



## Royalty Rates Schedule VR-T-H-1

**for the reproduction of works from GEMA’s repertoire on commercially available sound recordings (vinyl records, audio cassettes, compact discs, minidisks and digital compact cassettes) and their distribution for private use**

Net amounts plus value-added tax at the current rate of 7%

### I. Royalties

#### 1. General royalties

##### a) Percentage royalties

Subject to the terms outlined in the following paragraph, the royalty shall amount to 13.75% of the manufacturer’s highest published price for retailers excluding value-added tax (PPD: published price to dealers) for the sound recording in question.

If the manufacturer uses fixed or recommended retail prices in Germany and these prices are generally paid by the public, the royalty is calculated as 10% of these prices (excluding value-added tax).

The highest published price for retailers and the fixed or recommended retail prices are based on the published list prices that are in effect at the time of the delivery of the sound recording.

If the manufacturer is unable to provide list prices, the royalty shall be determined on the basis of the price generally applied by the other domestic manufacturers for the category of the sound recording in question (excluding value-added tax), unless the manufacturer has reached an agreement with GEMA about the calculation of the royalty in due time, and the outcome of this agreement is consistent with the preceding paragraphs.

##### b) Minimum royalties

Minimum royalties and maximum number of works or parts of works on a **vinyl record**:

Category	Number of protected works per vinyl record	Minimum royalty per vinyl record in €
45/17 N (playing time of up to eight minutes)	Two works or	0.1473

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	up to six parts of works	
45/17 EP (playing time of up to 16 minutes)	Up to four works or twelve parts of works	0.1753
Maxi single (45 rpm) (playing time of up to 16 minutes)	Up to four works or twelve parts of works	0.2639
33/17 1/3 EP (playing time of up to 20 minutes)	Up to six works or 18 parts of works	0.2743
33/25 1/3 LP (playing time of up to 30 minutes)	Up to ten works or 24 parts of works	0.3627
33/30 1/3 LP (playing time of up to 60 minutes)	Up to 16 works or 28 parts of works	0.4836

Minimum royalties and maximum number of works or parts of works on an **audio cassette**:

Category	Number of protected works per audio cassette	Minimum royalty per audio cassette in €
I. Playing time of up to 60 minutes	Up to 16 works or 28 parts of works	0.3720
II. Playing time of up to 120 minutes	Up to 32 works or 56 parts of works	0.6199

Minimum royalties and maximum number of works or parts of works on a **compact disc**:

Category	Number of protected works per compact disc	Minimum royalty per compact disc in €
I. CD single/CD maxi single (playing time of up to 23 minutes)	Up to five works or twelve parts of works	0.2480
II. Normal CD, 12 cm only (playing time of up to 80 minutes)	Up to 20 works or 40 parts of works	0.6199

### c) Minidiscs und digital compact cassettes

Maximum number or works or parts of works on a minidisc (MD) or a digital compact cassette (DCC):

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<b>Category</b>	<b>Number of protected works per MD or DCC</b>
Minidisc (playing time of up to 80 minutes)	Up to 18 works or 30 parts of works
Digital compact cassette (playing time of up to 80 minutes)	Up to 18 works or 30 parts of works

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### d) Minimum budget royalties

The following minimum budget royalties shall apply to the following categories of sound recordings at the earliest one year after the original release date of the sound recording, calculated from the beginning of the accounting period of the first delivery:

Category	Minimum budget royalty in €
LP 33/30 cm	0.2756
Normal CD, 12 cm only	0.3534
Audio cassette, up to 60 minutes	0.2120
Audio cassette, up to 120 minutes	0.3534

## 2. Exports

**a)** In the case of exports to non-European countries, other than countries where the royalty is fixed by law (such as the US and Canada), the basis for calculating royalties shall be the price applicable to sales in the national territory, whereby the royalty is calculated in accordance with conditions accepted by GEMA or its agent in the country of sale, including in particular conditions relating to minimum royalties. Where the manufacturer can provide evidence of the applicable prices in the country of destination, these prices shall be taken as the basis for calculating the royalty, provided that the local currency is convertible.

For exports to non-European countries where the royalty is fixed by law, the statutory royalty shall be payable. However, GEMA and the manufacturer may agree to apply the royalty for sales within the national territory to such exports. This does not apply to exports to the US or Canada.

**b)** In the case of exports to European countries, the royalties shall be calculated and paid in accordance with all of the conditions agreed in the country of import, whereby the national prices shall apply in the case of exports to an EU country, while the prices in the country of destination shall apply to all other exports, provided that in the latter case the local currency is convertible. If the manufacturer cannot provide evidence of the prices in the country of destination, the national prices shall apply.

**c)** The second paragraph of Section II (1e) shall not apply to exports.

## III. General Provisions

### 1. Calculation

#### a) Compilations

Twenty-four protected works or 48 protected parts of works may be reproduced in a compilation album on a standard CD (12 cm), a minidisc or a digital compact cassette, provided that re-released recordings of protected works or parts of works account for at least 50% of the album's contents.

The number of protected works and/or parts of works that may be reproduced on an analog cassette containing the same recordings as a CD, DCC, MD album or compilation album is the same as the number of protected works and/or parts of works that may be reproduced on the corresponding digital sound recording. In such cases, the cassette shall be subject to the same restrictions regarding the maximum playing time as the digital sound recording.

#### b) Exceeding the number of works and/or parts of works

If the manufacturer wishes to reproduce more protected works or parts of works on the same sound recording (vinyl record, tape or cassette) than the amount mentioned above, the royalty due for the sound recording in question shall be increased in the same proportion, except in the case of repeated reproduction of the same work with the same copyright owners or of parts of works involving the same copyright owners on the same sound recording, which are to be regarded as part of a work or as one work, depending on the particular case. Furthermore, original works of short duration, with the exception of works of entertainment music, may be reproduced without any limitation as to number on a 45 rpm, 17 cm single or on a category I audio cassette containing only works of this type.

#### c) Complete works and parts of works

When complete protected works and protected parts of works are reproduced on a sound recording (vinyl record, tape or cassette), each work shall count as two points and each part of a work as one point. The total number of points permitted is equal to the number of parts of works indicated in Section I (1b) and c) as well as in Section II (1a) above. Medleys published in printed form shall be regarded as complete works. Reproductions of parts of works involving the same copyright owners, and repeated reproductions of the same work with the same rights owners as referred to in paragraph b) above, shall be regarded as a complete work or part of a work, depending on the particular case. Any reproduction of a work with a playing time not exceeding one minute and 45 seconds shall be deemed to be a part of a work, unless this duration means that the whole work has been reproduced.

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## **d) Exceeding the playing time**

If the total permitted playing time is exceeded by more than 60 seconds, the royalty payable shall be increased in the same proportion.

## **e) Pro rata royalties**

Where works from GEMA's repertoire and works not belonging to its repertoire are reproduced simultaneously, GEMA shall receive a pro rata royalty according to the proportion of the playing time of each work from its repertoire to the total playing time.

The share of the royalty thus attributable to a work or part of a work from GEMA's repertoire shall never be less than the share corresponding to the number of works or parts of works indicated in Section I (1b) and c) as well as Section II (1a) of this Royalty Rates Schedule.

## **2. Obtaining authorization to reproduce and to distribute in due time and scope of the authorization**

The royalty rates shall only apply if authorization to reproduce and distribute is obtained from GEMA in due time. Authorization shall cover only the rights vested in GEMA with respect to reproduction and distribution for private use via sound recording retailers.

The copyright holders' right of publicity must not be violated.

The copyright holders' authorization must be obtained whenever advertising is directly or indirectly associated with the use covered by the tariff.

## **3. General-agreement discount**

Members of organizations that have concluded a general agreement with GEMA for the VR-T-H 1 tariff shall be granted a general-agreement discount on the applicable royalty rates upon conclusion of such an individual agreement.

Further information on GEMA's tariffs and registration forms are available at [www.gema.de](http://www.gema.de).

**[www.gema.de](http://www.gema.de)**

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