monitoring results available for 2020 and 2021 form a valid and representative basis for the distribution in the DK and DK VR categories.