

APRA

Distribution

Practices



**APRA
AMCOS**

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Introduction:

APRA distributes its licence royalties four times a year for most sections of its distribution. Listed below are the various distribution categories indicating their payment frequency – i.e. quarterly, six-monthly or annually.

Distribution frequency by category:

Quarterly (paid in February, May, August and November)

Radio:

Australian and New Zealand Commercial Radio

(Including music in advertisements and community service announcements (CSAs) other than music reported by means of Jingle Reporting Forms (JRFs), which is paid annually)

ABC Radio

Foxtel Digital Radio

Community Radio

SBS Radio

NZ National Radio and NZ Concert Radio

TV:

Australian and New Zealand Commercial Television

(Including music in advertisements and CSAs other than music reported by means of Jingle Reporting Forms (JRFs), which is paid annually)

ABC Television

Special Broadcasting Services (SBS TV)

(Music in advertisements reported by means of Jingle Reporting Forms (JRFs) is paid annually)

Subscription (Pay) Television

Other:

Cinema

Distributable Events (promoted concerts and music festivals)

Airlines

Nightclubs

Online

Ringtones, Ringback & Downloads

YouTube

Video on Demand

Music Distribution Services

Cloud Services

Streaming Services

Aerobics & Fitness

Background Music Suppliers

Music on Hold

Six-monthly (paid in May and November)

Churches

Annually (paid in November, unless otherwise shown)

'Ambient' Music claims

Jingle Reporting Forms (JRFs)

Performance Reports (PRs)

Schools and Universities (paid in August)

APRA's distributions are identified by a 6-character code e.g. **P1707A, P1707N**

The code is a 6-character string consisting of the elements **PYYMMC**, where:

- **P** is a fixed character indicating this is a performing right royalty distribution.
- **YY** is a 2-digit identifier for the year in which the distribution payment is made e.g. **2017 = 17**
- **MM** is a 2-digit identifier for the month in which APRA's processing of distribution data concludes, and CMS starts running distribution programs to generate member and society payments (please note this is *not* the month of the end of the quarter for which fees are being distributed e.g. **July = 07**).
- Either the letter **A**, signifying Australian royalties; or **N**, signifying New Zealand royalties.

Distribution Periods and Dates:

Performance / Broadcast / Communication date	Distribution Code	Distribution date
January - March	PYY07A and PYY07N	15 Aug
April - June	PYY10A and PYY10N	15 Nov
July - September	PYY01A and PYY01N	22 Feb
October - December	PYY04A and PYY04N	15 May

Distribution payments are made to APRA writer members with accrued earnings of \$1 or more where the writer member has an EFT facility, and to writer members without an EFT facility and to publisher members with earnings of \$10 or more.

Foreign and adjustment earnings are distributed monthly when the distributable amount exceeds \$10.

Under the terms of APRA's licence agreements, music users are obliged to report to APRA details of the musical works for which they have authorised the public performance or transmission. Such reports, whether they are lists of musical works or titles of programmes and films as provided by television stations, are referred to as "logs". APRA uses the information provided by its licensees, together with information from members, affiliate societies and third-parties where appropriate, to identify the copyright owner(s) of each work that has been performed or transmitted, and to calculate their royalty entitlements.

With the exception of Performance Reports and Jingle Reporting Forms, works that do not match automatically with works in APRA's database, and works for which a payment division-of-fee cannot be created automatically from a publisher registration, are researched for inclusion in APRA's distributions only when the distribution value is over a pre-determined threshold; that threshold being \$15.

There are, inevitably, a number of works each distribution for which the ownership and payment details cannot be identified. Any unidentified work that has a notional value of \$500 or more is referred to APRA's Research Team for special research.

The work title, performance and broadcast data provided by APRA's licensees and other sources is entered into APRA's computer system (known as 'CMS') and, where possible, matched against the several million musical works in APRA's database. In the case of television and cinema, reported films

and programmes are matched against over 1 million film and programme titles housed in APRA's database.

The method of calculation varies according to the category of licensee (such as, radio or TV station, concert promoter, website or digital service provider (DSP)), and whether the licence is a 'Blanket' or 'Transactional' licence (see below). Once imported into APRA's database, reported usages under a Blanket licence are converted to 'credit points' (this applies to all categories of blanket licence, but is only possible for film and television programmes where a music cue-sheet is on file), which are, at the time of each distribution, given a monetary value.

In the case of a Blanket licence, calculation of the distribution value of each work is governed by the:

- Size of the licence fee paid by the client.
- Frequency of use
- Duration of each work (as used),
- Way in which it is used (e.g. featured, background, theme, station identification)
- Time of day the work was broadcast (applies to free-to-air television only).

Calculation of the distribution value of each work is, in the case of a Blanket licence, essentially governed by the size of the licence fee paid by the client, the frequency of use, the duration of each work as used, by the way in which it is used (featured, background, theme, station identification etc.) and, in the case of free-to-air television, by the time of day the broadcast of the work occurs

In the case of television, the music used in programming, together with its duration and type of use, is most often identified by means of a music cue-sheet. Where a local music cue-sheet for a television programme or film is found by APRA's Monitoring department to be inaccurate, APRA may amend the cue-sheet for distribution purposes, and will notify interested parties of such amendments. In addition, where a high music content, one-off programme has been monitored (i.e., the programme has been recorded and its music timed), APRA may create a music cue-sheet for distribution purposes where a cue-sheet cannot otherwise be obtained.

Separate distribution revenue 'pools' are created from the licence fees received from individual licensees (e.g. each commercial radio station) or from groups of similar licensees (e.g. network TV stations) and indeed from all licensees for which a distribution, other than by analogy, is made. To arrive at a monetary value, the aggregate number of credit points in each discrete distribution 'pool' (for works reported to APRA by the relevant music user(s) during each APRA distribution period and for any previously unidentified works now payable), is divided into the distributable revenue for that pool to arrive at a dollar value for a single credit point. The calculation of credit points is explained in detail in APRA's Distribution Rules.

The distribution 'value' of each work is then calculated by multiplying the number of credit points it has accumulated in each distribution pool (a work may accumulate credit points in several different pools) by the monetary value of a single credit point in the relevant pool. Each work's total earnings are distributed to the writers and publishers of the work in accordance with the work's payment details (known as the work's "division-of-fee").

The distribution value in the case of works paid under a Transactional licence are directly related to the sales value of each work.

APRA tries wherever possible to ensure that licence fees received from each music user are paid directly to the musical works performed or broadcast by that user, if it is economically feasible to do so. Through the almost exclusive use of electronic reporting (either by means of APRA AMCOS' standard reporting formats (EDI) or by other electronic templates), APRA continues to be able to process increasing amounts of information in a cost effective way. APRA is, however, mindful to ensure that the cost of collection of performance and broadcast information, and the cost of processing that information for distribution purposes, is commensurate with the value of the licence fees received. APRA's distributions therefore use a combination of techniques:

- a) **Direct allocation – blanket** - fees from an individual licensee or a small group of closely connected licensees (e.g. network television stations) are distributed, usually on a 100% (census) analysis basis, to the music used and reported to APRA by that licensee or group of licensees, or in some cases by APRA members and affiliate societies. Individual distribution values are calculated from a single revenue pool based on frequency of use, duration, type of use etc.
- b) **Direct allocation – transactional** – as above, but each work carries a discrete distribution value based on the number of sales/usages it has received during the reporting period, as reported to APRA AMCOS by the licensee.
- c) **Census analysis** – APRA AMCOS receives data for 100% of a licensee's music use and includes all such data in its distributions.
- d) **Sample analysis** - licence fees received from similar music users are 'pooled' and distributed using a sample analysis of their logs.
- e) **Sample/direct allocation – blanket or transactional** – licence fees paid by a single licensee (e.g. an individual station or network) are allocated directly to the musical works used by that licensee. However, owing to the characteristics of the licensee, a sample reporting system is used.
- f) **Third-party data** – the distribution uses data received from a party other than the actual music user or, in the case of self-reporting systems, the member or an affiliate society.
- g) **Music Recognition Technology (MRT)** – A digital 'fingerprint' of each piece of music is created when it is used. This fingerprint is then compared to the digital fingerprints of many millions of musical works housed in a third-party fingerprint database. This database also contains each work's metadata (that is, the names of writers, performers, recording details etc.) enabling the owners of each matched work to be identified and paid accordingly.
- h) **Distribution by analogy** - licence fees are added to one or more existing distribution pools that is/are most similar in terms of its/their music content.

Licensees provide reports in computer readable formats. The use of standardised formats for radio and TV, which were developed by APRA and AMCOS, as well as the use of industry standard formats, enable the cost effective processing of large quantities of data.

Music Broadcast in Advertisements and Community Service Announcements (CSAs)

APRA's distribution payments for music broadcast in advertisements and CSAs on metropolitan stations are based on actual broadcast activity, as is the case with all other music broadcast on radio and television.

APRA is working with two external companies, one of which identifies the advertisements and CSAs in radio and TV broadcasts and sends them to a company in the UK that specialises in the use of Music Recognition Technology (MRT). The UK company matches the digital fingerprints of the music contained in the advertisements and CSAs with their fingerprint database, and reports to APRA the titles and metadata of the music that is recognised.

APRA is also provided with the broadcast (TX) details for every commercial and CSA, including the name of station(s), the time of day the broadcasts occurred and the exact duration of the music.

Extending the new system beyond metropolitan areas is, at the present time, prohibitively expensive, but we are hopeful that this will be possible in the future. In the meantime, however, payments for use on non-MRT stations will remain based on (modified) Jingle Reporting Forms, which will continue to be paid annually.

Music contained in radio advertisements and community service announcements receives 50% of a full credit for each second of duration.

Music contained in TV advertisements and community service announcements receives 7.5% of a full Featured credit (i.e. 15% of a Background credit) for each second of duration.

Advertisements reported by members by means of Jingle Reporting Forms are paid at a standard 30" duration, and their value is determined by the length of the campaign, the area in which the advertisement was broadcast and the radio and TV weightings shown above.

More detail of how radio and television commercials are distributed is contained in the relevant sections below.

The table below shows the total number of broadcast hours analysed per annum for each of APRA's major radio and television distribution categories.

Distribution Details for APRA's Major Radio & Television Categories

Radio:		No. of Hours
Australian Commercial	Electronic (EDI), census reports for approx. 260 stations – 13,520 weeks p.a. in total. Music Recognition Technology (MRT) is used to identify the music used in advertisements and community service announcements broadcast on stations in Sydney, Melbourne, Brisbane, Adelaide and Perth. Additional non-EDI reports for music used in promos, station IDs and Jingle Reporting Forms for advertisements broadcast in non-MRT areas.	2,271,000
ABC (ABC Classic FM, Triple J, RN, Local Radio, ABC News Radio, Triple J Unearthed, Double J, ABC Jazz and ABC Country)	Census for all electronic playlists and music based programmes.	75,000
Australian Community and ATSI	Sample of stations paying >\$4,000 p.a. EDI & non-EDI logs up to 4 weeks p.a. each.	13,300
SBS 2EA/3EA and Digital Radio	Sample. 1 week in 4 for most languages.	8,600
New Zealand National Network	Census.	8,736
New Zealand Concert Network	Census.	8,736
New Zealand Commercial	Census EDI reports for 28 networks and stations. Music Recognition Technology (MRT) is used to identify the music used in advertisements and community service announcements broadcast on stations in Auckland, Christchurch and Wellington. Additional reports for music used in promos, station IDs and Jingle Reporting Forms for advertisements broadcast in non-MRT areas.	244,600
New Zealand Maori stations	Sample. 40 weeks p.a.	6,700
New Zealand Student stations	Sample. 20 weeks p.a.	3,400
PNG Radio stations	Census for four stations	34,900
Total Radio hours = c.2.67 million		
Television:		
Australian Commercial	Census EDI – Networks 7, 9, 10, Affiliates and Unaffiliated stations. <u>Digital Channels</u> 7TWO, 7MATE & 7FLIX (from Distribution P1607) (Net. 7), GEM, GO! & 9LIFE (Net. 9), ONE & ELEVEN (Net. 10) - Census (EDI) for auto-matched programmes. 1 week in 4 for new programmes. Music Recognition Technology (MRT) is used to identify the music used in advertisements and community service announcements broadcast on stations in Sydney, Melbourne, Brisbane, Adelaide and Perth (7Flix and 9Life are Sydney only). Jingle Reporting Forms are received for advertisements broadcast in non-MRT areas.	908,500 44,000
ABC1, ABC2, ABC3 & ABC4	ABC1 and ABC2 – full Census – EDI. <u>Multi-Channels</u> ABC3 & ABC4 (News 24) – Census for auto-matched (EDI) programmes. 1 week in 4 for new programmes.	16,500 8,700
SBS1, SBS2 and SBS3 (SBS Food)	Census for auto-matched (EDI) programmes. 1 week in 4 for new programmes.	15,000

	Music Recognition Technology (MRT) is used to identify the music used in advertisements and community service announcements broadcast on stations in Sydney, Melbourne, Brisbane, Adelaide and Perth (SBS3 is Sydney only). Jingle Reporting Forms are received for advertisements broadcast in non-MRT areas.	
NITV	Census - EDI	8,700
New Zealand TVOne and TV2 (excludes the NZTV Duke channel)	Census – EDI Music Recognition Technology (MRT) is used to identify the music used in advertisements and community service announcements broadcast on stations in Auckland. Jingle Reporting Forms are received for advertisements broadcast in non-MRT areas.	19,500
New Zealand TV3	Sample. 26 weeks p.a. Music Recognition Technology (MRT) is used to identify the music used in advertisements and community service announcements broadcast on stations in Auckland. Jingle Reporting Forms are received for advertisements broadcast in non-MRT areas.	4,300
New Zealand Prime TV	Census (EDI) for auto-matched programmes. 1 week in 4 for new programmes. Music Recognition Technology (MRT) is used to identify the music used in advertisements and community service announcements broadcast on stations in Auckland. Jingle Reporting Forms are received for advertisements broadcast in non-MRT areas.	5,500
New Zealand Bravo TV	Census (EDI) for auto-matched programmes. 1 week in 4 for new programmes. Music Recognition Technology (MRT) is used to identify the music used in advertisements and community service announcements broadcast on stations in Auckland. Jingle Reporting Forms are received for advertisements broadcast in non-MRT areas.	5,500
New Zealand Maori TV	Census EDI reports for auto-matched programmes. 1 week in 4 for new programmes.	5,500
Australian Subscription (Pay) TV -Foxtel	Census EDI reports, plus allocation to 'Pass Through' channels where possible. 148 channels are included in total.	1,300,000
NZ Subscription (Pay) TV -Sky	Census EDI reports, plus allocation to 'Pass Through' channels where possible. 44 channels are included in total.	380,000
Total TV hours = c. 2.7 million		

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This INDEX lists the sources of APRA's revenue from Australian and New Zealand licence fees and includes payments received from affiliate societies overseas for the use of Australasian music in their territories of administration. The distribution process for each income source is explained in the following pages. Please refer to the corresponding Section and Page numbers. Press control+click on the page number to be taken directly to the relevant section.

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EXPLANATION OF DISTRIBUTION PROCESSES

This document should be read in conjunction with APRA's Distribution Rules.

1. AUSTRALIAN COMMERCIAL RADIO

Census and Direct Allocation - Blanket

Australian Commercial radio stations provide electronic (EDI) reports to APRA covering 12 months a year on a quarterly basis. The stations' reports include; the title of each musical work broadcast during the reporting period, the names of the composer/s and performer/s of each work, the duration of each work as broadcast and the number of times each work was played during the reporting period.

These quarterly electronic reports are supplemented by non-EDI reports detailing music played outside of their computer playlist systems, and include music used in programme themes, promos and station IDs. Non-EDI reports are provided on a sample basis, with metropolitan stations providing 12 weeks a year and country stations 4 weeks a year.

The licence fees paid by each of the 260+ stations in this category, which includes a number of digital stations, are distributed directly to the musical works broadcast by each station. For example, the licence fees paid to APRA by 2MMM in Sydney are distributed only to the works broadcast by 2MMM. Similarly, the licence fees paid by hit107 in Adelaide or the River 105.7 in Albury or Mixx FM in Colac are paid directly to the composers and publishers of the music broadcast by these individual stations.

Music contained in advertisements, station IDs, programme promos, community service announcements, stings, bridges, news and weather themes receive a 50% payment weighting.

Approximately, 2,600,000 radio broadcast hours are reported to APRA each year and analysed for APRA's distribution. This represents over 26,000,000 individual broadcasts of musical works a year and approximately 2.6 million broadcasts of music used in advertisements, as identified through the use of Music Recognition Technology. The titles reported by the stations are matched against the musical works housed in APRA's database. An automatic title match rate of approximately 90% is achieved, rising to over 99% after research by APRA staff.

Music in Advertisements and Community Service Announcements (CSAs)

As detailed in the Introduction, APRA receives from its service providers detailed broadcast (TX) data for every commercial and CSA (including the name of station(s), the time of day the broadcasts occurred and the exact duration of the music).

The stations that are included in the new MRT-based system for Australian Commercial Radio are located in the following areas:

- Sydney, Melbourne, Brisbane, Adelaide & Perth

Separate pools exist for the payment of music used in advertising commercials and CSAs. The size of the pools is determined by calculating the amount of music in commercials and CSAs as a percentage of total music broadcast hours on Commercial radio, based on questionnaires completed periodically by the stations, which identify the amount of advertising on each station and the proportionate use of commissioned, published and production music. The calculated amount, after applying the 'jingle' weighting factor in accordance with APRA's Distribution Rules, is then deducted from total Australian Commercial radio revenue.

Sub-pools are then created for i) music used on stations that are the subject of MRT analysis, ii) Production Music used in commercials and CSAs on non-MRT stations and iii) all other music used in commercials in non-MRT areas, as reported by members using Jingle Reporting Forms (JRFs).

The size of these individual sub-pools is based on a number of factors, such as station licence fees, the proportionate use of Production Music on non-MRT stations and the broadcast of advertisements on both MRT and non-MRT (mostly regional) stations.

Music used in advertisements and CSAs reported by means of Music Recognition Technology receives one credit point for each second of music duration. The total number of credit points is multiplied by the number of broadcasts each commercial and CSA receives.

In addition, the MRT data received for commercials and CSAs enables APRA to apply time-zone weightings to each radio broadcast, as per the table below (this isn't possible for non-advertisement and CSA radio broadcasts, as the requisite data is not available). The number of credit points calculated as a factor of music duration and number of broadcasts is multiplied by these Time-Zone Factors:

Medium	Start	End	Time zone % Factor
Radio	12:00:00AM	05:29:59AM	10%
	05:30:00AM	06:59:59PM	100%
	07:00:00PM	11:59:59PM	50%

Advertisements reported by members by means of Jingle Reporting Forms are paid at a standard 30" duration, and their value is determined by the length of the campaign and the area in which the advertisement was broadcast.

Music Streamed on Radio Stations' Websites

Music used on stations' websites is reported on special forms for this purpose (these reports do not include stations' normal radio playlists). A component of stations' APRA licence fees is paid to cover online use. APRA has developed a weighting formula taking this component into account together with relative broadcast and online advertising revenues.

As a result, music used on radio stations' websites is paid at a rate of 1.35% the value of music broadcast by the radio station

2. ABC RADIO

Direct Allocation - Blanket

There are five domestic ABC radio networks plus four digital networks. With the exception of regional stations in the Local Radio network and Radio Australia, each domestic network receives a direct allocation on a census (or close to census) basis. The ABC's licence fees attributable to their radio services are allocated to each network using a combination of the total duration of copyright music broadcast and the 5 capital city cumulative audience ratings published by the media research company, GfK.

Music contained in station IDs, programme promos, community service announcements, stings, bridges, news and weather themes receive a 50% payment weighting.

Triple J – A full census analysis is undertaken of Triple J’s computerised playlist. Electronic reports are provided to APRA monthly and analysed in exactly the same way as commercial radio.

Local Radio (metro) – Music broadcast details are reported electronically for 52 weeks per year. Data is provided from the Metros’ central playlist, which covers virtually all music going to air.

Radio National (RN) – The ABC provide non-EDI logs only. These report 100% of the music used in music or music-rich programmes, but do not include music that may occasionally be included in other programming. This method of reporting covers approximately 90% of all music broadcast by this network.

ABC Classic FM – Provide APRA with electronic files detailing the music broadcast on a full census basis.

ABC News Radio – Only uses themes and radio promos. Full details of this music are provided by the ABC.

Triple J Unearthed, Double J, ABC Jazz & ABC Country – Provide electronic broadcast reports, which are analysed on a census basis.

Distribution By Analogy

Local Radio (regional) – The programming of these stations is similar in content to the metro stations. Music broadcast logs are not received from regional local radio stations whose licence fees are added to the metros’ pool and distributed using the logs received from the metro stations. Radio Australia – There is no separate ABC licence fee for this service. The majority of music content broadcast by Radio Australia is also broadcast on other ABC radio networks.

3. SBS RADIO – 2EA, 3EA and Digital Radio Stations

Sample/direct allocation – blanket

As of May 2016, SBS Radio broadcasts in the following languages.				
Broadcast on Radio 1		Broadcast on Radio 2		Broadcast on Radio 3
Aboriginal	Khmer	Arabic	Nepali	African1
Albanian	Korean	Assyrian	Pashto	Armenian
Amharic	Macedonia	Bengali	Persian	Bulgarian
Bosnian	Mandarin	Burmese	Portuguese	Cook Islands Maori
Cantonese	Polish	Dari	Punjabi	Czech
Croatian	Samoan	Dutch	Russian	Danish
Dinka	Serbian	Filipino	Sinhalese	Estonian
French	Tigrinya	German1	Somali	Fijian
Greek	Vietnames	Gujarati	Spanish	Finnish
Hebrew	Yiddish	Hindi	Swahili	Kannada
Hungarian		Hmong	Tamil	Latvian
Japanese		Indonesian	Thai	Lithuanian
		Italian	Turkish	Malay
		Kurdish	Urdu	Maori
		Lao		Norwegian
		Malayalam		Romanian
		Maltese		Slovak
				Slovenian
				Swedish
				Tongan
				Ukrainia

SBS Radio 1 and SBS Radio 2 are broadcast on both the AM and FM frequencies in Melbourne, Sydney, Canberra and Newcastle. SBS Radio also broadcasts nationally on either the AM or FM frequencies in other major centres around Australia.

SBS3 is a digital station, as are Pop Asia, Pop Desi, Pop Araby and Chill. SBS Radio 4 relays BBC World Service most of the time.

All language broadcasts for which the corresponding territory has a copyright law and performing right society are analysed 1 week in 4.

Music in Advertisements

Very few commercials are broadcast on SBS Radio. As a consequence, it is not economically feasible to employ the MRT analysis that is used for the identification and payment of commercials broadcast on Commercial radio. Should members be aware of the broadcast of commercials on SBS radio using their music, a claim can be made by means of APRA's Unlogged Performance (ULP) Scheme (see references in Section 23 of APRA's Distribution Rules and on APRA's website).

Music contained in advertisements, station IDs, programme promos, community service announcements, stings, bridges, news and weather themes receive a 50% payment weighting.

4. COMMUNITY RADIO (permanent)

Sample Analysis & Distribution By Analogy

There are approximately 270 community radio stations holding permanent ABA licences. Total APRA licence fees are quite low, reflecting the non-commercial and often voluntary nature of these stations. Consequently, APRA's level of music analysis is commensurately small and, of economic necessity, based on a sample analysis system.

An analysis of the music played by stations paying an APRA licence fee of A\$4,000 or more is made for APRA's distribution, based on a sample constructed by ACNielsen. Each selected station provides APRA with four weeks logs per annum, either electronically or on non-EDI. The number of logs actually used from each station for distribution analysis (which ranges from 1 week to 4 weeks a year) depends on the size of each station's APRA licence fee.

Music contained in advertisements, station IDs, programme promos, community service announcements, stings, bridges, news and weather themes receive a 50% payment weighting.

An amount (4.35%) is deducted from the community radio pool in respect of the unreported use of music in commercials on community stations. The amount deducted is added to Australian Commercial Radio pools for Commercials.

Community stations are separated into four discrete pools –

Australian Community Radio	
Pool Grouping	Structure
Pool 1: Fine Music / General / Alternative / University & Independent	The (licence fee based) weighting given to the four sub-categories and the weighting given to each individual station is determined by ACNielsen.
Pool 2: ATSI (Aboriginal and Torres Strait Island)	The licence fees paid by ATSI stations are distributed only to the music broadcast by this station type.
Pool 3: Christian (Main)	Similar to Pool 2, the licence fees paid by Christian-Main and RHEMA stations are distributed only to the music broadcast by those station types.
Pool 4: Christian (RHEMA)	

Australian Community Radio	
Pool Grouping	Structure
Pool 1: Fine Music / General / Alternative / University & Independent	A licence fee based weighting is given to each station in these four categories.
Pool 2: ATSI (Aboriginal and Torres Strait Island)	The licence fees paid by ATSI stations are distributed only to the music broadcast by this station type.
Pool 3: Christian (Main)	Similar to Pool 2, the licence fees paid by Christian-Main and RHEMA stations are distributed only to the music broadcast by those station types.
Pool 4: Christian (RHEMA)	

The licence fees paid to APRA by non-English programme community stations are distributed across the existing community radio pools.

5. COMMUNITY RADIO (temporary)

Distribution By Analogy

There are approximately 60 temporary community stations in Australia. These stations hold ACMA licences that allow them to operate for periods of up to 12 months, either on a continuous basis or on a shared basis with other stations depending on the availability of frequencies in the area.

No logs are received from these stations while they hold temporary status, and their licence fees are added across the permanent stations' pools on a pro rata basis.

6. NARROWCAST RADIO

Direct Allocation - Blanket & Distribution By Analogy

Include tourist radio stations, specialist language stations, racing radio stations etc. There are more than 100 such stations licensed by APRA. As with Community radio, an analysis of the music played by stations paying an APRA licence fee of A\$4,000 or more is made for APRA's distribution. With the exception of non-English stations noted below, the licence fees paid by narrowcast stations are currently added to the Australian Commercial radio stations for distribution.

The licence fees paid to APRA by all non-English programme narrowcast stations are added follow-the-dollar across all the community radio pools.

7. NEW ZEALAND COMMERCIAL RADIO

Census and Direct Allocation - Blanket

A full census of the music broadcast by NZ Commercial radio stations is reported to APRA electronically.

There are approximately 54 stations, but many of these are fully networked and broadcast the same music. APRA therefore often receives one report to cover a number of stations.

As with Australian Commercial radio, the quarterly electronic reports are supplemented by non-EDI reports detailing music used in programme themes, promos and station IDs, which are not currently able to be reported electronically. These are provided on a sample basis, four weeks a year.

Music contained in advertisements, station IDs, programme promos, community service announcements, stings, bridges, news and weather themes receive a 50% payment weighting.

Music in Advertisements and Community Service Announcements (CSAs).

APRA is provided with the broadcast (TX) details for every commercial and CSA (including the name of station(s), the time of day the broadcasts occurred and the exact duration of the music).

The stations that are included in the new MRT-based system for New Zealand Commercial radio are located in the following areas:

- Auckland, Christchurch and Wellington

A separate pool exists for the payment of music used in advertising commercials and CSAs. The size of the overall pools for advertisements and CSAs is determined by calculating the amount of music in

commercials and CSAs as a percentage of total music broadcast hours on Commercial radio. This percentage, after applying the 'jingle' weighting factor under APRA's Distribution Rules, is then deducted from total New Zealand Commercial radio revenue.

After calculating the size of the overall pool to be paid to music used in commercials and CSAs, sub-pools are created for i) music used on stations that are the subject of MRT analysis, ii) Production Music used in commercials and CSAs on non-MRT stations and iii) all other music used in commercials in non-MRT areas, as reported by members using Jingle Reporting Forms (JRFs).

The size of these individual sub-pools is based on a number of factors, such as station licence fees, the proportionate use of Production Music on non-MRT stations and the broadcast of advertisements on both MRT and non-MRT (mostly regional) stations.

Music used in advertisements and CSAs reported by means of Music Recognition Technology receives one credit point for each second of music duration. The total number of credit points is multiplied by the number of broadcasts each commercial and CSA receives.

In addition, the MRT data received for commercials and CSAs enables APRA to apply time-zone weightings to each radio broadcast, as per the table below (this isn't possible for radio playlist broadcasts, as the requisite data is not available). The number of credit points calculated as a factor of music duration and number of broadcasts is multiplied by these Time-Zone Factors:

Medium	Start	End	Time zone % Factor
Radio	12:00:00AM	05:29:59AM	10%
	05:30:00AM	06:59:59PM	100%
	07:00:00PM	11:59:59PM	50%

Advertisements reported by members by means of Jingle Reporting Forms are paid at a standard 30" duration, and their value is determined by the length of the campaign and the area in which the advertisement was broadcast.

8. NEW ZEALAND PUBLIC RADIO

These stations are different in nature to the Australian public (community) radio stations. There are two networks ("National" and "Concert") which are funded by the New Zealand government.

Music usage reports are received from the Concert and National networks electronically and on a census basis. Royalties are distributed by **direct allocation - blanket**

Music contained in advertisements, station IDs, programme promos, community service announcements, stings, bridges, news and weather themes receive a 50% payment weighting.

9. NEW ZEALAND MAORI RADIO

Sample Analysis

Music details are provided by each station on a small sample basis (reflecting the low licence fees involved). Stations provide music broadcast data for 1 week per three month period.

Music contained in advertisements, station IDs, programme promos, community service announcements, stings, bridges, news and weather themes receive a 50% payment weighting.

10. NEW ZEALAND STUDENT & ACCESS RADIO

Sample Analysis

Music details are provided by each station on a small sample basis (reflecting the low licence fees involved). Stations provide music broadcast data for 1 week per three month period.

Music contained in advertisements, station IDs, programme promos, community service announcements, stings, bridges, news and weather themes receive a 50% payment weighting.

11. NEW ZEALAND COMMUNITY RADIO (LOW POWERED)

As licence fees are negligible, no logs are received nor distribution analysis conducted and licence fees are currently added to the NZ Commercial radio pools for distribution.

12. PNG RADIO

Census analysis

Four PNG radio stations provide APRA with music usage reports and are included in APRA's distributions; Legend FM, Nau FM, Yumi FM and Rait FM.

13. AUSTRALIAN COMMERCIAL TELEVISION

- *Direct allocation - blanket - (Networks 7, 9 and 10 capital city stations, and secondary channels)*
- *Direct allocation - sample analysis - (all other stations)*

Census Stations Reporting Electronically (EDI):

Electronic logs are provided for each Network 7, 9 and Network 10 capital city station on a full census (i.e. 100%) basis. As a consequence, all programmes and interstitial material (promos, IDs etc.) broadcast by these network stations are included in APRA's distribution analysis.

The secondary TV channels also provide electronic logs for 52 weeks per year. Their EDI files are matched against APRA's database of musical works and audio-visual productions on a census basis. Works and AV productions that do not match automatically are researched by APRA staff on a 1 week in 4 basis, and new cue-sheets are obtained for addition to APRA's computer system where necessary. For the remaining 3 weeks per month, only works and productions that auto-match with APRA's database are included in the distribution.

Commercial television revenue is allocated across 7, 9 and 10 stations and their respective secondary channels (in separate pools) on the basis of relative audience sizes (as per OzTam ratings) and music content.

The credit points allocated to the works broadcast on the channels sharing in each TV revenue pool are weighted according to the type of use (e.g. Featured, Background, Theme, Promo) and the time of day the broadcast occurred.

Sampled Stations:

Network 7, 9 and 10 regional affiliates, as well as a small number of Unaffiliated stations, continue to provide or non-EDI Compatible logs on a sample basis.

The number of times each station is sampled, to a maximum of thirteen weeks per station (all sampled Australian Commercial television stations provide a total of thirteen log weeks per annum), is determined by the size of their APRA licence fee.

Weighting factors, calculated by APRA's statistician, are applied to each station to ensure that the number of sample weeks included in the distribution exactly match their share of distributable revenue.

Music in Advertisements and Community Service Announcements (CSAs)

APRA is provided by its service providers with the broadcast (TX) details for every commercial and CSA (including the name of station(s), the time of day the broadcasts occurred and the exact duration of the music).

The stations that are included in the new MRT-based system for Australian Commercial TV are located in the following areas:

- Sydney, Melbourne, Brisbane, Adelaide & Perth

Separate pools exist for the payment of music used in advertising commercials. The size of the pools is calculated from extensive recording and timing of advertisements by APRA's Monitoring Section. Several hundred advertisements broadcast on selected city and country television stations were recorded, and the music content of each commercial timed and analysed.

The size of the pools is determined by calculating the amount of music used in commercials as a percentage of total music broadcast hours on TV. This percentage, after applying the 'jingle' weighting factor in accordance with APRA's Distribution Rules, is then deducted from total Australian Commercial television revenue.

After calculating the size of the overall pool to be paid to music used in commercials and CSAs, sub-pools are created for i) music used on stations that are the subject of MRT analysis, ii) Production Music used in commercials and CSAs on non-MRT stations and iii) all other music used in commercials in non-MRT areas, as reported by members using Jingle Reporting Forms (JRFs).

The size of these individual sub-pools is based on a number of factors, such as station licence fees, the proportionate use of Production Music on non-MRT stations and the broadcast of advertisements on both MRT and non-MRT (mostly regional) stations.

Music used in advertisements and CSAs reported by means of Music Recognition Technology receives one credit point for each second of music duration. The total number of credit points is multiplied by the number of broadcasts each commercial and CSA receives.

The TV Time-Zone weightings, as detailed in the Distribution Rules, also apply to music used in Commercials and CSAs.

Advertisements reported by members by means of Jingle Reporting Forms for non-MRT stations are paid at a standard 30" duration, and their value is determined by the length of the campaign and the area in which the advertisement was broadcast.

Music contained in advertisements and public service announcements receives 7.5% of a full Featured credit (i.e. 15% of a Background credit) for each second of duration.

14. AUSTRALIAN SUBSCRIPTION (PAY) TELEVISION – Foxtel (cable and satellite)

Direct Allocation - Blanket

The APRA distribution includes all channels for which broadcast logs are provided by the pay TV operator Foxtel. Where possible, allocations are also made to 'pass-through' channels for which no logs are available, as outlined below. Monies received from Telstra (T-Box), Optus and Fetch TV are added to the Foxtel revenue pool for distribution.

Programme, music and interstitial details for the following Foxtel channels are reported to APRA electronically on a full census basis by the pay TV operators.

Programmes broadcast on the following 146 channels, carried on the Foxtel pay TV platforms, are included in APRA's distributions*.

Australian Pay-TV Distribution Channels	BBC FIRST HD	DISCOVERY TURBO MAX
[V HITS]	BBC KNOWLEDGE	DISCOVERY TURBO MAX +2
111 GREATS	BBC KNOWLEDGE HD	DISNEY CHANNEL
111 GREATS +2	BBC WORLD NEWS	DISNEY JUNIOR [PKA PLAYHOUSE]
13TH STREET	BLOOMBERG TELEVISION	DISNEY MOVIES
13TH STREET +2	BOOMERANG	DISNEY MOVIES HD
13TH STREET HD	CARTOON NETWORK	DISNEY XD
A&E	CBEBBIES	E!
A&E HD	CCTV NEWS	ESPN
ACTION MOVIES	CCTV-9 DOCUMENTARY	ESPN HD
ACTION MOVIES +2	CNN INTERNATIONAL	ESPN 2
ACTION MOVIES HD	COMEDY CHANNEL	ESPN 2 HD
ADULTS ONLY SELECT 1	COMEDY CHANNEL +2	EUROSPORT
ADULTS ONLY SELECT 2	COMEDY MOVIES	EUROSPORT HD
ANIMAL PLANET	COMEDY MOVIES HD	EUROSPORT NEWS
ANT1 PACIFIC [ANTENNA]	COUNTRY MUSIC CHANNEL	FAMILY MOVIES
ARENA	CRIME [PKA CRIME & INVESTIGATION]	FAMILY MOVIES +2
ARENA +2	DISCOVERY CHANNEL HD	FAMILY MOVIES HD
ARENA HD	DISCOVERY CHANNEL	FOX CLASSICS
ARTS CHANNEL	DISCOVERY CHANNEL +2	FOX CLASSICS +2
AUSTRALIAN CHRISTIAN CHANNEL	DISCOVERY HOME & HEALTH [KIDS]	FOX FOOTY
BBC FIRST	DISCOVERY SCIENCE	FOX FOOTY HD
		FOX NEWS

* Where relevant cue-sheets are in APRA's computer database at the time of logging the performance.

FOX SPORTS 1	LIFESTYLE YOU	SHOWCASE +2
FOX SPORTS 1 HD	LIFESTYLE YOU +2	SHOWCASE HD
FOX SPORTS 2	MASTERPIECE MOVIES	SMOOTH
FOX SPORTS 2 HD	MASTERPIECE MOVIES HD	SOHO
FOX SPORTS 3	MAX	SOHO +2
FOXSPORTS 3 HD	MOVIES PREVIEW CHANNEL	SOHO HD
FOX SPORTS 4	MOVIES PREVIEW CHANNEL +2	STUDIO
FOXSPORTS 4 HD	MTV	STYLE NETWORK
FOX SPORTS 5	MTV DANCE	SYFY
FOX SPORTS 5 HD	MTV MUSIC	SYFY +2
FOX SPORTS NEWS	NAT GEO PEOPLE	SYFY HD
FOX SPORTS NEWS HD	NAT GEO WILD	TCM
FOX8	NAT GEO WILD HD	THRILLER MOVIES
FOX8 +2	NATIONAL GEOGRAPHIC CHANNEL	THRILLER MOVIES HD
FOX8 HD	NATIONAL GEOGRAPHIC CHANNEL +2	TLC
FOXTEL ON DEMAND	NATIONAL GEOGRAPHIC CHANNEL	TLC +2
FX	HD	TVHITS
FX +2	NHK WORLD	TVHITS +2
FX HD	NICK JR.	TVSN
HISTORY CHANNEL	NICKELODEON	UKTV
HISTORY CHANNEL HD	PREMIERE MOVIES	UKTV +2
LIFESTYLE	PREMIERE MOVIES +2	UNIVERSAL CHANNEL
LIFESTYLE +2	PREMIERE MOVIES HD	UNIVERSAL CHANNEL +2
LIFESTYLE FOOD	RAI ITALIA 2 [RAI INTERNATIONAL]	UNIVERSAL HD
LIFESTYLE FOOD +2	ROMANCE MOVIES	VHITS
LIFESTYLE HD	ROMANCE MOVIES HD	WEATHER ACTIVE
LIFESTYLE HOME	SHOWCASE	WORLD MOVIES
		WORLD MOVIES HD

For some of the channels listed above, APRA adopts the international Nashville Rule for pass-through channels where a direct distribution is not possible owing to lack of data. The value of such channels, less a 15% deduction for APRA publisher members, is forwarded to an affiliate society where it is established that that Society is in receipt of the correct broadcast data and is able to make a distribution on APRA's behalf.

Licence fees are also received from Sky Channel for the transmission of their programming to hotels and clubs etc. See below for details. The fees received from the pay TV operators are allocated to each channel using a combination of audience size (OzTam audience ratings) and the amount of music used. The amount of music used weighting is based on the average amount of music broadcast by each of five groups of channel; 1. Music, 2. Movies, 3. General Entertainment, 4. Sport and 5. Business, Weather, Shopping and Miscellaneous, in the following ratios;

Channel Type	Weighting
Music	47.3
Movies	22.2
Entertainment	18.6
Sport	7.7
Business etc	4.1

Each channel's audience rating, which includes, where relevant, the audience of the time-shifted ('+2') channels, is multiplied by its group's music-use weighting, to determine its share of distributable revenue.

The credit points allocated to the works broadcast on the channels sharing in each Pay TV revenue pool are weighted according to the type of use (e.g. Featured, Background, Theme, Promo).

Commercials – distribution by analogy–

A proportion of pay TV revenue is deducted for allocation to the music used in commercials. Owing to the large number of channels and the similarity in advertising content, the deducted amount is added to the Commercial Television pools for music used in advertisements.

SkyChannel – distribution by analogy (use in hotels and clubs only) –

SkyChannel broadcasts horse racing into pubs, clubs and homes. Licence fees received from SkyChannel for use in hotels and clubs are added to the general pay TV pool and distributed across the analysed programming.

Digital Radio – direct allocation - blanket –

A full analysis is made of the music used on Foxtel's digital radio channels. Separate distribution pools are calculated, based on Foxtel's operating costs to run the radio channels, and the amounts are deducted from the monies allocated to the pay TV channels. Although these channels form part of Foxtel's subscription services, distribution payments are calculated in exactly the same way as all other radio. Earnings are reported in the 'Radio' column of APRA's distribution statements.

15. ABC TELEVISION

ABC1 and ABC2

Census and Direct Allocation - Blanket

ABC1 and ABC2 television broadcasts are analysed for 52 weeks per annum. The majority of programmes are screened throughout the network and are consequently fully included in APRA's distributions. The programme and music usage reports are received electronically each month.

For ABC1, State based programming is also included in APRA's distributions. These programmes are reported separately. Their distribution values are weighted in accordance with the population of each state, so that payment is directly proportional to the value of nationally broadcast programmes. ABC television revenue is allocated across ABC1, 2, 3 and 4 on the basis of relative audience sizes (as per OzTam ratings) and music content.

The credit points allocated to the works broadcast on the channels sharing in each TV revenue pool are weighted according to the type of use (e.g. Featured, Background, Theme, Promo) and the time of day the broadcast occurred.

ABC3 and ABC News 24 (ABC4)

Census and Direct Allocation - Blanket

The ABC provides APRA with full electronic logs for all programmes and interstitials broadcast on ABC3 and News 24. Their EDI files are matched against APRA's database of musical works and audio-visual productions on a census basis. Works and AV productions that do not match automatically are researched by APRA staff on a 1 week in 4 basis, and new cue-sheets are obtained for addition to APRA's computer system where necessary.

For the remaining 3 weeks per month, only works and productions that auto-match with APRA's database are included in the distribution.

The credit points allocated to the works broadcast on the channels sharing in each TV revenue pool are weighted according to the type of use (e.g. Featured, Background, Theme, Promo) and the time of day the broadcast occurred.

Australia Plus (pka Australia Network) – There is no separate revenue received from the ABC for this service and Australia Plus programming is virtually the same as programming across the ABC free-to-air stations. Accordingly there is no separate distribution analysis.

16. SBS TELEVISION

SBS1, SBS2 and SBS3

Census and Direct Allocation - Blanket

SBS television is a multicultural broadcaster and provides logs to APRA for their programming in a large number of languages. Their EDI files are matched against APRA's database of musical works and audio-visual productions on a census basis. Works and AV productions that do not match automatically are researched by APRA staff on a 1 week in 4 basis, and new cue-sheets are obtained for addition to APRA's computer system where necessary.

For the remaining 3 weeks per month, only works and productions that auto-match with APRA's database are included in the distribution.

SBS television revenue is allocated across SBS1, SBS2 and SBS3 on the basis of relative audience sizes (as per OzTam ratings) and music content.

The credit points allocated to the works broadcast on the channels sharing in each TV revenue pool are weighted according to the type of use (e.g. Featured, Background, Theme, Promo) and the time of day the broadcast occurred.

It should be noted that music cue-sheets are unobtainable in respect of languages for which the corresponding territory has no copyright law or performing right society.

Music in Advertisements and Community Service Announcements (CSAs)

Owing to the use of Music Recognition Technology, a specific analysis of music broadcast in Commercials and CSAs appearing on SBS television was introduced for the first time in Distribution P1610.

APRA's distribution payments for music broadcast in advertisements on the capital city feeds, as shown below, are based on actual broadcast activity.

The stations that are included in the new MRT-based system are located in the following areas:

- Sydney, Melbourne, Brisbane, Adelaide & Perth (SBS2 and 3 are for Sydney only)

The calculation of distribution revenue pools and the application of time-zone weightings is identical to that described in the Australian Commercial TV section above.

Music contained in advertisements and public service announcements receives 7.5% of a full Featured credit (i.e. 15% of a Background credit) for each second of duration.

17. AUSTRALIAN COMMUNITY TELEVISION

Distribution By Analogy

There are about 5 community television stations licensed by APRA. There is no separate analysis of these stations for distribution purposes owing to the small fees involved. The licence fees we do receive are added to the distribution pool for NITV (National Indigenous Television) for distribution.

18. NITV (NATIONAL INDIGENOUS TELEVISION)

Census and Direct Allocation - Blanket

National Indigenous Television (NITV) is a not for profit public company (now operated by SBS) that provides a nationwide Indigenous television service by cable, satellite and terrestrial transmission means and selected on line audio visual content. The content for these services is primarily commissioned or acquired from the Indigenous production sector.

NITV provides electronic programme files to APRA for 52 weeks per year. Music cue-sheets are acquired for the indigenous and other programming and are added to APRA's distribution database.

The NITV licence fees are paid directly to the music used in the programmes screened by NITV. The credit points allocated to the works broadcast are weighted according to the type of use (e.g. Featured, Background, Theme and Promo) and the time of day the broadcast occurred.

19. TELEVISION NEW ZEALAND – TVOne and TV2

Census and Direct Allocation - Blanket

TVOne and TV2 programming is included in APRA's distributions on a full census basis. That is, 52 weeks' logs from both stations are used for APRA's distributions. TVNZ provide electronic logs, enabling automatic matching of music and programme titles against APRA's database.

The TVNZ licence fees are paid directly to the music used in the programmes screened by these stations.

The credit points allocated to the works broadcast on the channels sharing in each TV revenue pool are weighted according to the type of use (e.g. Featured, Background, Theme, Promo) and the time of day the broadcast occurred.

Music Broadcast in Advertisements and Community Service Announcements (CSAs)

APRA's distribution payments for music broadcast in advertisements on metropolitan stations, are based on actual broadcast activity.

APRA is provided by its service providers with the broadcast (TX) details for every commercial (including the name of station(s), the time of day the broadcasts occurred and the exact duration of the music).

The stations that are included in the new MRT-based system are located in the following area:

- Auckland

A separate pool exists for the payment of music used in advertising commercials. The size of the pool is calculated from extensive recording and analysis of New Zealand television programming.

The size of the pool for commercials and CSAs is determined by calculating the amount of music used in commercials and CSAs as a percentage of total music broadcast hours on TV. This percentage, after applying the 'jingle' weighting factor in accordance with APRA's Distribution Rules, is then deducted from TVNZ television revenue.

After calculating the size of the overall pool to be paid to music used in commercials and CSAs, sub-pools are created for i) music used on stations that are the subject of MRT analysis, ii) Production Music used in commercials and CSAs on non-MRT stations and iii) all other music used in commercials in non-MRT areas, as reported by members using Jingle Reporting Forms (JRFs).

The size of these individual sub-pools is based on a number of factors, such as station licence fees, the proportionate use of Production Music on non-MRT stations and the broadcast of advertisements on both MRT and non-MRT stations.

Music used in advertisements and CSAs reported by means of Music Recognition Technology receives one credit point for each second of music duration. The total number of credit points is multiplied by the number of broadcasts each commercial and CSA receives.

The TV Time-Zone weightings, as detailed in the Distribution Rules, also apply to music used in Commercials and CSAs.

Advertisements reported by members by means of Jingle Reporting Forms for non-MRT stations are paid at a standard 30" duration, and their value is determined by the length of the campaign.

Music contained in advertisements and public service announcements receives 7.5% of a full Featured credit (i.e. 15% of a Background credit) for each second of duration.

20. NEW ZEALAND COMMERCIAL TELEVISION – TV3

Sample and Direct Allocation - Blanket

TV3 provides non-EDI programme logs to APRA for 26 weeks per year. The TV3 licence fees are paid directly to the music used in the programmes screened by this station/network.

The selected weeks are not always alternate, but are subject to some variation (“random noise”) throughout the year to allow for any regular, perhaps bi-weekly, events.

The credit points allocated to the works sharing in the TV3 revenue pool are weighted according to the type of use (e.g. Featured, Background, Theme, Promo) and the time of day the broadcast occurred, as detailed in APRA’s Distribution Rules.

Music Broadcast in Advertisements and Community Service Announcements (CSAs)

Separate pools for music in commercials are calculated and distributed in the same manner as described in the TVOne/TV2 section above.

Music contained in advertisements and community service announcements receives 7.5% of a full Featured credit (i.e. 15% of a Background credit) for each second of duration.

21. NEW ZEALAND COMMERCIAL TELEVISION – BRAVO

Sample and Direct Allocation - Blanket

FOUR provides non-EDI programme logs to APRA for 12 weeks per year. Their licence fees are paid directly to the music used in the programmes screened by this station

The credit points allocated to the works sharing in the FOUR revenue pool are weighted according to the type of use (e.g. Featured, Background, Theme, Promo) and the time of day the broadcast occurred.

Music in Commercials and Community Service Announcements – separate pools are calculated for music in commercials and CSAs, and distributed in the same manner as described in the Prime TV section below.

22. NEW ZEALAND TELEVISION – PRIME TV

Sample and Direct Allocation - Blanket

Prime TV programming (excepting music in commercials and CSAs) is included in APRA’s distributions on a sample basis, owing to its relatively low licence fees. That is, a sample of 1 week in 4 is used for APRA’s distribution purposes.

The credit points allocated to the works sharing in the Prime TV revenue pool are weighted according to the type of use (e.g. Featured, Background, Theme, Promo) and the time of day the broadcast occurred.

The Prime licence fees are paid directly to the music used in the programmes screened by them.

Music Broadcast in Advertisements and *Community Service Announcements (CSAs)*

Owing to the use of Music Recognition Technology, a specific analysis of music broadcast in Commercials appearing on Prime TV was introduced for the first time in Distribution P1610.

APRA's distribution payments for music broadcast in advertisements on metropolitan stations, are based on actual broadcast activity.

APRA is provided with the broadcast (TX) details for every commercial (including the name of station(s), the time of day the broadcasts occurred and the exact duration of the music).

The stations that are included in the new MRT-based system are located in the following area:

- Auckland

Music contained in advertisements and community service announcements receives 7.5% of a full Featured credit (i.e. 15% of a Background credit) for each second of duration.

23. **NZ MAORI TV**

Census and Direct Allocation - Blanket

Maori TV provide their broadcast data to APRA AMCOS by means of electronic files. Their EDI files are matched against APRA's database of musical works and audio-visual productions on a census basis. Works and AV productions that do not match automatically are researched by APRA staff on a 1 week in 4 basis, and new cue-sheets are obtained for addition to APRA's computer system where necessary.

For the remaining 3 weeks per month, only works and productions that auto-match with APRA's database are included in the distribution.

The credit points sharing in the Maori TV revenue pool are weighted according to the type of use (e.g. Featured, Background, Theme, Promo) and the time of day the broadcast occurred.

24. **NZ SUBSCRIPTION (PAY) TELEVISION – NZ Sky TV**

Direct Allocation - Blanket

The methodology underlying the New Zealand Pay TV distribution is identical to that described for Australian pay television.

The following channels are included in APRA's distributions:

NZ Pay-TV Distribution Channels	BRAZZERS TV	CHINESE TV 4
ANIMAL PLANET	CARTOON NETWORK	CHINESE TV 5
ARTS CHANNEL	CCTV NEWS	CHINESE TV 6
BBC KNOWLEDGE	CHINESE TV 1	CHINESE TV 7
BBC WORLD NEWS	CHINESE TV 2	CNN INTERNATIONAL
	CHINESE TV 3	CRIME

DESIRE TV	KOREAN TV 1	SKY MOVIES CLASSICS HD
DISCOVERY CHANNEL	KOREAN TV 2	SKY MOVIES EXTRA HD
DISNEY CHANNEL	MTV CLASSICS	SKY MOVIES FAMILY HD
DISNEY JUNIOR	MTVNZ	SKY MOVIES GREATS HD
E!	NATIONAL GEOGRAPHIC CHANNEL	SKY MOVIES PREMIERE HD
ESPN	NICK JR.	TCM HD
ESPN 2	NICKELODEON	TRAVEL CHANNEL
HISTORY CHANNEL	PLAYBOY CHANNEL	UKTV
JAPANESE TV	RIALTO CHANNEL HD	UNIVERSAL CHANNEL

The credit points allocated to the works sharing in the Pay TV revenue pool are weighted according to the type of use (e.g. Featured, Background, Theme, Promo).

Music in Advertisements and Community Service Announcements (CSAs)

A percentage of the Sky TV revenue is allocated to the TVOne and TV2 advertisement and CSA pool for distribution, as advertisements and CSAs broadcast on Sky will, in all likelihood, also be broadcast on this free-to-air station.

NON-BROADCAST CATEGORIES

25. AIRLINES

Qantas, Virgin Australia and Jetstar (there are separate revenue pools for each)

Census and Direct Allocation - Blanket

Audio - Electronic logs are received on a quarterly basis covering all music played on each airline's in-flight audio systems.

Video - In-flight film and television programming is reported to APRA by means of electronic logs.

Distribution revenue is allocated 20% to the Audio files, 80% to the Video files.

For the in-flight audio/visual entertainment, APRA applies the same 'type-of-use' weightings for Theme, Background and Featured use as is applied to our television distribution.

Air New Zealand

Census and Direct Allocation - Blanket

Audio - Electronic logs are received on a quarterly basis covering all music played on NZ Airline's in-flight audio system.

Video – In-flight film and television programming is reported to APRA via electronic logs.

Distribution revenue is allocated 20% to the Audio files, 80% to the Video files.

For the in-flight audio/visual entertainment, APRA applies the same 'type-of-use' weightings for Theme, Background and Featured use as is applied to our television distribution.

26. 'AMBIENT' MUSIC

Australian and New Zealand 'Ambient' music claims are incorporated into the UnLogged Performance (ULP) claim scheme (see references in Section 23 of APRA's Distribution Rules and on APRA's website).

Although under the umbrella of the ULP scheme, there are separate procedures and requirements governing 'Ambient' claims, as follows:

Members are required to provide the names and contact details of each business to which they sell their 'Ambient' CDs or downloads (claims to be verified by APRA if required). No claim to be paid if the business name is absent.

The value of claims is fixed at \$30 per business, irrespective of the number of CDs/downloads sold to it in each financial year.

If more than one member reports sales to the same business (excluding co-writers), the claim value of \$30 is divided by the number of claimants.

If the annual value of total claims exceeds \$41,400 for Australia or \$2,500 for New Zealand, the value of each claim is reduced pro rata to ensure that total payments do not exceed these amounts.

'Ambient' music claims are paid annually each November.

27. BACKGROUND MUSIC SUPPLIERS

Australia: including SMA, Mood Media (DMX), Coles, Big W, SBA & Marketing Melodies.
New Zealand: Audio Pilot, Automated Music Systems, Cloud, Mall Audio Limited, Marketing Melodies, Mood Media, Orange Door Music Video, Smartpay Ltd., Radio Network, Sky Music and Soundproof Australia

Census and Direct Allocation

Background music used by the large number and variety of APRA's general background music licence holders is, in the main, distributed by the addition of the relevant licence fees to APRA's radio distribution pools.

However, the above named suppliers are exceptions to this, as APRA undertakes a specific analysis and distribution of these major background music supply companies, which provide APRA with reports, in computer readable form, of the musical works included in their databases, which are used to provide a variety of retail and other outlets with background music content.

The licence fee paid by each supplier is distributed directly to the works they report to APRA.

28. CHURCHES

Australia

Third-Party Data

After a 10% deduction for allocation to the Live Performance pool, the licence fees paid to APRA by churches for the public performance of music (other than during divine services, which are exempt) are distributed to writers and publishers using data provided to APRA six-monthly by CCLI (Christian Copyright Licensing International),

CCLI issues licences in respect of hymns and songs of worship for a variety of types of reproduction. Their licensees (churches) are required to report to them the titles of the hymns and songs used.

From analysis and detailed discussion with CCLI, it was determined that there is a strong correlation between the music reproduced by the churches and reported to CCLI and the music performed under the terms of the churches' APRA licences.

New Zealand

As licence fees are low, no logs are received nor distribution analysis conducted.

29. CINEMA

Australia and New Zealand

Third-Party Data

APRA receives box-office revenue amounts and percentages from the MPDAA (Motion Picture Distributors' Association of Australia) and the NZMPDA (New Zealand Motion Picture Distributors' Association) for virtually all films screened in Australia and New Zealand. Data is obtained from a dedicated section of the MPDAA's website that has been specially designed to provide APRA with this information and from reports provided by the NZMPDA.

Each film's box-office percentage is entered into CMS as the number of "performances" to be allocated to the film in the distribution. The box-office percentage is used as a proxy for the actual number of screenings a film receives and is a major factor in determining the royalties to be allocated to the musical works used in the film.

A film's final distribution payment is, however, also a factor of the amount of music used, as reported in its music cue-sheet. The majority of music in a film, the background music, is converted to credit points at the rate of 1 credit point per second of music. 'Featured' music points are multiplied by 2 and theme music points by 1.5.

Approximately 250 - 300 films share in each quarterly cinema distribution. There are separate revenue pools for the Australian and New Zealand performances. Each film's APRA payment is calculated by multiplying its box-office based "performances" figure by the amount of music (expressed as credit points) in the film. As a consequence, films that contain more music than the average for all films in that distribution will receive an increased share of the pool, and films that contain less than the average amount of music will receive a reduced share of the pool.

Cinema commercials and trailers are not included in APRA's distributions.

IMAX

IMAX films are distributed in exactly the same way as main Cinema, except that the films share in a discrete revenue pool.

Film Festivals

Distribution By Analogy

Film festivals are not included in APRA's distributions, as the amount of work required is totally incommensurate with the very low licence fees involved.

Where the films are obscure and not receiving mainstream exhibitions, the music cue-sheets generally cannot be obtained without a great deal of effort and often cannot be obtained at all. Where music cue-sheets can be obtained, there is often a large amount of data sharing in very small sums resulting in a per work value of only a few cents.

Film festival licence fees are added to the main cinema revenue pool.

30. DISTRIBUTABLE EVENTS (a.k.a. Promoter Concerts)

Australian & New Zealand Distributable Events

Census and Direct Allocation – Blanket

The APRA licence is issued to the promoter of the concert, concert tour, dance party or event.

Promoted concerts receive a 100% analysis based on music setlists provided to APRA by the concert, dance party or event promoters.

The licence fees paid by the concert, dance party or event promoter are allocated directly to the works performed by both the headline acts and the supporting artists. Where setlists are valued at less than \$15 (\$1 or less per work based on an average length setlist) that cannot be obtained at the time of distribution or higher value setlists that cannot be obtained after 3 years, 100% of the money is added to APRA's Performance Return (PR) pool.

Exact durations are used for royalty calculation purposes wherever possible. However, for works performed at concerts where durations are not shown on the setlist, a 'standard duration' (equal to 12 credit points) is applied to all works, except where a duration of 1 minute or less is shown.

Equal performance credits are given to each work of the same duration performed by the headline act and the supporting act(s) appearing on stage after the concert's advertised starting time.

Only live music and recorded music performed by DJs shares in a promoter concert distribution, except where the recorded music accompanies the vocal or other live performance of the performer or is used as 'play on' music for the performer, immediately before and/or during the performer's entrance on stage.

Promoter Concerts are distributed four times a year with APRA's normal distributions. However, through reciprocal agreement with a number of affiliate societies, payment may be made under certain circumstances and conditions within either 28 days or within 90 days from the date of payment of the licence fee by the promoter, depending on the size of the fee.

Sporting Code and Event Licence

Australia

Direct Allocation

Where setlists are provided by the relevant sporting code (e.g. Cricket Australia, AFL and NRL), the musical works reported by each code share in that code's licence fee and, where relevant, the licence fee for the specific event in which they are used. Works are paid according to their duration, the number of times played, the situation in which they are used (i.e. for AFL and NRL, there are different scalings for weekly rounds, Finals and the Grand Finals), and whether the usage was recorded or live (live music receives a 2x payment weighting).

Symphony Orchestras

Australia

Census and Direct Allocation - Blanket

Australia's major symphony orchestras are licensed by APRA, and provide full reports of the musical works they perform. The orchestras are; the Sydney Symphony Orchestra (SSO), the Melbourne Symphony Orchestra (MSO), the West Australian Symphony Orchestra (WASO), the Queensland Symphony Orchestra (QSO) and the Tasmanian Symphony Orchestra (TSO).

All copyright works and copyright arrangements performed by these orchestras are included in APRA's royalty distributions. The licence fees paid by the SSO, for example, are distributed to the musical works performed by the SSO, likewise the MSO's licence fees are distributed directly to the works performed by the MSO. The same direct allocation of licence fees applies to each of these symphony orchestras.

New Zealand

Census and Direct Allocation - Blanket

As with the Australian orchestras, full music details are provided for all performances. The licence fees APRA receives are paid in full to the works performed by the orchestras.

Dramatic Context

Direct Allocation – Blanket/Transactional

APRA licenses Dramatic Context (DC) uses of particular songs where it has secured a non-exclusive agency appointment from its members. APRA may issue licences on a 'blanket' basis (where the production is licensed at a fixed tariff set by APRA) or a 'transactional' basis (where rates are set individual per work, per share by the copyright owner), but in either event each production is processed discretely for distribution purposes.

For productions issued a licence under the blanket Part A Tariff, the relative durations of the works as used in the production are used to determine the distribution value of each work.

For productions issued a licence under the transactional Part B, C or D tariffs, the 'licensed' value of each share in each work is used to determine the distribution value of each share in each work; the

licensed value is determined by the copyright owner and may be calculated by reference to a combination of the duration of the work, the duration of all works, the duration of the production, the production's box office, or a set fee.

Where the minimum fee applies to a DC production, whether under a blanket or transactional licence, the distributable amount per work or share, as the case may be, is increased in proportion up to the minimum fee.

31. NIGHTCLUBS

Music Recognition Technology (for DJ Monitor), Kuvo reports and by analogy

Australia

Licence fees received from Nightclubs are distributed using a combination of two extended versions of the ARIA Club chart (one version of the Chart includes DJs' positions and PPCA's weightings in respect of the positive audience reaction and one does not), Music Recognition Technology (MRT), Pioneer's DJ 'KUVVO' devices and playlists of selected radio stations and music video TV programmes.

The extended versions of the ARIA Club Chart are compiled from the reports of approximately 180 DJs from around the country, who report weekly the dance tracks that receive the most positive audience reaction. As noted, one version of the Chart includes weightings applied to the DJs' rankings of the positive audience reaction and the other is simply a count of the total number of DJs reporting particular tracks.

ARIA provides APRA with details of all DJ submissions every three months. For each week's list of reported works, performances are allocated so that the work at #1 receives the most performances and the work in last position receives the lowest number of performances. The number of works reported each week varies, and performances are allocated in inverse proportion to each work's chart position that week. For example, in a list of 150 works, 1 performance is allocated for position 150, 2 performances for position 149, 3 performances for position 148 and so on, up to 150 performances for position number 1. These performances are aggregated for each work for each three month period and credited in the APRA nightclub distribution.

APRA's nightclub distributions are also based on recorded performances of works that have been played in selected clubs in Australia and identified using music recognition technology (MRT).

Special digital recording devices have been located in a number of large clubs around Australia (in Sydney, Melbourne, Brisbane, Adelaide and Perth) and have been programmed to automatically turn on and off as DJ performances commence and finish. The recorded music is streamed to Amsterdam in Holland where an MRT company, DJ Monitor, who specialise in dance music, fingerprints the digitally recorded works and compares them against their database of several million works. DJ Monitor then reports to APRA the titles, artists etc. of the works so performed, which are then included in our Nightclub distributions.

APRA also uses direct metadata extraction from Pioneer's KUVVO device for DJs. KUVVO is a networking device that plugs directly into Pioneer DJ's CDJs and Nexus DJ mixers via a Local Area Network (LAN). It captures selected metadata fields from the ID3 tags of any digital music file that is played by a DJ. APRA uses KUVVO data from a number of clubs to supplement the usage information provided by Music Recognition Technology.

The fourth source of data for the distribution of Nightclub fees are the playlists of selected radio stations and music video TV programmes.

The following allocations apply after a variable amount is first deducted from the Nightclub revenue for allocation to the Live Performance (LPR) pool. This is to cover DJs' LPR submissions, with the amount calculated to match their total value as closely as possible:

22.5% is allocated to the ARIA Club Chart data that includes weightings related to the positive audience reaction,

22.5% is allocated to the ARIA Club Chart data that excludes weightings related to the positive audience reaction,

45% is allocated to the works reported by DJ Monitor/KUVO, and

10% is allocated to the broadcast logs.

The amount allocated to the selected radio and TV logs is further split, 66.7% to the radio playlists, 16.7% to Music Max and 16.6% to "V Hits".

New Zealand

Distribution by analogy

Owing to the relatively low licence fees collected in respect of New Zealand nightclubs, no direct reporting is received.

As a consequence, the Australian DJ Monitor and KUVO data is used for distribution purposes, in conjunction with New Zealand broadcast logs - selected New Zealand radio logs and music video data from 'MTVNZ' - in the following proportions:

50% is allocated to DJ Monitor/KUVO data,

35% is allocated to Special Radio Logs (George FM), and

15% is allocated to MTVNZ data.

32. FEATURED RECORDED MUSIC

MRT and by analogy

Licence fees collected from premises for the use of featured recorded music are added to the distribution pool for Nightclubs, and distributed as described above.

33. FITNESS & AEROBIC CLASSES

Third-Party Data (38%) / distribution by analogy (62%) –

Australia

Thirty-eight percent of licence fees from this source are distributed on the basis of music reports received from the manufacturers of aerobic and fitness CDs. The proportion of revenue allocated to each CD manufacturer's music reports was determined by a survey of gyms. Based on survey advice from ACNielsen, questionnaires were sent to over 200 gyms around the country to ascertain the source of the music used during classes held on their premises. This information was related to the APRA licence fee paid by each gym.

The remaining 62% of licence fees are distributed by way of analogy across the various radio pools, on a follow-the-dollar basis.

New Zealand

Again, 38% of licence fees are distributed on the basis of tape manufacturers' music reports, with the remaining 62% added to the New Zealand radio station pools.

34. MUSIC ON HOLD

Australia

Distribution By Analogy

Fees received from Music on Hold (MoH) licences are allocated to existing radio pools. Fees are not, however, allocated on a purely follow-the-dollar basis, as is done in many other areas of distribution by analogy. Fees are allocated according to data obtained on music usage patterns from a survey conducted on some 4,000 business premises by ACNielsen. This survey identified the three main sources of music used for MoH systems as; Radio – 58%, Recorded Music – 32.2% and Specially Made Advertisements – 9.8%.

A complicated formula is used for the allocation of monies, taking into account, for example, the percentage of classical music use and the proportion, as broadcast, of classical music that is in copyright, and the use of music in radio advertisements. The proportion of the licence fees attributable to specially made advertisements is added to the radio jingle pools, and an allocation is also made for the use of production music used in MoH advertisements.

New Zealand

The distribution procedure in respect of New Zealand MoH licences and member claims is identical to that described above. The follow-the-dollar allocation across radio does though of course apply to the New Zealand rather than the Australian radio pools.

Members' and Affiliates' Claims

Direct Allocation

In the main, radio reflects most accurately the music used on MoH systems, for which discrete music reports are not possible to obtain. However, a special claim procedure exists for members and affiliated societies whose music is commissioned or licensed for use on music on hold systems.

Members and affiliated societies may advise APRA of the use of their music on MoH systems. APRA will contact the business concerned with a view to licensing this use of music in accordance with the applicable licence tariff. On payment of the licence fee, the full amount (less normal expenses) is distributed directly to the interested parties concerned.

On occasion, there may be a delay in APRA being able to obtain payment from a business. Should there be a delay of more than 3 months from the date of a claim, a distribution payment will be made to the interested parties concerned in APRA's next scheduled distribution, based on APRA's best estimate of the likely value of the licence.

35. PERFORMANCE REPORTS (PRs) and ON-COSTING REPORTS

Direct Allocation

Members and affiliate societies notify APRA of live performances of their music occurring at venues from which APRA does not receive music performance details.

The Australian and NZ PR pools comprise 100% of the Australian and New Zealand General Live licence fees respectively (Tariff GLA), together with monies from Australian and New Zealand promoter concerts where setlists with a value less than \$15 cannot be obtained at time of distribution or where higher value setlists cannot be obtained after 3 years.

There are additional allocations to the PR pools, as per the following tables, reflecting the use of live music in these categories.

Australia:

Halls & Functions	100%
Cruise Ships	100%
Schools	20%
Universities	20%
Community Groups, including Eisteddfodau	100%
Community Bands	100%
Music in the Workplace	100%
Churches	10%
Karaoke	25%
Nightclubs (DJ's LPRs)	variable

The additions to the New Zealand PR pool are similar, but not identical:

Schools	20%
Universities	20%
Other Tertiary	20%
Community Bands	100%
Sports Codes	10%
Churches	10%
Karaoke	25%
Nightclubs (DJ's LPRs)	variable
Auckland City Council Concerts	100%

The distribution rate applicable to PRs is dependent upon the amount of revenue collected under the relevant tariffs and the number of PRs (the number of works and the number of performances) sharing in the Australian and New Zealand pools.

A standard duration of 3 minutes is applied to all PR performances, with the exception of contemporary classical and jazz music, which are credited at their reported durations.

Performances at venues not yet licensed by APRA are paid as if the venue holds an APRA licence. However, where multiple performances occur at such a venue, or at a venue where there is no door charge or expenditure on artists, the payment is capped at \$25, which is the minimum ~~GLA~~ licence for a venue (less administration costs).

The payment amount allocated to multiple performances by the same performer occurring at the same venue is checked to ensure that the amount distributed does not exceed the licence fee paid by that venue.

Performance Reports need to be submitted to APRA by 31st July each year to ensure payment in the following 'Annual' distribution.

The retrospective claim period for Performance Reports is limited to one year. It may be extended to up to three years where appropriate extrinsic evidence (i.e., going beyond a mere claim supported by a statutory declaration) is provided in support of the claim.

Where a retrospective claim is to be credited by APRA, payment will occur in APRA's next 'Annual' distribution. It will be credited at the rate applicable to the distribution in which it is paid.

Details of how to lodge a PR claim can be found in the Members' section of APRA's website under 'Forms and Guidelines'.

DJs' PRs

Performance Reports submitted by DJs are paid from the PR pool and at the same rate as conventional PRs. An appropriate amount is deducted from the Nightclub pool and added to the PR pool accordingly.

Works performed simultaneously are credited as separate works, but members must report the actual duration of each work **as performed** and identify such usage on their LPR claims. Where durations are 1'00" or less, APRA will pay 1 credit point for each 15" or part thereof and not allocate payments at the standard 3'00" duration

School PRs

Performance Reports (PRs) submitted by members for qualifying performances in schools are paid from the PR pool and at the same rate as conventional PRs.

On-Costing Reports

It is the practice of some live music venues to 'on-cost' their APRA live music licence fee to artists performing at their venue by deducting the APRA licence fee from the settlement payments to artists.

This may cause a disconnect between the amount deducted from members by the venue and the amount paid to the same members by APRA from the Performance Report (PR) pool.

To overcome this, members or their managers are able to provide APRA with details of the on-costed deductions with accompanying setlists. This information is used to allocate a share of the on-costed

amounts to the works performed by that artist (excluding covers) . Each work is paid in accordance with the number of performances it has received

If relevant, multiple on-costed amounts are aggregated on a quarterly basis per member and distributed to a single setlist (with additional works added if performed at subsequent on-costed events) so as to avoid the workload that would be required by setting up separate amounts and setlists for each event.

Support artists continue to be paid through the PR system.

36. ONLINE SERVICES (including Ringtone and Ringback Services, Digital Download, YouTube Streaming, Video on Demand, Music Distribution Services, Cloud Services, Podcasts)

ABC Online

Sample, Direct Allocation - blanket – and by analogy

The ABC commenced reporting their online music use to APRA in January 2003. Owing to the extensive size of the ABC website and the relatively low licence fees involved, only specific sites (those which primarily contain audio and audiovisual material) have been included for distribution purposes.

The services currently included in APRA's distributions are: **Triple J Unearthed, Double J, ABC Jazz and ABC Country**. In addition, 20% of the ABC's Online monies are added to the ABC TV pool to cover the ABC's **iView** site, for which discrete data is not currently available.

As reliable 'access' information is not available, all works included in the distribution are paid on an equal usage basis.

Ringtone and Ringback Services

Direct Allocation – Blanket (iTunes) and Transactional (other)

Ringtone and Ringback providers report musical work and sales details to APRA AMCOS quarterly, by means of our proprietary EDI reporting format. For clients other than iTunes, whose Ringtone revenue is distributed on a Blanket basis, licences are Transactional. The 'transactional' nature of the APRA (and AMCOS) distribution means that each work's distribution payment is calculated as a percentage of its sales value.

All works are matched automatically against the APRA AMCOS database where possible. Works that do not find a match are reported for research by APRA AMCOS staff.

Digital Delivery Services (includes iTunes)

Census and Direct Allocation – Transactional

Digital service providers (DSPs) provide musical work and sales details to APRA AMCOS on either a quarterly or a monthly basis. The volume of works reported to APRA AMCOS is enormous, running into millions of lines and several hundred thousand unique works and productions each quarter.

Because download sales are generally spread thinly across a very large number of separate works, the vast majority of sales are worth only a few cents per work in terms of their APRA AMCOS distribution

value. As a consequence, APRA AMCOS applies a dollar threshold before researching unidentified titles, in order to ensure that processing costs are kept in proportion to distribution values.

All works and album tracks that match automatically with payable works contained in APRA's database are paid in our distributions irrespective of value. Where a match occurs with a work in our database, but the work's sharers have not been identified and the value of the work is over the combined APRA AMCOS distribution threshold of \$15, the work's performances and/or sales data are kept on file and distributed in the first distribution following identification of the writers, publishers and percentage splits.

The APRA AMCOS distribution for Digital Downloads is 'transactional', in that each work's distribution payment is calculated as a percentage of the value of its sales. However, where a match to a payable work does not occur and the per work APRA AMCOS distribution value is less than the \$15 threshold, the distribution value is distributed pro rata across the payable works reported by the same client.

YouTube

Census for 'music asset file' sample for 'non-music' file

APRA includes in its distributions the music reported by YouTube by means of their electronic 'Music Asset' reports. These reports contain approximately 300,000 musical works per quarter. In addition, YouTube provides a report containing videos where music, if present, is not reported. Each quarter, APRA staff research the top 1,000 videos by number of views to identify, where possible, the music contained in them.

Streaming Services (Spotify, Apple Music, Google Play, Vevo, Les Mills, Pandora and Tidal)

Direct allocation (transactional), direct allocation (blanket) and analogy depending on revenue and/or whether multi-territorial service or not.

APRA currently distributes streaming revenue, other than Spotify, Apple Music, Google Play, Vevo, Les Mills, Pandora and Tidal using Spotify data. Tidal, Google Play and Pandora works that have an APRA AMCOS distribution value over \$2 are processed for distribution purposes and are paid on a quarterly basis using usage data provided by these companies. Note that P1710 (June quarter 2017) is the last distribution in which Pandora will be included.

Spotify and Apple Music Premium files, as well as Les Mills and Vevo, are processed in their entirety using the data provided by these companies.

Video on Demand (VOD)

Direct allocation (transactional), direct allocation (blanket) and analogy depending on revenue and/or whether multi-territorial service or not.

Apple

For Apple Video on Demand, APRA selects the highest value data representing 50% of sales value, to which we distribute 100% of the revenue.

Netflix

For Netflix Video on Demand, APRA selects the highest value data representing 50% of sales value, to which we distribute 100% of the revenue.

STAN

For STAN Video on Demand, APRA selects the highest value data representing 50% of sales value, to which we distribute 100% of the revenue.

Lightbox (NZ)

For Lightbox Video on Demand, APRA selects the highest value data representing 50% of sales value, to which we distribute 100% of the revenue.

Other Video on Demand Services

APRA distributes revenue received from VOD services others than those specified above using the data provided by Apple Video on Demand.

N.B. It is APRA's intention to move to a full analysis of Streaming, YouTube and Video on Demand services as soon as necessary system changes can be implemented. In the meantime, various sampling and distribution by analogy measures are in place, as outlined above.

Fetch TV

Fetch TV is an Australian IPTV company, operating a subscription television service over a user's regular Internet service. They offer two services, a Video on Demand service and a Foxtel Pay TV channel service. APRA receives separate revenue for each one, but no actual usage information.

The Video on Demand and pay TV channel services' APRA revenue are respectively added to the existing Video on Demand and Foxtel revenue pools for distribution, using the data provided by the current Video on Demand services and by Foxtel.

Music Distribution Services

Direct allocation (blanket) and analogy

Music Distribution Services supply background music to commercial premises using digital and other communication-based distribution media.

APRA's distribution of revenue received from such services is either paid directly to data provided by the client or by analogy depending on revenue.

Cloud Services

Distribution by analogy

Cloud services provide online storage of music downloads for backup and access. Our only standalone licence is for Apple iCloud and that is paid out according to Apple iTunes' download data.

Miscellaneous Online Clients

Sample/Direct Allocation/Distribution By Analogy – (depending on the licence).

A number of Online, Podcast and 3G Mobile licensees report their music details in a computer readable form. The distribution procedure approved by Board has been adopted to maintain a distribution system that is not, in terms of workload and therefore cost, incommensurate with the fees received.

The distribution procedure is as follows: Licence fees received with no accompanying music usage data are distributed across the radio revenue pools on a follow-the-dollar basis. However, where the online licence fee exceeds \$5,000, fees may be allocated to an alternative distribution source if one exists that more closely reflects the type of music used.

37. EDUCATIONAL LICENCES including Schools, Universities, Conservatoria and Commercial Colleges

Australia

Third Party Data – under review

APRA's distributions include payment in respect of music performed in Australian government, independent and catholic schools, universities and other educational institutions. APRA's educational licences cover the public performance of musical works, including performances by school bands, orchestras, choirs and singing groups. The APRA licence does not include music performed at concerts put on by independent concert promoters or where the school or other institution is paying a professional musician to perform.

Owing to the difficulties and prohibitive costs of obtaining performance data from these institutions, including approximately 9,600 schools in Australia, APRA uses for its distribution purposes information obtained from a survey of schools conducted throughout Australia on behalf of CAL (Copyright Agency Ltd) in respect of the photocopying of print music. In the large majority of cases, the photocopying of music is for the purpose of performing that music. There is therefore a close alignment between the music reported by the CAL survey and the music that is performed by permission of the APRA licence.

The details of the musical works included in the CAL survey are provided to APRA on a regular basis. 20% of the licence fees collected from schools and universities is allocated to the Live Performance pool, 40% of the licence fees is distributed to the musical works included in the CAL survey, with the other 40% allocated across radio pools.

New Zealand

Sample and Third-Party Data – under review

APRA receives data from a number of sources in relation to New Zealand licences. Information is received from the schools themselves by way of voluntary samples, schools' music festivals and competition organisers.

The various sources of information share in the licence fees received. 20% of the licence fees collected from schools is allocated to the New Zealand Live Performance pool, and the remaining licence fees are distributed to the musical works included in the New Zealand schools' data.

38. LICENCE CATEGORIES FOR WHICH ALL OR PART FEES ARE ADDED TO RADIO AND OTHER POOLS FOR DISTRIBUTION INCLUDE (Australia and New Zealand)

Distribution by Analogy

Background Music
Restaurants and Cafés
Hotels
Retail
Community Groups & Eisteddfodau
Dance Schools
General Live
Halls & Functions
Karaoke
Music in the workplace

Licence fees are received from a large number of, generally, small businesses for the use of devices such as radios, juke boxes, background music systems, TV sets and websites on their premises.

As it would be virtually impossible for such licensees to provide APRA with music usage information, and it would equally be quite unfeasible economically for APRA to process such large volumes of data, APRA includes such licence fees in its distributions by adding the amounts to radio and television pools, across music video programming and to live and online sources in proportions commensurate with the applicable tariff.

39. Payments from Affiliate Societies

APRA receives royalty distributions from approximately 60 affiliated societies around the world, covering some 50 countries. Payments totalling approximately \$36 million a year are received for APRA members' musical works performed and broadcasts overseas. Approximately 150 individual distributions are processed each year.

With the exception of a few smaller societies, distributions are provided to APRA electronically, and works are matched automatically with APRA's database of titles. The distribution of royalties to APRA is in accordance with each affiliated society's own rules of distribution, but in accordance with our reciprocal representation agreements and, where possible, CISAC guidelines.

Foreign earnings are distributed monthly when the distributable amount exceeds \$10. Amounts below this level are paid with APRA's normal three-monthly distributions.

APRA deducts an average of 2% of net royalties received from affiliated societies in respect of the costs associated with the analysis and processing of such royalty payments, applying variable percentages ranging from 1% to 5% depending on the territory from which the royalties are received.