

# How are my retransmission royalties calculated?

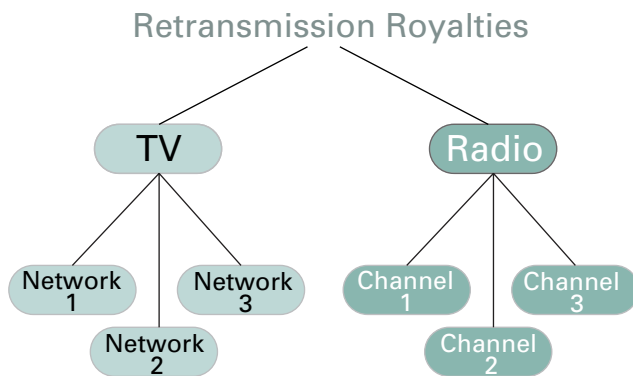


Have you just been paid retransmission royalties? Want to know how the amount was calculated? This In Brief sheet explains the calculation process for Australian retransmission royalties. There is a separate sheet explaining how educational and government royalties are calculated.

## Australian Retransmission royalties

These are generated when free to air broadcasts are retransmitted by another service, such as pay television. Screenrights takes the following steps to work out how much a rightsholder should be paid:

### Royalties for each Network are separated into different pools.



The money collected from the retransmitters is divided into two pools, one for TV royalties and one for radio royalties. These pools are further divided into individual TV network and radio channel pools. This means money collected for the retransmission of each network is held separately, for instance ABC1 is separate to the money for SBS ONE.

The amount paid to each program is therefore influenced by the money available in the pool for that TV network.

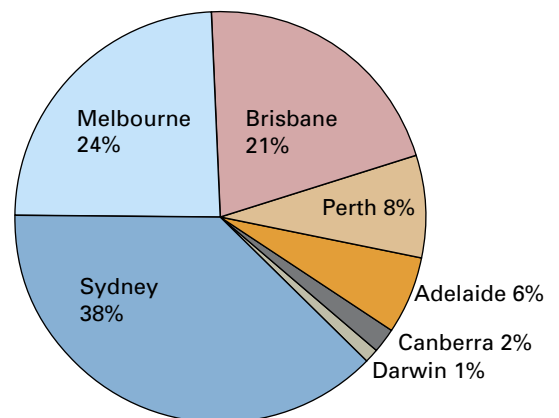
**Note:** *In the case of radio, royalties are paid on a channel basis. For more information on*

*retransmission royalties for radio, contact Member Services.*

### Details of retransmitted programs including regional variations are obtained.

Screenrights can find out which programs been retransmitted by obtaining details of all programs broadcast in metropolitan and regional areas, or it can take a representative sample of this data and use this. Obtaining details of all broadcast programs involves processing considerably more records, many of which are duplicates. This is a much more costly option, and as administrative costs are deducted from the royalties paid to rightsholders, the Screenrights Board has elected to use the sample method.

To take into account the regional variations in programming on most free-to-air networks in Australia, Screenrights monitors each retransmitted regional signal throughout the year and compiles a representative sample of 365 days. The representative sample is based on relative cable subscriber numbers in each region. The more subscribers in a region, the greater number of days are picked up in the representative sample.



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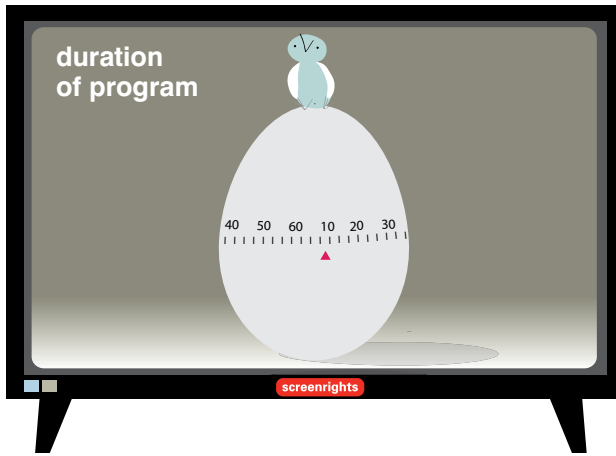
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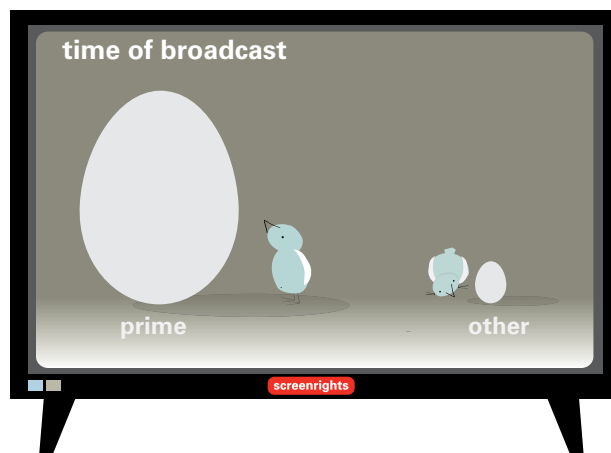
**The value of a program within a pool is calculated.**

The next task is to work out how much each program that was retransmitted should be paid.

The first factor that determines how many royalties a program earns is the **number of minutes retransmitted**. The more minutes that are retransmitted, the higher the value of the royalties.

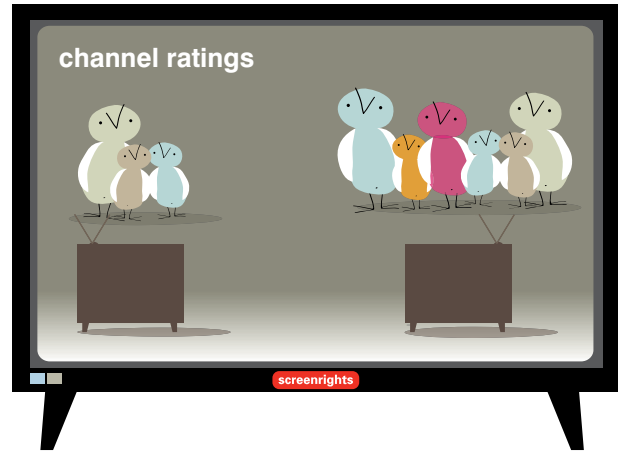


The second factor that determines how many royalties a program earns is the **time of day the program is broadcast**. Programs that are broadcast in primetime earn around three times as much as programs that play during the day or late in the evening, which in turn earn three times as much as programs that are broadcast in the middle of the night.



The third factor that affects payment is the **ratings**

**of the channel** (not the individual program) retransmitted.



Once these factors have been taken into account, each program can then be allocated a total amount.

$$\text{Minutes} \times \text{Timeslot Ratings Band} = \text{Value}$$

**Allocation to copyrights in a program**

Each program contains a number of different copyrights. The total amount for a program is divided between the distinct copyrights. The allocations are determined by the Screenrights Board.

**Australia:**

|  |        |
|--|--------|
| Film                                   | 68.50% |
| Script                                 | 22.10% |
| Musical Works                          | 7.40%  |
| Sound recordings of commercial music   | 1.11%  |
| Sound recordings of commissioned music | 0.67%  |
| Sound recordings of library music      | 0.21%  |
| Broadcast signal                       | 0.00%  |

**Note:** Artistic works also receive an allocation. For information on how this is done, contact Member Services.

**More information?**

Check out our other In Brief Sheets. Our Member Services team is also happy to answer your questions. Email: [memberservices@screenrights.org](mailto:memberservices@screenrights.org)



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