

# CONCERTS WITH A LIGHT ENTERTAINMENT CHARACTER

*Tariff For the communication to the public of GEMA repertoire works in concerts with entertainment music and spoken word cabarets, comedy shows etc.*

*Tariff U-K*

01/01/2018 (10)

Net amounts plus the current rate of 7% VAT

## I. GENERAL LICENCE FEE RATES

### 1. Standard licence fee rates

#### 1.1 Licence fee rates for concerts with light music

Concert audience numbers	Licence fees in % of the calculation basis pursuant to item II. 2.
up to 2,000 people	5.75 %
up to 15,000 people	7.60 %
More than 15,000 people	8.00 %

#### 1.2 Licence fee rates for concerts with light music for the development of young musical talent

The licence fee for concerts with light music for the development of young musical talent shall amount to 4.50% of the calculation basis pursuant to item II. 2.

#### 1.3 Licence fee rates for spoken word cabarets, comedy shows etc.

The licence fee for each 5 minutes of music or parts thereof shall be 1% of the respective gross proceeds per event/performance.

Audience numbers	Licence fees in % of the calculation basis pursuant to item II. 2.
up to 2,000 people	0.575 %
up to 15,000 people	0.760 %
More than 15,000 people	0.800 %

**2. The following blanket licence fees shall constitute the minimum rate per event:**

<b>Number of people per event</b>	<b>Minimum licence fee rate in EUR</b>
up to 150 people	23.55
up to 300 people	47.10
for any additional set of 150 people	23.55

## **II. GENERAL TERMS AND CONDITIONS**

### **1. Area of application**

#### **1.1. Licence fee rates U-K I 1.1. And U-K I 1.2 (Concerts with light music)**

The licence fee rates shall apply for concerts of light music.

Concerts in terms of this tariff shall be events in the light music category, where music is played for an audience which has primarily gathered for this purpose and where music is at the centre of attention. These can be performances of live music, and the playback of music from sound recordings or from any other media. Concerts are thus to be distinguished from events where music does not constitute the main focus of the event. Subject to these conditions, events such as shows, New Year's balls, dances, morning pints with music, music brunches, music at town festivals etc. are not considered as concerts in terms of tariff U-K. In general, licence fee rates pursuant to U-K shall not apply to events where getting together, eating and drinking does not just play a subordinate role.

Concerts pertaining to the area of the development of young musical talent shall be concerts which have demonstrably no profit-making purposes and fulfil the following criteria:

- the highest entrance fee for the event shall be EUR 20.00 gross.
- the maximum audience for the concert shall be 300.
- The average age of all band members shall be less than 27 years.
- A minimum of 50% of the performed programme shall contain material the band members have written themselves.

The discount pursuant to Art. 39 para 3 VGG is already taken into consideration regarding the licence fee rates U-K I 1.2, a further discount pursuant to item II 3.2 cannot be claimed.

#### **1.2 Licence fee rates U-K I 1.3 (spoken word cabarets and events of a similar nature)**

The licence fee rates shall apply for music performances during spoken word cabarets and events of a similar nature, provided that the music performances are a part of the programme and not subject to other licence fee rates. They shall be applicable to performances with musicians as well as to music playback by means of sound recordings.

If music is played before and/or after the event and/or during the intervals on the same event premises, they shall also be subject to a licence in accordance with the rates of tariff U-V II. 1, resp. M-V II. 1, minimum licence fees rate.

If the music share is higher than 50 minutes, only the licence fee rates subject to U-K I 1.1 shall apply.

## **2. Calculation**

The U-K licence fees shall be calculated per event / performance. The calculation basis pursuant to the licence fee rates U-K shall be defined as follows:

### **2.1 Ticket sales**

Turnover from net ticket sales (ticket prices excluding VAT, pre-sales and system fees); without any additional charges for services included in the ticket price (such as camping cost shares in the case of festivals, dye bags or T-shirts in the case of Holi festivals etc.) Net turnover from additional services which only become valid with the acquisition of a ticket (e.g. Camping tickets which are only valid in combination with an admission ticket etc.) shall be added to the turnover from the ticket sales. Services which can be acquired separately from the admission tickets (such as camping, parking space, dye bags, T-shirts etc.) during the concerts/festivals shall not be part of the calculation basis.

### **2.2 Concerts with light music for special events with invited guests or concerts where admission is mainly free**

For concerts with invited guests (e.g. company anniversaries, receptions etc.) or for concerts where the admission is mainly free (e.g. Publicity events, product launches etc.), the calculation basis shall be a potentially achieved ticket turnover pursuant to item II 2.1, but at least the artists' remuneration and the production costs which are directly economically linked to their performances such as costs for erecting and dismantling the stage, rental costs, technical and lighting fees, security, advertising etc.

Provided that the licence fee was to fall below the minimum licence fee pursuant to item I 2, the application of the minimum licence fee shall remain unaffected hereof.

### **2.3 Any other cash benefits**

Any additional cash benefits realised by the event, such as income from advertising and/or sponsoring or public subsidisation or any contributions of a comparable nature made to the organiser shall form components for the calculation basis of the licence fee pursuant to section II item 2. This shall only apply provided that they constitute taxable turnover in terms of the VAT Act and/or are equivalent to the organiser's income, respectively replace such income.

Media cooperation or non-cash benefits/material contributions shall not count as cash benefits provided there is no direct or indirect money flow to the organiser from third parties.

Other cash benefits in terms of this article shall be remunerated in blanket form by paying a percentage-based supplement of 7.0% on the calculation basis pursuant to item 2.1 and/or in the case of concerts, pursuant to item 2.2 for ticket sales and/or artists' compensation and production costs. In the case of spoken word cabarets, a pro-rata calculation of the supplement shall not apply. This supplement shall be made independently of the tariff level pursuant to item I.

Event organisers must indicate to GEMA before the event whether they expect to yield the income as previously described.

### **2.4 Audit rights**

GEMA may determine an independent and sworn in auditor, committed to professional confidentiality and request that he/she be granted access to any and all relevant documentation pertaining to the calculation of the licence fee pertaining to the tariff each year, as is required to establish the correctness and completeness of and determine the respective evidence for the information provided by the event organiser. From a temporal perspective, the audit right shall relate to periods which have - at the time of the audit - not fallen under the statutory limitation period, but initially for events which have taken place from 01/01/2017 onwards. In duly substantiated exceptional cases, the event organiser may reject the auditor determined by GEMA if the event organiser submits in writing, and, where necessary, subject to providing the relevant evidence, that the auditor in question might not be independent. In such cases, GEMA shall be entitled to determine another auditor pursuant to clause 1.

## 2.5 Notification deadlines

The event organiser shall provide GEMA with any information required for the licensing procedure pursuant to item II 2.1 and II 2.2 within 6 weeks after the concert. In cases where details are missing or notifications have not been submitted, the potential ticket sales will be calculated from the maximum entrance fee and the maximum audience number shall be calculated, both to form the overall calculation basis.

In cases where notifications were submitted after the relevant deadline, the discounts pursuant to item II.3.1 and II 3.4 shall not be granted. This shall be without prejudice to asserting claims for damages pursuant to Art. 97 UrhG (Germany Copyright Act).

## 2.6 Calculation of shares

In specific cases where an event organiser has come to an agreement with a composer who has excluded the performing rights from the collective management of copyright by GEMA and/or a sister management organisation, in the run up to the event regarding the acquisition of the required performing rights, the event organiser is obliged to inform GEMA accordingly and produce the respective evidence. GEMA shall then - following the evaluation of the details submitted by the event organiser - execute a pro rata calculation of the contractual tariff-based licence fee whereby the total number of performed works will be put into relation with the number of the works taken out from the collective management of copyright by GEMA and/or a sister management organisation.

## 3. Discounts

### 3.1 Entering into annual blanket fee agreements

It is possible to conclude annual blanket fee agreements for a calendar year. The following contractual discount shall be awarded to the licence fee rates if an annual blanket fee agreement has been concluded:

up to 10 events:	No discount
up to 30 events:	10.0 % discount, calculated from the 11th event
from the 31st event:	14.5% discount, calculated from the 31st event

The event that took place first, chronologically, during the calendar year shall be considered to be the first event in terms of the above listing. The discounts shall be granted in the order of the execution of events.

Apart from discounts arising from item 3.1, the right to audit pursuant to item 2.4 and the notification deadlines pursuant to item 2.5 are determined as part of the annual blanket fee agreement.

### 3.2 Events with a religious, cultural or social purpose (Art. 39 para. 3 VGG, German Act on Collective Management Organisations)

Events which serve religious, cultural or social purposes and which are proven not to pursue any economic goals shall be subject to a discount of 15%, which is applicable in particular to

- Concert events with choirs, music associations or independent social welfare work,
- concert events for children or the elderly.

An event is deemed to pursue economic goals if a cash surplus is yielded with the event or if general conditions such as admission fees and expected audience numbers are set up in such a way as to enable the generation of profits.

### **3.3 Charity discount**

A discount of 10% on the tariff-based fees shall be granted for charity events if:

- the entire net proceeds are solely intended for charitable purposes, where "charitable purposes" shall be exclusively defined as the aid for people that have fallen on hard times;
- a confirmation is submitted by all contributing artists, showing that they all renounce on their pay completely;
- the organiser submits a pay-in slip or remittance slip, showing which amount was paid to which institution;
- a detailed list with any and all income and expenses of the charitable event is submitted;
- the event is declared as a charitable event to GEMA before it takes place and the required evidence is submitted within 6 weeks of the event having taken place.

### **3.4 General agreement discount**

Members of organisations with whom GEMA has concluded a general agreement for this tariff shall be granted a discount in line with the contractual provisions of said general agreement.

## **4. Scope of the licence**

Only music performances that lie within the scope on which the calculation of these licence fee rates was based, shall be covered by the licence fees in question. For the transmission of the music performance to additional event premises, a special authorisation must be obtained.

In cases there are sound recording playbacks, a licence shall only be granted under the condition that the mechanical rights in the sound recordings has been properly acquired from the rights holders.

The licence shall only cover the rights GEMA is entitled to.

The licence shall not authorise the licensee to reproduce the performed works.

Only such music performances for which there is an agreement between the organiser and the performing artist shall be covered by this licence.

## **5. Submission of playlists**

Pursuant to Art. 42 b para. 2 item 1 VGG, organisers of live music events are obliged to send in a list with the works performed during the event (playlist) after the event. If the organiser does not comply with this obligation within 6 weeks after the event, an additional 10% of the tariff-based licence fee shall be invoiced, subject to any other tariff-based supplements or discounts. Any general agreement discounts shall be exempt from the calculation basis and not be taken into consideration. GEMA's entitlement to receive the playlists shall remain unaffected.