

Anna/Vag

**MINIMUM ROYALTIES (TARIFFS)
FOR USAGE OF MUSICAL WORKS
IN PUBLIC PERFORMANCE**

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1 Concerts with and without entrance fee

1.1 Concerts with entrance fee

6% of gross receipts for the usage of popular music in public performance.

Minimum royalty: **EUR 14,23** per event.

5.5% of gross receipts for the usage of popular music in public performance if gross receipts exceeds **EUR 71 143,59**.

5% of gross receipts for the usage of popular music in public performance if gross receipts exceeds **EUR 106 715,39**.

10% of gross receipts for the usage of serious music in public performance.

If more than 50% of the concert's repertoire is non-protected works, the royalties are calculated: 5% of gross receipts for the usage of serious music in public performance.

Minimum royalty: **EUR 14,23** per event.

If the concert is for an entrance fee and invitations are distributed, royalties are calculated by equalling an invitation to an entrance ticket of a corresponding seating. If the tickets are not enumerated, royalties are calculated by equalling invitation value to an average ticket price.

If a concert and a disco is made available for one entrance ticket, royalty is **8%** of gross receipts but not less than **EUR 21,34** per event.

Application of the tariff when works requiring a license for public performance from both the AKKA/LAA society and other rights holders are performed at a concert with an admission fee.

If works requiring a license from both the AKKA/LAA society and other rights holders are performed at a concert with an admission fee, the pro rata principle may be applied, and the royalty rate reduced proportionally to the assumed copyright share of other rights holders in the performed works, for which the concert organizer has obtained a license issued by other rights holders.

To apply the pro rata principle, the concert organizer must have a license agreement with AKKA/LAA and must inform AKKA/LAA in writing at least ten days before the concert date about the license issued by other rights holders (authors/publishers), specifying the works covered by this license:

- titles (in original script),
- the names or titles of each work's copyright holder (author/publisher),
- creative profiles of each work rights holder (composer, lyricist, etc.),
- copyright shares of rights holders (authors/publishers) in the work,
- duration of each work.

Applying the pro rata principle, the royalty rate for concerts with admission fees is reduced proportionally to the assumed copyright share of other rights holders in the works used, for which the concert organizer has received a license issued by other rights holders.

The calculation of royalties is carried out taking into account both the length of the work and the presumed share of rights belonging to the rights holders, considering their status (composer, lyricist, publisher, etc.) according to the following formulas:

$$RHS = \frac{(RHW_1 \times DW_1) + (RHW_2 \times DW_2) + (RHW_n \times DW_n)}{TDW}$$

RHS – the percentage share of rights holders who have issued a license to the concert organizer, compared to all the rights holders of works performed at the concert.

RHW₁... RHW_n – the percentage shares of rights holders who issued a license to the concert organizer for a specific work.

DW₁ ... DW_n – duration of the specific work in seconds

TDW – total duration of all works performed at the concert in seconds

$$T = ST - \left(\frac{ST \times RHS}{100} \right)$$

T – applicable rate for the concert

RHS – the percentage share of rights holders who issued a license to the concert organizer

ST – tariff for light music concerts with an entrance fee

The calculation example is included in [Annex No. 1](#) of these tariffs.

1.1. Concerts without entrance fee

1.1.1 Concerts at educational facilities

Minimum royalty: **EUR 7,11**.

Tariff is applied for public performance of musical works performed in concerts in which the performers are students of the educational facility and educators.

1.1.2 Concerts organized by local authorities / recreation centres

Minimum royalties:

EUR **14,23** if audience does not exceed 100 people;

EUR **28,46** for audience from 101 to 300 people;

EUR **49,80** for audience from 301 to 500 people;

EUR **71,14** for audience of more than 500 people.

Tariff is applied by calculating royalties for the usage of works in concerts, in which the artists do not receive remuneration for their performance. If the artists are paid for the performance, the contractual sum is being considered to equal gross receipts and the royalties are calculated according to the art.5.1. of the tariffs.

Note:

8% of gross receipts if a concert and a dance event or disco is made available for one entrance ticket.

2 Dance events and discos with or without entrance fee (live performers or record music)

Public performance: live/mechanical	Percentage of gross receipts	Minimum royalties per event, EUR
Live	6%	14.23
Mechanical	8%	21.34

Notes: Disco – an event, the visitors of which are offered a possibility to dance by mechanical music played by a DJ in clubs, night clubs, disco clubs, discos, disco bars, bars, cafes etc.

3 Revues, cabarets, variety shows, shows with and without entrance fee.

Royalties:

6% of gross receipts for the usage of popular music in public performance (live or mechanical).

Minimum royalty: **EUR 21,34** per event.

In case of no entrance fee: **EUR 21,34** per event.

4 Events organized by libraries and museums (Literature evenings, poetry evenings, literary-musical and similar events)

Royalties:

6% of gross receipts in case of entrance fee.

Minimum royalty: **EUR 5,69** per event.

In case of no entrance fee: **EUR 5,69** per event (if the program contains works the authors of which are represented by AKKA/LAA).

Notes:

If not only literary works, but also musical and/or choreographic works are performed in the event, tariff as it is in this article is being applied for performance of all of the works. Royalty is distributed proportionally to the amount of work usage per work kind.

5 One-time cultural, sport and other entertaining events without entrance fee (sports events, fairs, elections events, poetry days, festivals, etc.)

Number of visitors	Royalties, EUR
Up to 100	42.69
From 101 to 300	71.14
From 301 to 500	99.60
From 501 to 800	135.17
From 801 to 1000	170.74
From 1001 to 2000	355.72
More than 2001	A special agreement to be concluded

Royalties pertain to the public performance of musical works both live and mechanical with or without usage of sound amplifying technical devices (for example, loudspeakers and other devices).

Note:

- One event means “a continuous performance in one venue”.
- If the event takes place in several venues (halls, parks, squares, stadiums, etc.), for each venue a separate license must be obtained.
- If the event lasts longer than one day, for each day a separate license must be obtained.

6 Sport dance events and fashion shows with entrance fee

Royalties:

4% of gross receipts for the usage of light/popular music in public performance (live performers or recorded music).

Minimum royalty: **EUR 21,34** per event.

7 Gymnastics and body-building events with entrance fee

Royalties:

1% of gross receipts

Minimum royalty: **EUR 21,34**.

8 Circus shows with entrance fee

Royalties: **2,5 %** of entrance fee gross receipts

9 Concert retransmission

Royalties for public performance of musical works via concert retransmission:

4% of entrance fee gross receipts.

Minimum royalty: **EUR 14,23** per concert.

For the usage of music in public performance in cinema's foyer during the intervals between shows tariff for shops is applied.

10 Public Performance of Music of Audiovisual Works (Film Music)

10.1 Public performance of films with entrance fee

Royalties for public performance of musical works via film demonstration:

1% of entrance fee gross receipts.

Minimum royalties: **EUR 4,27** per film per quarter.

Minimum royalties: **EUR 2,13** per short film and animation(up to 40min) per quarter.

Minimum licence fee is **EUR 14,23**.

10.2 Public performance of films without entrance fee (cinemas, events etc)

Royalties for public performance of a full-length film:

EUR **14,23** if audience is up to 100 people

EUR **28,46** if audience is from 101 to 300 people

EUR **42,69** if audience is from 301 to 500 people

EUR **56,91** if audience is larger than 500 people

Royalties for public performance of a short film or an animation (up to 40 min):

EUR **4,27** if audience is up to 100 people

EUR **7,83** if audience is from 101 to 300 people

EUR **10,67** if audience is from 301 to 500 people

EUR **14,23** if audience is larger than 500 people

Minimum licence fee is **EUR 14,23**.

10.3 Film lectures

1% of entrance fee gross receipts.

Up to 2 lectures minimum royalty **EUR 14,23**, per each additional lecture **EUR 5,69**.

11 Karaoke events in cafes, bars, pubs and similar establishments with or without entrance fee

Royalties:

6% of the wages paid to the performers.

Minimum royalty: **EUR 8,54** per event.

In case of no entrance fee: royalty is **EUR 8,54** per event.

Notes:

In case in cafes, bars, pubs, clubs and similar establishments with a single entrance fee karaoke is just one component of entertainment, royalty is not calculated separately, but tariff “Restaurants, cafes, bars, pubs, casinos, music clubs etc. with entrance fee” is applied.

12 Public lectures

2% of the entrance fees gross revenue for the public performance of copyright-protected musical works in lectures, if the share of a lecturer’s text is no less than 80%.

Minimum royalty is EUR **14,23** for a lecture.

If the share of a lecturer’s text is less than 80 % of the whole length of a lecture, the tariff No.5 “Concerts with or without entrance fee” is applied to publicly performed copyright-protected musical works.

13 Multimedia projects with entrance fee

Royalty is **6%** of the gross receipts for the use of musical, literary and choreographic works in public performance.

Royalty is **3%** of the gross receipts for the use of musical, literary and choreographic works in public performance, if more than 60% of the performance’s repertoire is copyright non-protected works.

Note. If not only choreographic works, but also musical and/or literary works are publicly performed, the above royalty is applied. Royalty is split up proportionally to the work type used.

Annex No. 1

Sample tariff calculation for a light music concert with an entrance fee, where a license is required for the public performance of works from both the AKKA/LAA society and other rights holders

1. List of works submitted by the organizer, where rights holders have issued licenses.

Work title		Work 1		
Work identifier		xxxxx		
Timing (hh:mm:ss)		00:03:00	Timing (sek)	180
Shareholders				
Rightholder	IPI Name Number	Creative profile	Rightholders Share %	Licence issued by the rightholder
Author 1	xxxxxxxxxxx	C Composer	50	✓
Author 2	xxxxxxxxxxx	A Writer	50	-

Work title		Work 2		
Work identifier		xxxxx		
Timing (hh:mm:ss)		00:10:00	Timing (sek)	600
Shareholders				
Rightholder	IPI Name Number	Creative profile	Rightholders Share %	Licence issued by the rightholder
Author 5	xxxxxxxxxxx	C Composer	25	✓
Author 3	xxxxxxxxxxx	C Composer	25	-
Author 3	xxxxxxxxxxx	A Writer	15	-
Author 1	xxxxxxxxxxx	A Writer	15	✓
Author 4	xxxxxxxxxxx	AR Arranger	15	-
Publisher	xxxxxxxxxxx	E Publisher	5	-

Work title		Work 3		
Work identifier		xxxxx		
Timing (hh:mm:ss)		00:05:00	Timing (sek)	300
Shareholders				
Rightholder	IPI Name Number	Creative profile	Rightholders Share %	Licence issued by the rightholder
Author 5	xxxxxxxxxxx	C Composer	35	✓
Author 6	xxxxxxxxxxx	A Writer	50	✓
Publisher	xxxxxxxxxxx	E Publisher	15	-

Work title	Work 4			
Work identifier	xxxxx			
Timing (hh:mm:ss)	00:03:00	Timing (sek)	180	
Shareholders				
Rightholder	IPI Name Number	Creative profile	Rightholders Share %	Licence issued by the rightholder
Author 5	xxxxxxxxxxx	C Composer	50	✓
Author 1	xxxxxxxxxxx	A Writer	50	✓

2. Other works performed at the concert

Work title	Work 5			
Work identifier	xxxxx			
Timing (hh:mm:ss)	00:04:00	Timing (sek)	240	
Shareholders				
Rightholder	IPI Name Number	Creative profile	Rightholders Share %	Licence issued by the rightholder
Author 7	xxxxxxxxxxx	C Composer	50	-
Author 8	xxxxxxxxxxx	A Writer	50	-

Work title	Work 6			
Work identifier	xxxxx			
Timing (hh:mm:ss)	00:03:30	Timing (sek)	210	
Shareholders				
Rightholder	IPI Name Number	Creative profile	Rightholders Share %	Licence issued by the rightholder
Author 7	xxxxxxxxxxx	C Composer	25	-
Author 7	xxxxxxxxxxx	A Writer	25	-
Author 8	xxxxxxxxxxx	C Composer	25	-
Author 8	xxxxxxxxxxx	A Writer	25	-

3. Determination of the applicable tariff for the concert

- a. **Determination of the percentage share of rights holders who issued the license to the concert organizer**

$$RHS = \frac{(RHW_1 \times DW_1) + (RHW_2 \times DW_2) + (RHW_n \times DW_n)}{TDW}$$

RHS – the percentage share of rights holders who have issued a license to the concert organizer, compared to all the rights holders of works performed at the concert.

RHW₁... RHW_n – the percentage shares of rights holders who issued a license to the concert organizer for a specific work.

DW₁ ... DW_n – duration of the specific work in seconds

TDW – total duration of all works performed at the concert in seconds

$$RHS = \frac{(50 \times 180) + ((25 + 15) \times 600) + ((35 + 50) \times 300) + ((50 + 50) \times 180)}{(180 + 600 + 300 + 180 + 240 + 210)}$$

$$TII = \frac{9\,000 + 24\,000 + 25\,500 + 18\,000}{1710} = 44,74\%$$

b. Determination of the applicable rate for the concert

$$T = ST - \left(\frac{ST \times RHS}{100} \right)$$

T – applicable rate for the concert

RHS – the percentage share of rights holders who issued a license to the concert organizer

ST – tariff for light music concerts with an entrance fee

$$T = 6\% - \left(\frac{6\% \times 44,74\%}{100} \right) = 3,32\%.$$

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