

INFORMATION ON DISTRIBUTION IN THE LIVE PERFORMANCE (U, UD) AND REPRODUCTION OF ENTERTAINMENT MUSIC (M) CATEGORIES 2023 FINANCIAL YEAR

Dear member,

The round-up below provides information concerning the **distribution** of **1 June 2024** for live performances and reproduction of entertainment music, mainly from the **2023 financial year**. Abbreviations related to the detailed statement can be found in the glossary below. For general information about royalties, go to www.gema.de/royalties.

Preconditions

Performances of works can only be considered for any respective distribution date if:

- The event during which the performance took place was registered with GEMA in good time by the music user (generally the event organiser).
- The event organiser paid the amount invoiced by GEMA in good time.
- The setlist was submitted within the period prescribed – preferably via the online service at www.gema.de/mysetlist.
- The information provided in the setlist is complete and corresponds to the actual repertoire performed.
- You registered your work with us in good time – preferably via the online service at www.gema.de/work-registration. You can find the registration periods at www.gema.de/deadlines.

Announcements

From 1 June 2024 onwards, detailed statements will exclusively be available in the *My Royalties* section in our Online Portal. Hereby we replace the service GEMA Download. You can find further information regarding this topic at www.gema.de/replacement-gema-download.

Distribution dates

- 1 June for the **main distribution** in the categories **U, UD** and **M**
- 1 November for the **late adjustment distribution** in the categories **U, UD** and **M**

Claims

Following the main distribution, you have until **1 March of the following year** to claim in respect of omissions, either of individual uses of works or of whole events. Please use the **Online Portal** for this:

- You can use the **Claim** service to claim quickly and simply in respect of individual uses of works: www.gema.de/portal-claim.
- You can use the **My setlists** service to make claims on the basis of previously submitted setlists, in respect either of individual uses or of entire setlists: www.gema.de/claims-my-setlist.

If you have any further questions, please visit our information pages dealing with this topic: www.gema.de/claim.

Yours sincerely,
GEMA

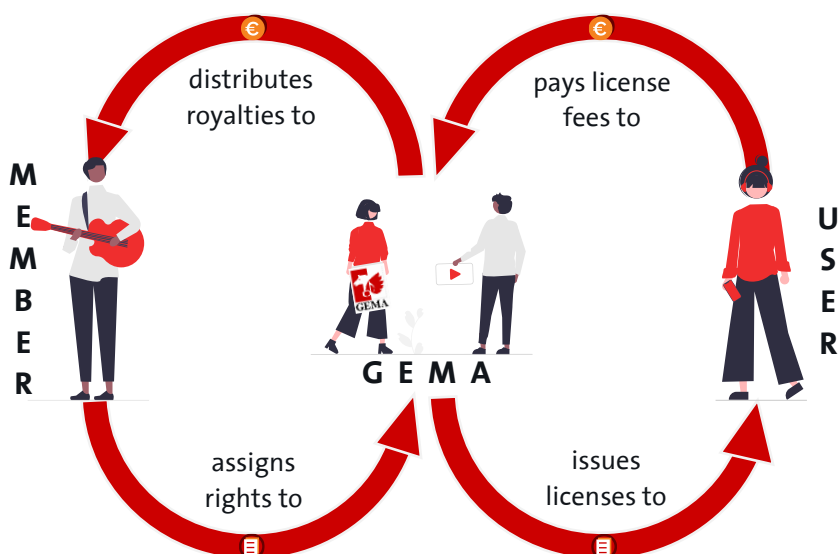


Read on to see how we calculate your distributions in the categories of live performance (U, UD) and reproduction of entertainment music (M).

To go straight to the table with the point values, simply click [here](#).

How we calculate your royalties in the categories U, UD and M

The process by which we calculate your royalties is called **distribution**. It is based on the one hand on the **licensing income** we receive when music is used, and on the other hand on the **usage reports**, which tell us which works have been played when, where and how often.



In the **categories of live performance of entertainment music (U, UD)**, this is accomplished using setlists. If we can match works performed with works registered with us, the music creators and publishers involved in these works receive payments. Income from **category M**, for the **reproduction of entertainment music** – in supermarkets or hairdressing salons, for example – is also distributed based on the category U.

The **main distribution** in the live categories (U, UD and M) takes place annually **on 1 June** and relates mainly to music uses from the **period 1 January to 31 December of the previous year**.

Category U (§§ 82 to 87a distribution plan)

The starting point for our distribution in category U is the **level of GEMA's licensing income per event**. This is itself dependent on the type of event involved, its size and the entrance fee. Grading each event according to income generated, we form **12** of what we refer to as **segments**. Events are assigned to their respective segment depending on the level of income.

We apply two different methods for distributing income received for segments 1 to 8 and 9 to 12 respectively: **collective** and **direct distribution**.

Example:

€220 licensing income from event = distribution in segment 6



Level of licensing income per event	Segment	
cannot be ascertained	1	Collective distribution
up to €50	2	
50,01 to €100	3	
100,01 to €150	4	
150,01 to €200	5	
200,01 to €250	6	
250,01 to €350	7	
350,01 to €500	8	
500,01 to €1.000	9	Direct distribution
1.000,01 to €5.000	10	
5.000,01 to €10.000	11	
over €10.000	12	

Collective distribution in segments 1 to 8 of category U

In **segments 1 to 8** (licensing income up to €500), we add up the income within each individual segment. The total income per segment is then (minus administration expenses and charges for social and cultural purposes¹) divided up amongst all the works performed in the respective segment. The distributed amount is largely dependent on the number of performances of the work. In addition, there are other **tariff-, performance- and work-related factors**².

▪ This means e.g., that specific **tariffs** can cause individual work performances to be weighted. For example, performances licensed under **concert tariff U-K** are weighted with factor 2 – a higher weighting factor than performances under **tariff U for background music**, which only receive a factor of 1.

¹ Further information on the subject can be found at www.gema.de/soziale-und-kulturelle-leistungen.

² The individual factors can be found in the distribution plan – see § 85, GEMA yearbook 2023/2024, p. 207 f.

- A further factor influencing the distribution is the manner of the **performance** itself. If for example fragments of a work are performed – that is, only parts of it – the weight given to this performance is divided by three (a weighting factor of 1/3).

The actual performances of works are multiplied by the assigned factors, resulting in what we call **weighted performances**.

In addition, each performance of a work is given a number of points: the **point valuation**. This is typically 12 points per performance. Works can also be assigned different point values based on their work classification.³



Weighted performances and the **point valuation** play an important role in the calculation of your royalties (see sample calculation on page 6). You can find them in your detailed statements in the **Online Portal** at www.gema.de/portal-tantiemen.

Level of licensing income per event	Segment
cannot be ascertained	1
up to €50	2
50.01 to €100	3
100.01 to €150	4
150.01 to €200	5
200.01 to €250	6
250.01 to €350	7
350.01 to €500	8

Collective distribution

We calculate the **point value** by considering the income in relation to all the points assigned. This is done by dividing the total income per segment by the number of points given (incl. weighting and extrapolation). We call this type of distribution a **collective distribution**.

Since our income and the works performed vary from year to year, we need to calculate point values **every year**. If the distribution includes uses from previous years – e.g., because of late license payments or in the event of claims – we will calculate your royalties on the basis of the **point values** for the respective year in which the work was used.

Income from events for which we have not received **any setlists** – for which there is no **programme coverage**, in other words – is divided up by us across all the remaining work performances within the segment in question. This is done by means of a linear extrapolation. It may be that works performed include shares that are free of copyright (e.g. creators died over 70 years ago) or are not represented (not a member of a collecting society). We generally distribute these sums proportionately per segment as a **supplement for unallocated royalties** (see glossary entry for “supplement for unallocated royalties”).

You can see how we calculate the distributions in the example on page 6. The distribution amount per work is split among all participants.

Direct distribution in segments 9 to 12 of category U

In **segments 9 to 12**, the method of **direct distribution** is used. That is to say, we assign the income from an event **directly** to the works performed as part of the event, minus administration expenses and 10% for cultural and social purposes. As a matter of principle, we allocate equal shares to all works.

However, if an event features a **supporting and a main programme** (or support/main act), a differentiation is made: 10% of the licensing income of the event is allocated to the works of the support act and 90% to those of the main act (§ 87 of the distribution plan).

Income from events for which we have not received any setlists or playlists from the event organiser is paid out for each segment as a **supplement on a percentage basis** (this is known as a “non-programme-documented share”, or **NPA supplement** for short). We also use this arrangement for the distribution of **unallocated royalties** for segments 9 to 12 (see glossary entry for “supplement for unallocated royalties”).

Level of licensing income per event	Segment
500.01 to €1,000	9
1,000.01 to €5,000	10
5,000.01 to €10,000	11
over €10,000	12

Direct distribution

³ Entitled persons can apply to us for corresponding higher ratings. This is done via the **Work Classification** service in the online portal. Further information can also be found on our website at www.gema.de/werkeinstufung.

Category UD – direct distribution for entertainment music

(§§ 88 to 90 distribution plan)

Category UD provides for a direct distribution that is independent of and distinct from category U, e.g., for income from public events with a limited concert character (e.g., rehearsals, open singing) as well as performances in hospitals or outdoors. Which events are distributed in the UD division is regulated in § 88 of the distribution plan.

§ 88 of the distribution plan also regulates direct distribution from single events in the field of entertainment music on application (large-scale concerts generating licensing income of €10.000 and over). Unlike in the segments 9 to 12, no supplements are paid out here.

Category M – reproduction of entertainment music

(§§ 127 to 130 distribution plan)

In **category M**, we distribute income from so-called “**mechanical performances**”, including music playback in for example supermarkets, hairdressing salons, bars, cafés or retail outlets. Since we do not receive any usage reports here, we distribute income on the basis of notifications for category U. As such, performances within category U also receive payments of income relating to the reproduction of entertainment music.

For **segments 1 to 8**, we calculate your royalties using a standard **point value**, which is then multiplied by the performance numbers determined in category U. These supplementary payments are capped to avoid disproportionate distributions (see glossary entry for “capping”).

Revenues falling within **segments 9 to 12** of category U are given a **20 % supplement** in category M.

Table of point values and factors for the 2023 year of use



See below for the **current point values** and all other **factors** affecting the calculation of your distribution. Point values and factors for categories U, UD and M from the previous financial years can be found on our website at www.gema.de/live-reproduction.

Collective distribution in category U, segments 1 to 8

	Point value (PW) in €	Programme coverage (PA) in %	Supplement from licensing income without usage reports (NPA) in %	Unweighted value of a performance of a work (BEW 001) in €	Supplement for unallocated royalties (AZ) in %
Segment 1	0.1106	cannot be ascertained	cannot be ascertained	1.33	2.4914
Segment 2	0.0640	65.05	34.95	1.18	4.2826
Segment 3	0.1369	66.04	33.96	2.49	3.8160
Segment 4	0.2196	71.93	28.07	3.66	3.5896
Segment 5	0.2907	71.95	28.05	4.85	3.0546
Segment 6	0.3284	74.49	25.51	5.29	3.7670
Segment 7	0.4256	73.57	26.43	6.94	3.0484
Segment 8	0.5633	76.68	23.32	8.82	2.9675

Point value for category M: €0.1262

supplement for unallocated royalties: 3.6455%

Direct distribution in category U, segments 9 to 12

	Programme coverage (PA) in %	Supplement from licensing income without usage reports (NPA) in %	Supplement for unallocated royalties (AZ) in %
Segment 9	82.14	17.86	3.1992
Segment 10	89.52	10.48	2.8391
Segment 11	96.55	3.45	1.9120
Segment 12	98.36	1.64	1.6296

Supplement for category M: 20%

Sample calculations

Sample A, collective distribution: 22 songs are performed at a concert. Since the event was licensed under tariff U-K for concerts, the performances of the works receive a weighting factor of 2 (= 44 weighted performances). License fees of €105 were paid and therefore the distribution for the event takes place in segment 4 (revenue of €100.01 to €150.00). We find the corresponding point value and the programme coverage in the table above. The point valuation for each song is the standard value (12 points). The distribution is calculated as follows:

Sample A: collective distribution	Weighted performances	Programme coverage (PA) segment 4 in %	Point valuation	Point value (PW) segment 4 in % - for category U - for category M	Result
Category U	44	71.93	12	0.2196	
Calculation method	(Weighted) performances × $\frac{100}{\text{programme coverage}}$ × point valuation × point value for segment 4				
Calculation	$44 \times \frac{100}{71.93} \times 12 \times 0.2196$				€161.20
Category M	44	71.93	12	0.1262	
Calculation method	(Weighted) performances × $\frac{100}{\text{programme coverage}}$ × point valuation × point value for M				
Calculation	$44 \times \frac{100}{71.93} \times 12 \times 0.1262$				€92.64
Total distribution amount (categories U and M) for all works performed at the event					€253.84

Sample B, direct distribution: 22 songs are performed at a concert. Since license fees of €2,500 were paid, the distribution for the event takes place in segment 10 (revenue of €1,000.01 to €5,000). We deduct administration expenses and 10% for cultural and social purposes. We take the supplement for category M, the supplement for income without usage reports and the programme coverage from the table above. The distribution is calculated as follows:

Sample B: direct distribution	Income from the event in €	Administration expenses in %	Deductions for social & cultural purposes in %	Supplement from licensing income with- out usage reports (NPA) segment 10 in %	Programme Coverage (PA) segment 10 in %	Result
Category U	2500.00	22.4054	10	10.48	89.52	
Calculation method	Step 1: Step 2: Step 3:	income result result	- - ×	22.4054% 10% $(1 + \frac{NPA}{PA})$	deduction administration expenses deductions for social/cult. purposes NPA supplement	
Calculation	Step 1: Step 2: Step 3:	2,500 1,939.87 1,745.88 ×	- - $(1 + \frac{10.48}{89.52})$	22.4054% 10% = result for category U	= €1,939.87 = €1,745.88	€1,950.27
Category M						
Calculation method	Distribution amount for category U × 20%					
Calculation	$1,950.27 \times 0.2$					€390.05
Total distribution amount (categories U and M) for all works performed at the event						€2,340.32

Glossary for the detailed statement (individual statement)

Actual performances (REALE AUFF)

We record the unweighted number of performances of works through the submitted usage reports. For category U, we show these per segment. For category M, uses of works are dealt with cumulatively in segments 1 to 8; for segments 9 to 12, they are shown in their respective segments. Should there have been any music uses in category UD, these too are shown cumulatively.

Capping rate (KAPP-SATZ)

In category M, capping takes place if more than 100 actual performances are due for distribution for a work, but there has not been distribution within the current or previous financial year in categories R or FS for at least two weighted minutes in accordance with the provisions of Chapter 3 of the Special Provisions of the distribution plan (usage category: broadcasting). The capping rate indicates the percentage share of the actual performances from segments 1 to 8 that has been capped.

As described, such capping is on the one hand oriented towards broadcasting revenue. On the other, distributions per work in the category M are limited to twice the revenue in category U.

Extrapolated performances (HOCHGER. AUFF.)

In segments 2 to 8, for events in respect of which we have received a licensing payment but no usage report (from the event organisers or performers), an extrapolation based on the existing work performances is carried out for each segment. The resulting income is divided up across all the remaining work performances for which we have received notification. Segment 1 is an exception, since due to the blanket licenses allocated here, no programme coverage (see below) can be ascertained per event. As such, it is not possible to extrapolate within this segment.

Non-programme-documented share (NPA)

In segments 9 to 12, as with the linear extrapolation in segments 1 to 8 (see "Extrapolated performances"), a supplement to the direct distribution is paid out in respect of income without usage reports. We do this by determining the share of income without usage reports and paying it out directly for the works performed. This supplement is thus already included in the distribution amount in the individual statement for category U.

Performances (AUFF)

In this column, you will find the cumulative number of performances, broken down by segment and category. This number is determined by the performances for which notification is given via usage reports (here: setlists or playlists) and forms the central basis of the distribution.

Point values (PW)

For each respective segment from 1 to 8 in category U, we ascertain a new point value each year by dividing, per segment, the total income from the year in question by the total number of points awarded. The amount of distribution per work performed is derived by multiplying the points determined for this use by the point value for the respective financial year. The sum determined per performance of the work is then split up among the parties involved in the work.

We ascertain the number of points to be taken into account per segment (category U) by multiplying the extrapolated performances (see above) by the factor that results from the valuation of the respective work version in accordance with distribution key II in § 64 of the distribution plan. Please note: the point value should not be confused with the point valuation of a work. See "Rating key" below.

Programme coverage (PA)

In segments 2 to 8, we ascertain for each segment the share of licensed events in respect of which we did not receive any usage reports for the current financial year. Segment 1 is an exception. Here, we cannot ascertain a programme coverage ratio because the income distributed in segment 1 is derived from collective licenses that apply to an arbitrary number of single events. Since we do not know the total number of individual events in these cases, we cannot determine the proportion of events that are covered by usage reports.

Rating key (BEW)

This indicates what is known as the EDP distribution key. What are known as the point valuations, which are determined by the provisions of the distribution plan, are reflected by the key. You can use the distribution key to determine what valuation has been used for a work or a work version (pursuant to §§ 63 and 65 of the distribution plan). The number of points corresponding to the respective key are derived from this. You can find these points listed in the GEMA yearbook 2023/2024, p. 262 ff. Please note: Entitled persons may have to apply to us for higher ratings. This can be done via the Work Classification service in the online portal.

If there is an “F” after the BEW entry, this means that the work was performed as a fragment – in other words, not in its entirety. For a work fragment of this type, our distribution reflects one third of the performance numbers notified via usage reports. The corresponding provision can be found in § 85 para. 4 of the distribution plan.

Share

This column shows your share in the work (in percentage terms).

Supplement for unallocated royalties (AZ)

This is a percentage-based supplement to your distribution. It comprises the sum of all the shares we have been unable to distribute, either because they are free of copyright (e.g., because the creators/s died over 70 years ago) or because they are not represented (not created by a member of a collecting society). Pursuant to § 28 para. 3 of the distribution plan, the supplement for unallocated royalties is only paid out to associate members. In the case of full members, the supplement is paid into pension plans.

Total per segment

You will find the total amounts of your royalties per segment in category U under this heading in the covering letter for your individual statements. You will also find the totals for category M – one total for segments 1 to 8 and individually for segments 9 to 12 respectively (as a 20% supplement). The total for the supplement for unallocated royalties is also shown here separately. If you still receive your statement as a hard copy, you will also find these totals at the end of this.

Weighted performances (GEW. AUFF.)

The distribution plan provides for various tariff-, performance- and work-related factors that lead to a weighting of performances and thus to a higher or lower participation of a work performance in the distribution. By multiplying the number of performances of a work by these factors, we arrive at what are referred to as “weighted performances”. For example:

- Performances of works at entertainment music concerts or variety and cabaret events are multiplied by a factor of 2 (§ 85 para. 2 of the distribution plan, GEMA yearbook 2023/2024, p. 208)
- Performances of works or work fragments as intermission or introductory music, as opening, interim or closing music or as theme music or a signature tune are multiplied by a factor of 1/3. (§ 85 para. 4 of the distribution plan, GEMA yearbook 2023/2024, p. 208)

20 % supplement (Z)

In segments 9 to 12, we distribute income from category M via a 20% supplement. This is added to the distribution result for category U (direct distribution including supplement for income collected but not documented by usage reports). A 20 % supplement in category M may also be present in category UD (direct distribution) (§ 129 para. 1 of the distribution plan). In the individual statement, this supplement is identified by means of a “Z” at the beginning of a line.