

INFORMATION REGARDING TELEVISION DISTRIBUTION

1. Current rules of broadcast distribution

- a) Minute values specific to television
- b) Appropriate crediting of the miscellaneous television inflows
- c) Variable broadcaster coefficients for all programmes in television
- d) Separated broadcaster coefficients for broadcasting right (AR) and mechanical right (VR)

a) Minute values:

The broadcast distribution assumes a separation of amounts available for distribution, and hence a separation of the minute values for radio and television. Thus, there are no uniform minute values for radio and television. Rather, there are separate minute values for the broadcasting right and mechanical right for radio (categories R for broadcasting right and R VR for mechanical right) and for television (categories FS and T FS for the broadcasting right and categories FS VR and T FS VR for the mechanical right). Thereby, the AR/VR ratios are taken into consideration, which were determined in the allocation of the broadcaster.

b) Appropriate crediting of miscellaneous television inflows:

The separation of amounts available for distribution duly divides the miscellaneous broadcast distribution inflows, into the areas of radio and television depending on their origin in audio and/or video uses. Examples for the television include (each in relation to the shares to be distributed in the broadcasting sector):

- Revenue from playback to the public of television broadcasts and audio-visual carriers
- Revenue from cable retransmission of television broadcasts
- Video share of revenue from private copying (ZPÜ, Central Organisation for Private Copying Rights)
- Revenue from the commercial reproduction of audio-visual carriers without a programme

c) Variable broadcaster coefficients:

“Broadcaster coefficients” are set for individual television programmes. Separate variable broadcaster coefficients for AR and VR have been set for each full public and private television programme. The variable broadcaster coefficients will be calculated anew for each business year by dividing the applicable net amount from the royalties collected by broadcasting companies and the proportional revenue from cable retransmission by the number of minutes established in each case.

Those separate broadcaster coefficients are taken as a basis for the calculation of the minute values in television in AR and VR, and for the distribution to the right holders.

d) Separated broadcaster coefficients for broadcasting right (AR) and mechanical right (VR)

The allocation of the broadcaster collection to AR (broadcasting rights) and VR (mechanical rights) in the area of television, is made by a differentiated allocation depending on the respective proportion of own and commissioned productions as well as third-party productions. Per broadcaster the proportion of

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minutes, which were attributable to productions in the broadcast distribution of the respective previous year and for which GEMA grants broadcasters the synchronisation right (category FS*), are being determined.

For programmes with a high proportion of own and commissioned productions the previous AR/VR ratio keeps remaining (segment 1).

For programmes with a high proportion of third-party productions a smaller VR proportion is being taking as a basis (segment 2 and 3).

** Without advertising according to §1k of the deed of assignment, as GEMA therefore does not grant broadcasters the synchronisation rights.*

Segment	FS proportion	AR/VR ratio
1	100 – 66.67%	2 : 1
2	66.66 – 33.33%	2 : 2/3
3	33.32 – 0%	2: 1/3

Separate variable broadcaster coefficients for AR and VR have been set for each full public and private television programme in accordance with the segmentation.

2. Information on film and television distribution in the categories

FS, FS VR, T FS, T FS VR, T and TD, TD VR

Music usages in film and television are distributed annually on 1 July for the period of 1 January – 31 December of the preceding year.

When crediting music usages in television, a distinction must be made between the broadcasters' own and commissioned productions for own broadcast purposes and rebroadcasts on the one hand – categories **FS** and **FS VR** (television / television mechanical right) – and “third-party and co-productions” on the other hand – categories **T FS** and **T FS VR** (sound film in television / soundfilm in television mechanical right).

Revenues from film screenings – especially from the playback of music in film screenings in cinemas – are credited in category **T** (sound film).

Revenues from company films and audio-visual presentations are credited in the categories **TD** and **TD VR** (sound film – direct crediting / soundfilm – direct crediting mechanical right).

2. 1. Distribution television (categories FS/FS VR)

Broadcasts of music in **own and commissioned productions** are credited in the categories **FS** (broadcasting right) and **FS VR** (mechanical right).

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Own and commissioned productions are productions that are made directly by a GEMA-licensed broadcasting company or commissioned by a GEMA-licensed broadcasting company.

Broadcaster self-advertising is also credited in the categories FS / FS VR, as this involves own or commissioned productions of broadcasters for their own broadcasting ends. Broadcaster self-advertising encompasses all forms of television advertising that television broadcasters make themselves or commission, in order to advertise themselves or their programming (e.g. trailers). In this case, GEMA grants broadcasters the broadcasting and reproduction rights requisite for executing broadcasts, but not the synchronisation right, as this is a matter of advertising. According to §§113 section 1, this must be taken into consideration in crediting for the mechanical right with 1/10. Exception applies only, if own or commissioned production is being advertised by a trailer, in which commissioned music is being used from the advertised production, then distribution will be made to 100 % in category FS VR (mechanical right), as GEMA grants the synchronisation right for such trailer usages, according to §1i section 2 of the deed of assignment.

According to §105 to §109, the amount of royalties distributed for transmitting a musical work in television is dependent upon the following factors:

- Broadcast duration (in minutes and seconds)
- Broadcaster coefficient
- Television coefficient
- Minute value
- Point valuation (§63, §64, §65)
- Right holder's shares in the work

2.1.1 Formula (own and commissioned television production)

The calculation **formula for own and commissioned productions** in television is:

$$\begin{aligned} & (\text{Broadcast minutes} \times \text{broadcaster coefficient AR} \times \text{television coefficient} \times \text{minute} \\ & \quad \text{value AR} \times \text{factor according to point valuation AR})^1 \\ & \quad + \\ & (\text{Broadcast minutes} \times \text{broadcaster coefficient VR} \times \text{television coefficient} \times \text{minute value VR}) \\ & = \text{Distribution sum per work (24/24 in AR / 100% in VR) for all entitled parties in EUROS} \end{aligned}$$

¹ The General Assembly 2014 decided, that from 01.01.2015 on, **0.4 percent** each of the composers' arising revenues in categories R, FS and M will be allocated to the finance of the arrangers' valuation procedure.

For business year 2016 the minute value for category FS AR is EURO 2.3324 and for category FS VR the minute value is EURO 0.8305.

2.1.2. Television coefficients for FS (pursuant § 107)

The following coefficients apply to music in own and commissioned productions:

Music for videotext programmes receives coefficient 0.1.

Coefficient 1 applies to music in **serial programmes or series transmitted on a regular basis** – i.e. on at least five consecutive days or once weekly in seven consecutive weeks – as follows:

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- **Opening and closing music***
- **Miscellaneous illustrative music** (except opening and closing music), that is utilised
 - recurrently to identify or underscore **standardised format elements**,
 - Or
 - in serial programmes or series with moving or non-moving images, **largely absent of spoken text.****

Music utilised in **serial programmes and series** transmitted **daily** – i.e. as a general rule on five days per week and in multiple weeks of a year – and not credited in line with the above provisions with coefficient 1 will be subject to **coefficient 2**.

Broadcaster self-advertising receives coefficient 2.*

Performed music (live or playback performance) is subject to coefficient 6.

Miscellaneous music in own and commissioned productions (e.g. **illustrative music** in **films** or **irregularly transmitted serial programmes or series**) is subject to coefficient 3.

** A cap to one-third is applied in cases involving more than 5,000 weighted minutes, and to one-tenth in cases involving more than 10,000 weighted minutes.*

*** A cap to one-sixth is applied in cases involving more than 5,000 weighted minutes, and to one-tenth in cases involving more than 10,000 weighted minutes.*

2. 2. Distribution sound film in television (T FS/T FS VR)

Third-party and co-productions (including product advertising) are credited in category T FS. These are “bought-in” productions, also known as licensed productions. GEMA does not grant a synchronisation right to broadcasting companies for productions of this nature. This must be accounted for in mechanical right crediting.

According to §105 to §109, the amount of royalties distributed for broadcasting a musical work for sound film in television is dependent upon the following factors:

- Number of broadcasts of the production
- Music seconds of the work (according to “Notification for audio-visual production”)
- Broadcaster coefficient
- Television coefficient
- Music seconds value (this value is derived from the minute value for television broadcast, and therefore identical to it.)
- Right holder’s shares in the work

When crediting the mechanical right, account must be taken of the fact that GEMA does not grant the synchronisation right to broadcasting companies for third-party and co-productions. Thus, in the category T FS VR crediting is at one-tenth according to §113. This means that 10% of the weighted broadcast seconds credited in category T FS for the performing right is used as the foundation for crediting in category T FS VR.

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2.2.2. Formula (sound film in television)

The calculation formula for **sound film in television** is:

$$\frac{\text{No. of broadcast x music seconds x broadcaster coefficient AR x television coefficient x music seconds value AR}}{1000 \text{ seconds}} + \frac{\text{No. of broadcasts x music seconds x } 1/10 \text{ x broadcaster coefficient VR x television coefficient x music seconds value VR}}{1000 \text{ seconds}}$$

=Distribution sum per work (12/12 in AR/100% in VR) for all entitled parties in EUROS

For business year 2016 the music seconds value for category TFS AR is EURO 38.8733 per 1000 seconds and for category TFS VR the music seconds value is EURO 13.8416 per 1000 seconds.

2.2.2 Television coefficients for TFS (§ 107)

The following coefficients apply to music in third-party productions:

- Music in **serial programmes or series** transmitted **daily** – i.e. in general, on five days per week and in multiple weeks of a year – will be subject to coefficient 1.25.
- **Miscellaneous music** in third-party productions (e.g. illustrative music for films, video clips, etc.) will be subject to coefficient 2.
- **Music for advertising spots and miscellaneous commercials** will also be subject to coefficient 2.*

** A cap to one-third is applied in cases involving more than 5,000 weighted minutes, and to one-tenth in cases involving more than 10,000 weighted minutes.*

2.3. Distribution T – sound film

Distributions for cinematographic films and advertising in cinemas is based on the number of screenings reported by movie theatres or, where applicable, by third parties. That figure is multiplied by the music seconds of the work subject to crediting. The resulting sum is multiplied by the corresponding seconds value of the business year for which accounting is being performed.

The calculation formula is:

$$\frac{\text{Number of screenings x music seconds x music seconds value}}{1000 \text{ seconds}}$$

=12/12 (100%) for all entitled parties in EUROS

For business year 2016 the music seconds value for category T is EURO 0.1537 per 1000 seconds.

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2. 4. Distribution TD – sound film direct crediting (Music in company films, audio-visual presentations)

Licensing pursuant to Rates Schedule T-W-AV (net individual crediting / direct crediting)

Utilisation of audio-visual productions that are company films in nature, screened publicly and free of charge is licensed pursuant to the royalty rates set forth in Rates Schedule T-W-AV. If licensing was in accordance with Rates Schedule T-W-AV, then there will be one-time production-based direct crediting to the entitled parties.

2/3 of the aggregate amount available is credited for the broadcasting right (TD-AR), and 1/3 is credited for the mechanical reproduction right and the synchronisation right in the production (TD-VR).

Prior to distribution for the performing right, the standard cost rate for the performing and broadcasting right is subtracted from the aggregate amount, together with a further 10% for social and cultural purposes.

Prior to distribution for the reproduction right, a commission of 20% is deducted from the total amount.

3. Exception to the distribution based on usage reports

Revenue from the categories R, FS, TFS and T is generally paid out based on programme crediting to the GEMA beneficiaries and to the foreign societies having a contractual relationship with GEMA.

In radio and television, broadcasters' revenue will not be credited on a basis of usage reports below a certain limit. The limit, fixed by the Board of Supervisors, for the respective field (§94) is taking proportionate revenue from cable retransmission and distribution of collections pursuant to §92 section 1 into account.

This limit is EUR 90,000 for radio broadcasters and EUR 204,000 for television broadcasters.

4. Request for crediting

Broadcaster revenue below the fixed limit (§94) is distributed as a supplement to the distribution sums in the categories of radio and television. If in one business year individual works of a right holder are used exclusively or predominantly (measured in actual minutes broadcast) in radio and television programmes that have not been credited by programme due to negligible collection, then the right holder will still be able to request crediting pursuant to §94. If the request is justified, then the right holder will receive the royalties for the uses not credited by programme with the distribution following his request. The distribution sum is calculated on the basis of the actual scope of music used in relation to the respective collection. If the right holder has received a distribution for the respective business year in the categories of radio and/or television, then the amount to be paid will be reduced by the supplement contained in that statement for broadcasters not credited by programme.

The request for crediting must be filed within six months of the respective accounting deadline and include verifiable information regarding work title, entitled parties, broadcasters and broadcasting station, title of broadcast, broadcast dates and broadcasting time of the work. The request can furthermore only be considered if the respective broadcaster confirms this information to GEMA and a minimum amount of at least EUR 5.00 per work can be expected from crediting.

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5. Grand Right distribution

GEMA does not administer the “Grand Right”(the right to stage performance of dramatico-musical works; e.g. operas and musicals). Here, the performing and broadcasting rights must be exercised individually by the author, a publisher or a theatrical distributor. One exception here is the right of communication for radio and television broadcasts, which GEMA does administer for dramatico-musical works as well. In this case, crediting will be assigned to the holder of the Grand Right at 100%.

ANNEX

Broadcaster coefficients in television for the business years 2014 to 2016

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Broadcaster coefficients in television for the business years 2014 to 2016

List of the television broadcasters subject to crediting by programme pursuant to the Implementation Rules of the GEMA distribution plan for the performing and broadcasting right, §108 and §109, § 111, §112 and § 113.

Updated: July 2017

Ser. No.	Television broadcaster	business year 2014 ¹	business year 2015 ¹	business year 2016 AR ^{1;2}	business year 2016 VR ^{1;2}
1	13th Street	0,1511	0,1335	0,2199	0,7455
2	3sat	0,8644	0,9678	1,0963	1,3083
3	A & E Networks	-	0,0480	0,0754	0,2086
4	Animal Planet	0,0235	0,0402	0,0213	0,0647
5	ARD – Das Erste ³	14,1536	14,6016	15,0859	19,901
6	ARD Alpha (formerly BR Alpha)	-	0,2224	0,2292	0,1423
7	ARTE	5,1039	4,9010	7,8412	6,3887
8	Bayerischer Rundfunk (BR)	2,5937	2,2756	2,4339	2,8719
9	BR Alpha	0,1953	-	-	-
10	Bibel TV	0,1530	0,1937	0,2925	0,1290
11	Boomerang	0,0135	0,0307	0,0797	0,1198
12	Cartoon Network	0,0211	0,0376	0,0844	0,3148
13	Deluxe Music	-	-	0,1050	0,0246
14	Deutsche Welle	0,4368	0,4901	0,5575	0,5656
15	Deutsche Welle Europa	0,4368	-	-	-
16	Discovery Channel	0,1076	0,1250	0,1815	0,6767
17	Disney Channel	0,4626	0,1725	0,2753	0,8020
18	Disney Cinemagic	-	0,1606	0,2146	0,8009
19	Disney Junior	0,0759	0,0820	0,1376	0,4477
20	Disney XD	0,1038	0,0858	0,0969	0,3123
21	DMAX	0,3954	0,5143	0,6515	1,2258
22	E! Entertainment	-	0,0369	0,0148	0,0469
23	EinsFestival	0,1501	0,1249	0,137	0,0916
24	EinsPlus	0,1074	0,1027	0,0918	0,0600
25	FOX	0,0686	0,0957	0,2188	0,8134
26	Geo Television	0,0038	0,0052	0,0058	0,0169
27	Hessischer Rundfunk (HR)	1,2250	1,0950	1,1923	1,2840
28	History Channel	0,1010	0,0910	0,1036	0,1160
29	Home Shopping Europe (HSE24)	3,7691 ⁴	4,4999 ⁴	4,1771 ⁴	0,4860
30	Jukebox	-	-	0,0083	0,0112
31	Kabel Eins	1,9858	2,3415	2,6945	3,1526
32	Kabel Eins CLASSICS	0,0580	0,0597	0,0843	0,2787
33	Kabel Eins Doku	-	-	0,0039	0,0071
34	Kinderkanal	1,1214	1,1894	1,7370	1,9679
35	Mitteldeutscher Rundfunk (MDR)	1,7679	1,7508	1,9684	2,3244

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Ser. No.	Television broadcaster	business year 2014 ¹	business year 2015 ¹	business year 2016 AR ^{1;2}	business year 2016 VR ^{1;2}
36	N24	0,5391	0,5173	0,6801	1,5328
37	N24 Doku	-	-	0,0676	0,0027
38	National Geographic	0,0993	0,1072	0,1670	0,6173
39	National Geographic People	0,0230	0,0043	0,0188	0,0700
40	National Geographic Wild	0,0335	0,0387	0,0513	0,0757
41	Norddeutscher Rundfunk (NDR)	3,1817	3,0243	3,5589	3,6945
42	n-tv	0,4041	0,2689	0,2658	0,2102
43	Phoenix	0,3914	0,3508	0,4308	0,3674
44	ProSieben	4,8105	4,5418	5,3863	8,1211
45	ProSieben Fun	0,0097	0,0325	0,0427	0,0756
46	ProSieben Maxx	0,1413	0,1499	0,3182	0,3723
47	QVC	3,2096 ⁴	3,7416 ⁴	3,5657 ⁴	0,3368
48	RCK TV	-	-	0,0058	0,0106
49	Radio Bremen (RB)	3,5095 ⁴	3,3038 ⁴	5,5265 ⁴	5,4230 ⁴
50	RTL	7,6521	7,6416	9,3313	10,664
51	RTL 2	1,7083	1,9717	2,8487	2,9092
52	RTL Crime	0,1015	0,1268	0,1538	0,1763
53	RTL Living	0,0285	0,0578	0,0753	0,0751
54	RTL Nitro	0,0725	0,3193	0,4638	0,4967
55	RTL Passion	-	0,0454	0,0246	0,0311
56	RTL Plus	-	-	0,0364	0,0068
57	Rundfunk Berlin-Brandenburg (RBB)	1,0506	0,9344	1,1924	1,2997
58	Saarländischer Rundfunk (SR)	3,5142 ⁴	2,7962 ⁴	1,5360	1,5311
59	SAT.1	4,7003	4,8332	4,8330	6,2753
60	SAT.1 Emotions	0,0345	0,0276	0,0283	0,0300
61	SAT.1 Gold	0,1168	0,1386	0,2265	0,1492
62	SIXX	0,1283	0,3381	0,4692	0,5259
63	SKY 3D	0,0310	0,2853	0,3310	0,8942
64	SKY Action	0,1943	0,3071	0,3576	1,2129
65	SKY Atlantic	0,3656	0,4664	0,5938	1,9879
66	SKY Atlantic +1	-	-	0,5013	0,8600
67	SKY Cinema	0,2354	0,3606	0,3314	0,9957
68	SKY Cinema +1	0,2358	0,3751	0,4333	1,3410
69	SKY Cinema +24	0,2379	0,3753	0,4325	1,3387
70	SKY Cinema Hits	0,1870	0,2972	0,3501	1,1883
71	SKY Comedy	0,1973	0,2466	0,3022	0,9958
72	SKY Emotion	0,2416	0,2688	0,3210	1,0488
73	SKY Krimi	0,1885	0,2380	0,2317	0,2474
74	SKY Nostalgie	0,2515	0,2879	0,3373	1,1097
75	SKY Sport 1	0,7420	1,4438	1,7270	5,9468 ⁴
76	SKY Sport 2	0,7138	1,3712	1,8117	6,2387 ⁴
77	SKY Sport Austria	0,0317	0,8477	1,1861	3,9268 ⁴

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Ser. No.	Television broadcaster	business year 2014 ¹	business year 2015 ¹	business year 2016 AR ^{1;2}	business year 2016 VR ^{1;2}
78	SKY Sport Bundesliga	0,7551	1,3838	1,1843	1,8823
79	SKY Sport News	1,2421	0,8998	1,3590	1,6960
80	Sport 1	0,4218	0,4606	0,5349	0,6804
81	Sport 1+	0,0204	0,0214	0,0267	0,0482
82	Sport 1 US	0,0136	0,0229	0,0290	0,0515
83	Südwestrundfunk (SWR)	2,9160	2,5417	2,6586	2,9552
84	Super RTL	0,9126	0,7531	1,0111	1,7948
85	Syfy	0,1468	0,1901	0,3211	0,8059
86	tagesschau24	0,2467	0,2703	0,3464	0,1043
87	Tele 5	0,3810	0,3730	0,5375	1,3345
88	The Biography Channel	0,0561	-	-	-
89	TLC TV	0,0427	0,1089	0,1053	0,0442
90	TNT Comedy (from 01.06.2016)	-	-	0,1717	0,6377
91	TNT Film	0,0369	0,0660	0,0909	0,3392
92	TNT Glitz (until 31.05.2016)	0,0306	0,0624	0,1717	0,6377
93	TNT Serie	0,0415	0,0813	0,1910	0,7127
94	Toggo Plus	-	-	0,0831	0,1077
95	Universal Channel	0,1083	0,0668	0,1241	0,4613
96	VOX	3,4017	3,8369	4,9065	4,4010
97	Westdeutscher Rundfunk (WDR)	3,1236	2,7211	3,2405	3,4776
98	ZDF	11,3064	12,7256	13,4293	20,1402
99	ZDF Info	0,0975	0,0945	0,1438	0,0996
100	ZDF Kultur	0,0697	0,0671	0,0656	0,0182
101	ZDF Neo	0,3872	0,3891	0,4525	0,3553

¹ The following applies to the distributions from business year 2014 on: If several regional broadcasts are aired parallel on radio or television without making a separate debt collection for these programmes, the broadcasting time will be divided by the number of the parallel aired broadcasts.

² From business year 2016 on, separate variable broadcaster coefficients for AR and VR have been set for each full public and private television programme in accordance with the segmentation.

³ Broadcasts on ARD are supplied by various broadcasters. Here, the broadcaster coefficient of ARD applies.

⁴ Comparatively high broadcaster coefficient despite relatively marginal collection due to low music usage.

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