

Tariffs



Royalty Rates Schedule VR-T-H-6

for the reproduction of works from GEMA's repertoire on audio book or audio play recordings (vinyl records, audio cassettes, compact discs, minidiscs, digital compact cassettes, audio DVDs, audio data storage devices and MP3 discs) and their distribution for private use

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

I. Scope of application

The royalty rates only apply to audio books and audio plays in which the focus is on the spoken word, regardless of whether it is read or acted, and musical works are used as a stylistic device. For reasons of simplification, the term “**audio books**” will be used hereinafter.

Audio books may comprise one or more recordings and are always treated as a unit (e.g. as regards the total playing time).

Exceptions to the scope of application arise when music accounts for over 50% of the total playing time in accordance with Section III (1e) of this tariff.

II. Royalties

1. 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) for the audio book 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 prices 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 audio book.

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 audio book 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.

2. Minimum royalties

The minimum royalties apply in cases where the percentage royalties calculated in accordance with Point 1 above are lower than the minimum royalty.

The minimum royalties per audio book and playing time are as follows:

Playing time in minutes	Minimum royalty in €
up to 80	0.40
up to 120	0.60
up to 160	0.80
up to 200	1.00
up to 300	1.40
up to 400	1.80
up to 500	2.20
up to 600	2.50
up to 700	2.80
up to 800	3.00
up to 900	3.20
over 900	3.40

3. Minimum budget royalties

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

Playing time in minutes	Minimum budget royalty in €
up to 80	0.23
up to 120	0.34
up to 160	0.45
up to 200	0.56
up to 300	0.80
up to 400	1.00
up to 500	1.25
up to 600	1.43
up to 700	1.60
up to 800	1.71
up to 900	1.83
over 900	1.94

The minimum royalties apply in cases where the percentage royalties calculated in accordance with Point 1 above are lower than the minimum royalty for a particular audio book.

III. General Provisions

1. Pro rata calculation

Audio books featuring works from GEMA's repertoire are subject to royalty payments. The royalties or minimum royalties for works from GEMA's repertoire are calculated pro rata per audio book as follows:

a) Works from GEMA's repertoire without concurrently spoken text: The playing time of the works from GEMA's repertoire is added together, with the royalties calculated on the basis of the sum of minutes and seconds.

b) Works from GEMA's repertoire with concurrently spoken text: The playing time of the works from GEMA's repertoire is added together, with the royalties calculated on the basis of half the sum of minutes and seconds.

c) The total playing time of works from GEMA's repertoire: the total playing time is calculated on the basis of the sum of the playing times in accordance with Points a) and b) above.

d) Share of GEMA's repertoire: The total playing time of the works from GEMA's repertoire is taken in proportion to the total playing time of the audio book. If an audio book consists of several recordings, the total playing time of the works from GEMA's repertoire on all recordings in the audio book should be taken in proportion to the total playing time of the entire audio book.

e) If music accounts for more than 50% of the total playing time of the audio book, as calculated pro rata in accordance with Point d), the recording must be registered and charged as an audio book in accordance with the applicable Royalty Rate Schedule VR-T-H-1. If an audio book consists of several recordings, music may not account for more than 50% of either the total playing time or of each individual recording. If this is the case, the entire audio book is classified as an audio recording and subject to the applicable royalties. If an individual recording comprises more than 50% music and is thus classified as an audio product, while the other audio book recordings are classified as an audio book product, these products must be registered and charged separately.

f) In accordance with Section II, taking into account Points a) to e) above, the minimum payment per audio book for the works from GEMA's repertoire is €0.0250.

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 specialist 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.

Members of organizations that have concluded a general agreement with GEMA for the VR-T-H 6 tariff shall be granted a general-agreement discount on the applicable royalty rates upon conclusion of such an individual agreement.

3. Entry into force

The royalty rates apply from January 1, 2014.

Further information on GEMA's tariffs and registration forms are available at www.gema.de.

www.gema.de