IMRO's Distribution Policies & Practices

Document Control

Reviewers

IMRO Distribution Department

IMRO Licensing Department

IMRO Finance Department

IMRO CEO

IMRO Distribution Committee

IMRO Board

Approval

This document was approved on the following dates:

Date/Time	Body	Note
02/12/2010	IMRO Board	Revised 'Census/Sample' definition.
03/05/2011	IMRO Board	Revised RTÉ TV & Radio policies; changes to cinema policies to use Rentrak EDI & Carlton Screen Advertising data; new Video Streaming policy.
14/09/2011	IMRO Board	Revised RTÉ Performing Groups policy.
30/11/2011	IMRO Board	Revised Tours & Residencies scheme; revised cable re-transmission policy; creation of ILR Agency Ad policy.
14/03/2012	IMRO Board	Revised Music Streaming and RTÉ Player policies.
20/12/2012	IMRO Board	Revised policies increasing distribution frequency for TV, Radio, Live, Background Music and Overseas payments.
20/02/2013	IMRO Board	New policies for Spirit FM, Setanta Sports, I Tunes Movies, X Box Movies

19/06/2013	IMRO Board	Revised Cinema policy and various updates.

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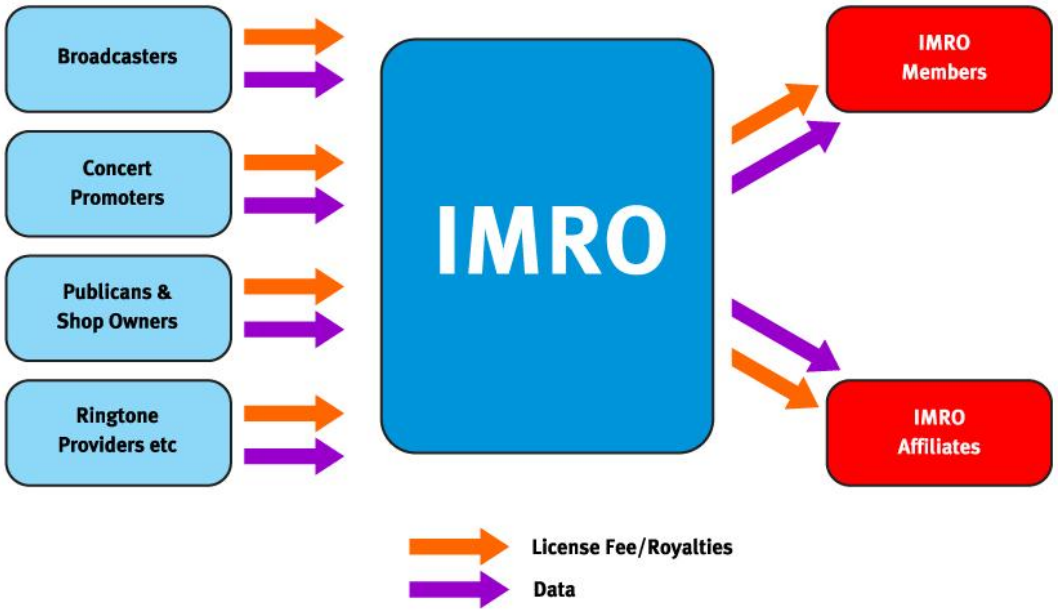
1 INTRODUCTION

This document provides an overview of how IMRO distributes the royalties it collects on behalf of composers, authors and publishers. IMRO collects royalties from a range of sources and this document explains in detail how and when the royalties from each source are paid to the copyright owners.

This document should be read by IMRO's members, IMRO's affiliates (performing right societies outside of Ireland with whom IMRO has a reciprocal agreement) and IMRO's customers and is intended to make IMRO's royalty distributions as transparent as possible.

To make a distribution IMRO needs 2 key components

- **Royalty:** The revenue collected from licensed users of music
- **Data:** Information related to the music usage by the licensed user



Under the terms of IMRO's license agreements, many of IMRO's customers are obliged to report to IMRO the musical works that they have used e.g. played on radio or at a live concert etc. These lists are brought into IMRO's Distribution System and matched against the almost 14 million works held on IMRO's database. IMRO then uses this information together with information provided by its members, affiliate societies and third parties to identify the copyright owners of each musical work used and to calculate the royalties due.

Wherever economically feasible, IMRO tries to ensure that the royalties received from each customer are paid directly on the basis of the musical works performed or broadcast by that user. Through the increase of electronic reporting from customers and the implementation of a new Distribution System, IMRO are processing ever increasing amounts of data in a cost-effective way. However, in some cases, the cost of processing the data will exceed the level of royalties collected; IMRO therefore uses a combination of techniques to distribute royalties.

Data Analysis

Census

When distributions are carried out on a census basis it means that the royalties received from an individual customer are distributed 100% across the music used and reported by that customer e.g. most television and radio station royalties are distributed this way.

Census/Sample

Some radio stations play most music from a 'play-out' system; however they will often have a range of specialist programmes that are returned manually. If a station's royalties are distributed on the Census/Sample rate, it means that they are delivering full census reports for all automated programming (i.e. where music is played out using an automated/play-out system) and are on a sample rate for all programming not delivered via an automated system (i.e. incorporating specialist programming).

Sample

This is where royalties from an individual customer are distributed using a representative sample analysis of its logs. All sample data is chosen on a random basis using a software tool.

Analogies

Royalties for most performances given by recorded means (CD, juke boxes, background music devices etc.) are distributed by reference to statistical data, obtained from sources other than the licensees and which reflect contemporary patterns of music use. These can include sales charts, transmission logs from certain broadcasters, cinema operators, representative surveys etc.

Allocation Basis

Having processed the data from a particular provider the value of a given work can be calculated in one of two ways

Duration Basis

This method is used extensively in broadcast distributions. The net royalty for a radio station is divided by the total number of seconds of music broadcast in the distribution period to arrive at a 'Point Value' (the value of music per second). This 'Point Value' is then multiplied by the number of seconds reported by the broadcaster to calculate the royalty value for that particular song.

Example – Duration Basis

Total Seconds of Music used by 'Broadcaster 1' in Distribution Period	10,000,000
Total net royalty paid by 'Broadcaster 1' for Distribution Period	€130,000
Point Value' (value per second)	€0.013
Total duration (in seconds) reported by 'Broadcaster 1' for 'Song A'.	50,000
Total royalty due to 'Song A' i.e. 50,000 * €0.013	€650.00

Per Play Basis

This method is used most often in distributions related to Live performances. The net royalty for a specific distribution pool is divided equally amongst all musical works performed.

Example – Per Play Basis

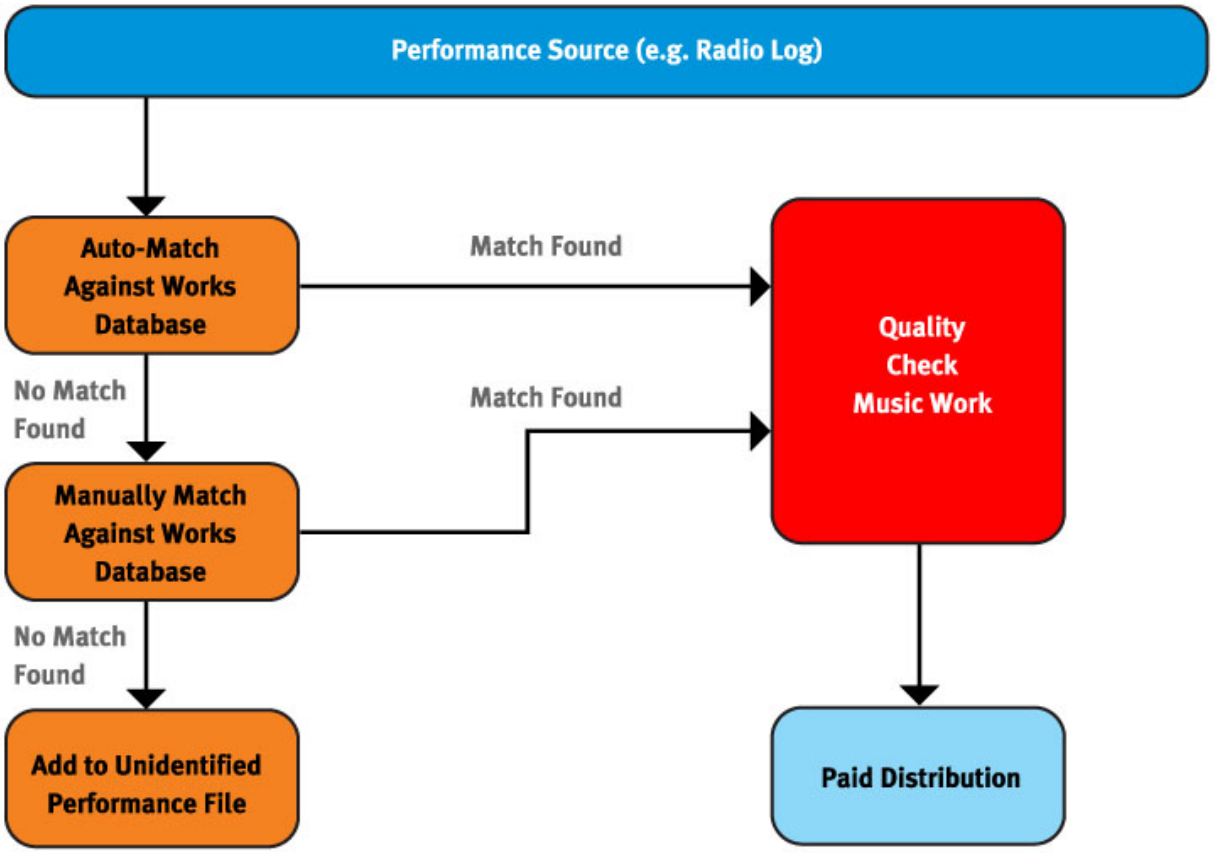
Total number of songs performed on a set-list	20
Total net royalty paid by 'Promoter 1' for that event	€1,000
Point Value' (value per play)	€50
Total plays reported by 'Promoter 1' for 'Song A'.	2
Total royalty due to 'Song A' i.e. 2 * €50	€100

This document gives a comprehensive view of where each distribution technique is used across the range of IMRO's revenue streams.

2 BROADCAST ROYALTIES

IMRO receives royalties from all Irish broadcasters. In the main the royalties from broadcasting are analysed on a Census basis where music duration is a key factor in determining the value of a royalty payment.

The process for all surveyed broadcasters is as follows.



** The Unidentified Performance file is made available to IMRO's members and affiliates. (See Unidentified Performances section 8.2.)*

2.1 TELEVISION

Television royalties are distributed by IMRO quarterly in April, July October and December. Based on analysis of independently commissioned media monitoring data, IMRO policy is to split television royalties in the following manner

- 85% of net revenue is distributed to the music used in general programming
- 15% of net revenue is distributed across advertising data

This spilt will be reviewed every 5 -7 years. It was last assessed in 2011.

NATIONAL TELEVISION - GENERAL

There are 4 national TV stations in Ireland, RTÉ 1, RTÉ 2, TV3 and TG4. Each station returns complete transmission logs and these are analysed on a census basis. The royalties received from each station are distributed four times a year. A separate distribution pool is created from each station and the royalties received from that station are distributed across the music reports returned by that station.

85% of the net revenue received is distributed across 'General Music' i.e. the music used within all TV programmes, promos etc.

Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
RTÉ 1 TV - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
RTÉ 2 TV (2 Stations) - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
TV3 - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
TG4 - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December

NATIONAL TELEVISION - ADVERTISING

15% of the revenue in each station is reserved for an 'Advertising Music' pool as the music returns for adverts are processed separately.

Revenue Source	Analysis	Remarks	Distribution Frequency
RTÉ TV (2 Stations) - ***Advertising Music*** - 15% of Net Revenue	Census	All are calculated on a duration basis	Quarterly. April, July, October & December
TV3 - ***Advertising Music*** - 15% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
TG4 - ***Advertising Music*** - 15% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December

LOCAL/CABLE TELEVISION

There are very few indigenous cable-only stations in Ireland. Where economically feasible, IMRO's policy is to distribute royalties on a census basis.

Revenue Source	Analysis	Remarks	Distribution Frequency
3e - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
3e - ***Advertising Music*** - 15% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Setanta - ***General Music*** - 85% of	Sample	2 day per month sample.	Quarterly. April, July,

Net Revenue		Calculated on a duration basis	October & December
Setanta - ***Advertising Music*** - 15% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December

CABLE RE-TRANSMISSION

IMRO licenses cable operators and satellite broadcasters for the cable re-transmission of foreign stations in Ireland. IMRO passes the royalties it collects for these stations to the society in the territory of original broadcast e.g. the royalties collected by IMRO for the re-transmission of BBC channels is passed to PRS which is then added to the main BBC PRS pools.

The following is a selection of channels licensed by IMRO where the royalties are distributed by the societies in the original territory.

BBC1	ITV1	Sky Sports 1	E4	Sky Movies Comedy
BBC2	ITV2	Sky Sports 2	E4+1	Sky Movies Drama
BBC3	ITV3	Sky Sports News	Discovery	Sky Movies Indie
BBC4	ITV4	Comedy Central 1	Sky Living	Sky Movies Classics
CBeebies	C4	Comedy Central +1	Sky Living +1	Sky Movies Premiere
CBBC	Sky 1	Comedy Central Extra	MTV	Sky Movies Premiere + 1
BBC News 24	Sky News	Sky Two	E!	Sky Movies Family
BBC World	Nickelodeon	Sky Three/Pick	Film 4	Sky Movies Modern Greats
BBC HD	Nick Jnr	Sky Sports 3	Film 4+1	Sky Movies Sci Fi/Horror

As per international agreements IMRO can reserve a percentage of this Cable Re-Transmission net revenue to compensate IMRO original and sub-publishers who otherwise would not feature in the distributions in the territory of original broadcast. IMRO currently reserves 2% of net revenue to fund a Publisher Compensation Scheme.

On an annual basis, IMRO writes to its publisher members inviting them to take part in the scheme. To qualify the publisher must be able to show how it is at a financial loss due to the cable re-transmission royalties being distributed by the overseas society rather than IMRO.

The member's earnings from IMRO's domestic TV distributions are used to determine the share of the compensation fund. A simple weighting is also applied to reflect whether a member earns reduced or no royalties due to the overseas society carrying out the distribution.

2.2 RADIO

Radio royalties are distributed by IMRO quarterly in April, July October and December. Based on analysis of independently commissioned media monitoring data, radio royalties are split in the following manner

- 85% of net revenue is distributed to the music used in general programming
- 15% of net revenue is distributed across advertising data
- For Independent Local Radio, the advertising revenue is further divided between In-House and Agency advertisements (see below)

This spilt will be reviewed every 5 -7 years. It was last assessed in 2011.

NATIONAL /QUASI- NATIONAL RADIO - GENERAL

There are 6 national/quasi-national radio stations in Ireland, RTÉ Radio 1, RTÉ Radio 2fm, Radio Na Gaeltachta, Lyric FM, Today FM, and Newstalk. Each station returns complete transmission logs and these are analysed on a census basis. The royalties received from each station are distributed quarterly. A separate distribution pool is created for each station and the royalties received from that station are distributed across the music reports returned by that station.

Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
RTÉ: Radio 1 - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
RTÉ: Lyric FM - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
RTÉ: RnaG - ***General Music*** - 100% of Net	Census	Calculated on a duration basis	Quarterly. April, July, October &

Revenue			December
RTÉ: 2FM - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Today FM - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Newstalk - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December

NATIONAL /QUASI- NATIONAL RADIO - ADVERTISING

The advertising logs for each of these stations are processed separately. 15% of net revenue is reserved to fund each advertising distribution pool (with the exception of RnaG as it carries no advertising).

Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
RTÉ: Radio 1 - A***dvertising Music*** - 15% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
RTÉ: Lyric FM - ***Advertising Music*** - 15% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December

RTÉ: 2FM - ***Advertising Music*** - 15% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Today FM - ***Advertising Music*** - 15% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Newstalk - ***Advertising Music*** - 15% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December

REGIONAL /INDEPENDENT LOCAL RADIO - GENERAL

There are 30 Regional, Multi City and Independent Local Radio stations in Ireland. The royalties received from each station are distributed four times a year. A separate distribution pool is created from each station and the royalties received from that station are distributed across the music reports returned by that station.

Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
4FM - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
96FM - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Beat 102 103 FM - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December

C103 - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Clare FM - ***General Music*** - 85% of Net Revenue	Census/ Sample	Census for automated returns. 3 day per month sample for non-automated. Calculated on a duration basis	Quarterly. April, July, October & December
Dublin's 98 - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Dublin's Country Mix - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
East Coast Radio - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
FM104 - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Galway Bay FM - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Highland Radio - ***General Music*** - 85% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December
i102-104 - ***General***	Census	Calculated on a duration basis	Quarterly.

Music - 85% of Net Revenue			April, July, October & December
i105-107 - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
KCLR - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December

KFM - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Limerick's Live 95FM - ***General Music*** - 85% of Net Revenue	Census/ Sample	Census for automated returns. 4 day per month sample for non-automated. Calculated on a duration basis	Quarterly. April, July, October & December
LM/FM - ***General Music*** - 85% of Net Revenue	Census/ Sample	Census for automated returns. 2 day per month sample for non-automated. Calculated on a duration basis	Quarterly. April, July, October & December
Midland Radio 3 - ***General Music*** - 85% of Net Revenue	Census/ Sample	Census for automated returns. 2 day per month sample for non-automated. Calculated on a duration basis	Quarterly. April, July, October & December
MWR FM - ***General Music*** - 85% of Net Revenue	Census/ Sample	Census for automated returns. 4 day per month sample for non-automated. Calculated on a duration basis	Quarterly. April, July, October & December
Ocean FM - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Phantom FM - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Q102 - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December

Radio Kerry - ***General Music*** - 85% of Net Revenue	Census/ Sample	Census for automated returns. 2 day per month sample for non-automated. Calculated on a duration basis	Quarterly. April, July, October & December
Radio Nova - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Red FM - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Shannonside/Northern Sound - ***General Music*** - 85% of Net Revenue	Census/ Sample	Census for automated returns. 3 day per month sample for non-automated. Calculated on a duration basis	Quarterly. April, July, October & December
South East Radio - ***General Music*** - 85% of Net Revenue	Census/ Sample	Census for automated returns. 6 day per month sample for non-automated. Calculated on a duration basis	Quarterly. April, July, October & December
Spin 103.8FM - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Spin South West - ***General Music*** - 85% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Spirit FM	Sample	One month per quarter. Calculated on a duration basis.	Quarterly. April, July, October & December

Tipp FM - ***General Music*** - 85% of Net Revenue	Census/ Sample	Census for automated returns. 4 day per month sample for non-automated. Calculated on a duration basis	Quarterly. April, July, October & December
WLR FM - ***General Music*** - 85% of Net Revenue	Census/ Sample	Census for automated returns. 2 day per month sample for non-automated. Calculated on a duration basis	Quarterly. April, July, October & December

REGIONAL /INDEPENDENT LOCAL RADIO - ADVERTISING

The advertising logs for each Regional /Local stations are processed separately. Two types of radio advertisements are reported by Independent Local Radio stations

- **In-House** – in this case the station makes the advert itself and the data returned is of a very high quality and easily identified. 6% of net revenue is distributed across this data
- **Agency** – in this case, the advertising slots are bought through one of several central agencies and the adverts are typically for national or international products. 9% of net revenue from each of the following stations is used to fund the ILR Advertising Agency Pool (details given below)

Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
4FM – ***In-House Advertising Music*** - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
96FM - ***In-House Advertising Music*** - 6% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December
Beat 102 103 FM - ***In-House Advertising Music*** - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December

C103 - ***In-House Advertising Music*** - 6% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December
Clare FM - ***In-House Advertising Music*** - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Dublin's 98 - In-House Advertising Music - 6% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December
Dublin's Country Mix - In-House Advertising Music - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
East Coast Radio - In-House Advertising Music - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
FM104 - In-House Advertising Music - 6% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December
Galway Bay FM - In-House Advertising Music - 6% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December
Highland Radio - In-House Advertising Music - 6% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December

i102-104 - In-House Advertising Music - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
i105-107 - In-House Advertising Music - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
KCLR - ***In-House Advertising Music*** - 6% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December
KFM - ***In-House Advertising Music*** - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Limerick's Live 95FM - In-House Advertising Music - 6% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December
LM/FM - In-House Advertising Music - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Midland Radio 3 - In-House Advertising Music - 6% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December
MWR FM - In-House Advertising Music - 6% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December

Ocean FM - In-House Advertising Music - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Phantom FM - In-House Advertising Music - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Q102 - In-House Advertising Music - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Radio Kerry - ***In-House Advertising Music*** - 6% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December
Radio Nova - ***In-House Advertising Music*** - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Red FM - ***In-House Advertising Music*** - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December

Shannonside/Northern Sound - ***In-House Advertising Music*** - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
South East Radio - ***In-House Advertising Music*** - 6% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July, October & December
Spin 103.8FM - ***In-House Advertising Music*** - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Spin South West - ***In-House Advertising Music*** - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Spirit FM - ***In-House Advertising Music*** - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December
Tipp FM - ***In-House Advertising Music*** - 6% of Net Revenue	Sample	2 day per month sample. Calculated on a duration basis	Quarterly. April, July October & December
WLR FM - ***In-House Advertising Music*** - 6% of Net Revenue	Census	Calculated on a duration basis	Quarterly. April, July, October & December

REGIONAL/INDEPENDENT LOCAL RADIO ADVERTISING - AGENCY

To improve the accuracy of distributions relating to music used in radio advertising, 9% of revenue from all Local, Multi-City and Regional stations is reserved to fund the ILR Agency pool. The ad logs from a number of national stations are used as the basis on an analogy to distribute this revenue.

Revenue Source	Analysis	Remarks	Distribution Frequency
'ILR Advertising Agency Pool' All Local, Regional and Multi-City Stations – ***Agency Advertising Music*** - 9% of Net Revenue	Analogy	Calculated on a duration basis using returns received from the following national stations: RTÉ Radio 1, 2FM, Newstalk, Today FM.	Quarterly. April, July, October & December

DIGITAL RADIO

There are 6 digital radio stations in Ireland. As digital radio is in its infancy in Ireland and as the revenue received from this source is very modest no direct distributions take place.

Revenue Source	Analysis	Remarks	Distribution Frequency
RTÉ Choice - ***General Music***	Under Review	Currently the revenue received from this station is distributed pro-rata across the 4 RTÉ radio channels	Quarterly. April, July, October & December
RTÉ Junior - ***General Music***	Under Review	Currently the revenue received from this station is distributed pro-rata across the 4 RTÉ radio channels	Quarterly. April, July, October & December
RTÉ Gold - ***General Music***	Under Review	Currently the revenue received from this station is distributed pro-rata across the 4 RTÉ radio channels	Quarterly. April, July, October & December
RTÉ 2XM - ***General Music***	Under Review	Currently the revenue received from this station is distributed pro-rata across the 4 RTÉ radio	Quarterly. April, July, October &

		channels	December
RTÉ Pulse - ***General Music***	Under Review	Currently the revenue received from this station is distributed pro-rata across the 4 RTÉ radio channels	Quarterly. April, July, October & December
RTÉ Chill - ***General Music***	Under Review	Currently the revenue received from this station is distributed pro-rata across the 4 RTÉ radio channels	Quarterly. April, July, October & December

At present, no advertising is carried on these stations.

COMMUNITY RADIO

There are a range of community radio stations and other stations that will from time to time receive temporary broadcast licenses. The revenue from these stations is distributed 50% across the RTÉ Radio 1/Lyric/RnaG General Music pools and 50% across the RTÉ 2FM General Music pool.

3 CINEMA ROYALTIES

Cinema royalties are distributed by IMRO once a year in July. Based on an extensive analysis of music usage within cinemas royalties are split on the following basis

- 1% of *gross* revenue is reserved and added to the Background Music Shops & Bars pool

- 95% of *net* revenue is distributed to the music used in the relevant films
- 5% of *net* revenue is distributed across advertising data

3.1 CINEMA - MAINSTREAM

Mainstream cinema royalties are distributed on the basis of box office figures returned by Rentrak EDI. Rentrak EDI collects box-office information from all cinema operators in Ireland and compiles the official box-office charts. The relevant cue sheets are secured from IMRO's members and from IMRO's affiliates.

Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
Mainstream Cinema - ***General Music***	Census	This census is based on full annual box office figures received from Rentrak EDI.	Annually in July

The mainstream cinema pool is made up of 90% net revenue received from all cinemas in Ireland (excluding the IFI Cinema in Dublin).

3.2 CINEMA - ARTHOUSE

Revenue from the IFI Cinema in Dublin makes up the Arthouse cinema pool. The royalties are distributed on the basis of performance logs returned by the IFI.

Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
Arthouse Cinema - ***General Music***	Sample	The sample is based on full annual returns received from the IFI cinema	Annually in July

3.3 CINEMA ADVERTISING

Cinema advertising royalties are distributed on the basis of advertising logs provided by Carlton Screen Advertising. Carlton has 100% site coverage in Ireland through all the major cinema exhibitors and through many independent operators.

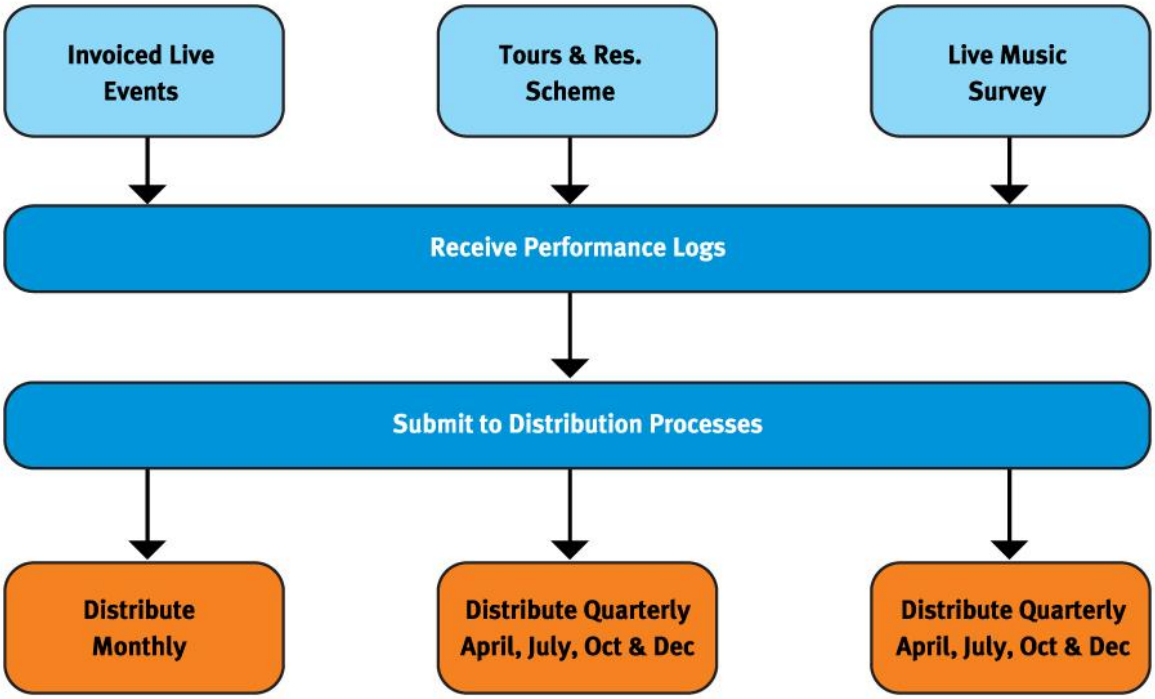
Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
Cinema - Advertising Music	Sample	Distributed on the basis of advertising logs returned by Carlton Screen Advertising. The pool is made up of 5% revenue from both Mainstream & Arthouse cinema pools	Annually in July

4 LIVE ROYALTIES

As with broadcast royalties, IMRO strives to distribute as many live royalties as possible across actual usage data.

There are three main distribution pools for Live royalties. They are

- Invoiced Live Events
- Tours and Residencies Scheme
- Live Music Survey



The frequency of live royalty distribution ranges from monthly to quarterly depending on the source of the revenue.

4.1 INVOICED LIVE EVENTS

Invoiced Live Events are gigs and concerts where a specific invoice has been raised for the event. On these occasions, IMRO will ring-fence the royalties collected for distribution across the actual set-lists used at the event.

Revenue Source	Analysis	Remarks	Distribution Frequency
Specifically Invoiced Live Events	Census	Per play basis. Generally these are larger invoiced events. 60% of net revenue is paid to the Headline Act and 40% to the Support Act/Acts. Where more than 8 acts play at an event it is classed as a festival and the royalties are split evenly between all acts. Costs (including Classical Concerts) are calculated on the following basis; the lesser of 25% gross royalty or (Total number of bands * €158.72) + €190.46.	Monthly

IMRO collects set-lists from music promoters, members and sister societies. Once the set-list has been received and the invoice has been paid, IMRO distributes these royalties within a month.

If after a three year period IMRO has been unable to secure a relevant set-list, the royalties are distributed via the Live Music Survey.

4.2 TOURS & RESIDENCIES SCHEME

The Tours & Residencies scheme allows IMRO's members and affiliates self-report all gigs they have performed in a quarter. The members and affiliates are required to submit both a Gig-List (a list detailing the date and venue of their performances) and a representative Set-List that includes all songs regularly performed.

Revenue Source	Analysis	Remarks	Distribution Frequency
Tours & Residencies	Self Reporting Scheme	Reported gigs receive €20 gross per venue per day within a 6 month reporting period. Set lists and gig lists are only accepted via the IMRO web-site.	Quarterly. April, July, October & December

The deadline of submissions for inclusion in the Tours & Residencies Scheme is as follows:

Performances	Submission Type	Submission Deadline
January - March	On-Line submissions only	Mid-May
April – June	On-Line submissions only	Mid-August
July - September	On-Line submissions only	Mid-October
October – December	On-Line submissions only	Mid-February

From January 2012, members must submit qualifying performances via the IMRO web-site. A fixed cost of 10% will be applied to this scheme.

4.3 LIVE MUSIC SURVEY

The royalties collected from all other live performances are distributed on the basis of IMRO's Live Music Survey. This survey of live performances in pubs, hotels & restaurants around the country is carried out on IMRO's behalf by an independent market research company.

Revenue Source	Analysis	Remarks	Distribution Frequency
Live Revenue - All Other Venues	Sample	Live revenue from Bars, Hotels & Restaurants is paid based on a survey carried out by an independent market research firm. The survey is made up of 800 visits per annum to live gigs. 9 months of data is used in each quarterly distribution. Calculated on a Per Play basis.	Quarterly. April, July, October & December

There are a number of safeguards in place to ensure the validity, accuracy and representativeness of the survey.

- The target of 800 visits per annum is set on a county by county basis (based on the number of venues in the county)
- The survey takes place throughout the year to account for seasonal changes
- Any reviewer should not see a performer more than once during any six month period
- Reviewers should not visit the same venue more than once a month
- All new reviewers are spot checked within first five reviews
- All reviewers completing over ten reviews are spot checked

9 months' worth of survey data is used in any distribution period.

4.4 RTÉ PERFORMING GROUPS

The RTÉ Performing Groups is comprised of the following

- RTÉ National Symphony Orchestra
- RTÉ Concert Orchestra
- RTÉ Vanbrugh Quartet
- RTÉ Philharmonic Choir
- RTÉ Cór na nÓg

Performances by these groups are licensed via an annual blanket license with RTÉ.

Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
RTÉ Performing Groups	Census	Performances are weighted first by attendance figures and then by music duration.	Quarterly. April, July, October & December

5 BACKGROUND MUSIC

The royalties from a range of sources for 'background' music is distributed over a number of different analogies. Generally background uses are made up of the public performance of Radio or Television in a premises or by mechanical means, e.g. CD, Tape, MP3 player etc.

An analogy is a statistically sound and cost effective way to ensure that the correct mix of music is reflected in royalty payments to writers and publishers. These analogies are devised by first carrying out a survey of actual usage in the relevant type of premises e.g. Shops and Bars and then comparing the results with data already available to IMRO using and independently commissioned mathematical formula; this data will include sales charts, transmission logs from certain broadcasters etc. This comparison seeks to find degrees of similarity between the music captured in the actual survey and the data IMRO already has to hand.

The analogies are reset every 5-7 years following a fresh survey of actual usage. The Background Music analogies are next due for review in 2014.

5.1 PUBLIC RECEPTION

This refers to the public performance of music by means of a television or radio by an IMRO customer.

Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
Public Reception - TV & Radio	Analogy	Public Reception royalties collected for the use of TVs or Radios is added pro-rata to the relevant TV and Radio Stations (including re-transmitted cable & satellite stations where appropriate)	Quarterly. April, July, October & December

Where an IMRO customer pays a TV tariff, the royalties are added pro-rata to all licensed television station pools (including cable re-transmitted channels) and distributed as part of the broadcast distribution in April and October.

Where an IMRO customer pays a Radio tariff, the royalties are added pro-rata to all licensed radio station pools and distributed as part of the broadcast distributions.

Where an IMRO customer pays a combined background tariff e.g. for the use of a CD player and/or a radio and/or a TV, then two-thirds of this revenue will be treated as recorded revenue and distributed on the same basis as 'Background Music – Shops & Bars' (see below) while one-third will be added pro-rata to all licensed television and radio station pools (including cable re-transmitted channels) and distributed as part of the broadcast distribution in April, July, October and December.

5.2 BACKGROUND MUSIC – SHOPS & BARS – RECORDED MUSIC

Where an IMRO customer (shop owner or pub owner) pays a background mechanical tariff for the use of a CD player, MP3 player or juke-box etc. then the royalties are distributed via the Shops & Bars analogy.

Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
Background Music - Shops & Bars	Analogy	Shops & Bars Background revenue is distributed on the basis of an analogy using selected radio logs and chart information. 37.4% - Album charts for the period 25% - Album charts for the previous period 11.3% - Radio 1 logs for the period 9.1% - Q102 logs for the period 7.6% - 2FM logs for the period 3.1% - WLR logs for the period 2.9% - Highland Radio logs for the period 1.7% - LMFM logs for the period 1.3% - Galway Bay FM logs for the period 0.6% - Clare FM logs for the period	Quarterly. April, July, October & December

5.3 BACKGROUND MUSIC – HOTELS & RESTAURANTS – RECORDED MUSIC

Where an IMRO customer (hotel owner or restaurant owner) pays a background mechanical tariff for the use of a CD player, MP3 player or juke-box etc. then the royalties are distributed via the Hotels & Restaurants analogy.

Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
Background Music - Hotels & Restaurants	Analogy	Hotel Background revenue is distributed on the basis of an analogy using selected radio logs and chart information. 30% - Radio 1 logs for the period 28% - Album charts for the period 18.9% - Album charts for the previous period 17.5% - Q102 logs for the period 2.8% - WLR logs for the period 1.2% - Highland Radio logs for the period 1% - LMFM logs for the period 0.6% - Galway Bay FM logs for the period	Quarterly. April, July, October & December

5.4 COMMERCIAL DISCOS

A specific analogy is used to distribute royalties collected from Commercial Discos.

Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
Commercial Discos	Analogy	Disco revenue is distributed on the basis of an analogy using selected radio logs and chart information. 32% - Single Charts for the period 20% - Music Week Club charts for the last 2 periods 16% - Album Charts for the period 16% - Spin FM logs for the period 16% - 98FM logs for the period	Quarterly. April, July, October & December

6 DIGITAL ROYALTIES

IMRO distributes royalties collected from a range of local MSPs (Music Service Providers). Given the emergent nature of this market and the large volume of data to be processed, general distribution policies are set but are reviewed on a case by case basis.

IMRO has partnered with a number of affiliated societies (PRS, SACEM) to offer licenses to multi-territorial MSPs. Therefore for pan-European services, IMRO members will receive the majority of their digital royalties as overseas income.

6.1 MUSIC DOWNLOADS

All reported downloads from licensed MSPs are 'auto-matched'. Unmatched downloads that have been sold three times or more will be 'manually matched'. The total royalties collected will be distributed across all matched downloads.

6.2 RINGTONES

All reported ringtones from licensed Ringtone Providers are 'auto-matched'. Unmatched ringtones that have been sold two times or more will be 'manually matched'. The total royalties collected will be distributed across all matched ringtones.

6.3 MUSIC STREAMING

All reported tracks that have received greater than a 200 streams in a quarter from licensed MSPs are 'auto-matched'. Unmatched tracks that have been streamed 500 times or more will be 'manually matched'. The total royalties collected will be distributed across all matched streams.

6.4 VIDEO STREAMING

Given the extremely high volume of data returned by licensed on-demand streaming services, it is not practical to attempt to match all data.

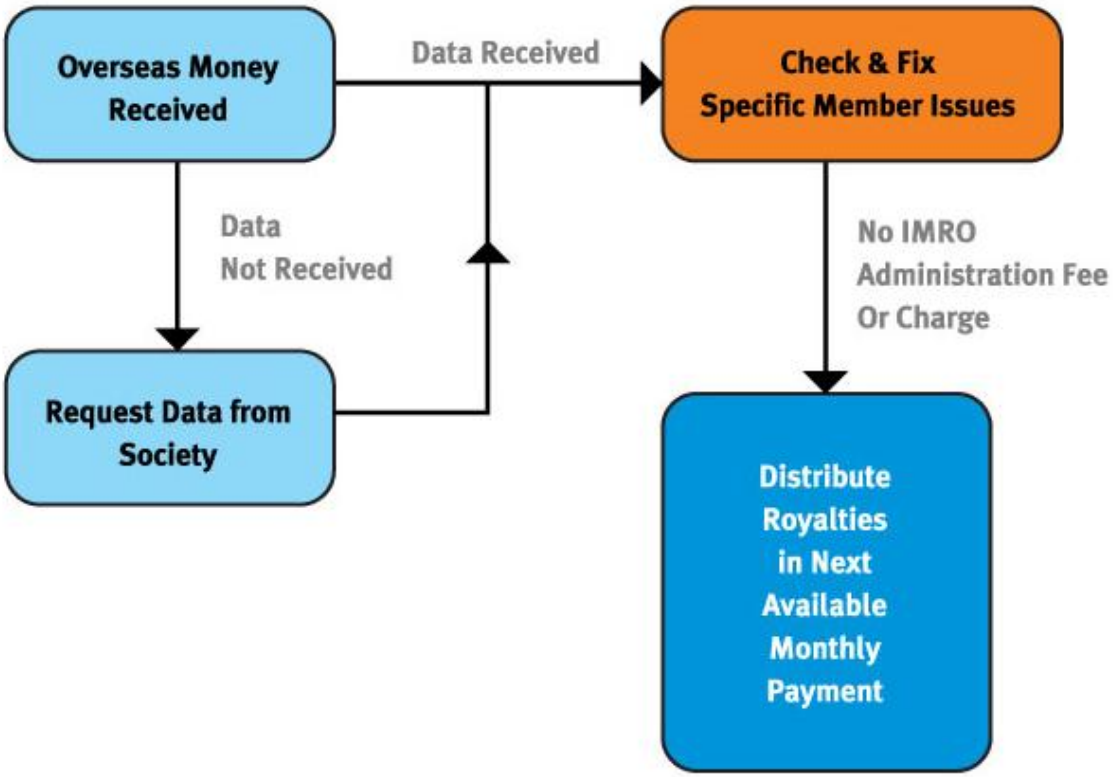
Revenue Source	**Analysis**	**Remarks**	**Distribution Frequency**
RTÉ Player	Sample	The top 400 programmes per quarter are processed. Performances are weighted first by the total number of streams and then by the duration of music within the programmes.	Quarterly. April, July, October & December

YouTube (Ireland)	Sample	The top 5000 videos (with music titles) per quarter are processed. Performances are weighted first by the total number of streams and then by the duration of music within the videos.	Quarterly. April, July, October & December
I Tunes Movies	Sample	The top 500 movies per quarter are processed. Performances are weighted first by the total number of streams and then by the duration of music within the movies.	Quarterly. April, July, October & December
X Box Movies	Sample	The top 100 movies per quarter are processed. Performances are weighted first by the total number of streams and then by the duration of music within the movies.	Quarterly. April, July, October & December

This policy is kept reviewed regularly as new providers come on-line.

7 ROYALTIES FROM OVERSEAS

IMRO is committed to forwarding international royalties to its members in the shortest possible time. With 12 payment runs a year (January to December), IMRO is at the forefront internationally of providing the most frequent distribution of overseas royalties to its members.



All royalties received from an overseas sister society before the 20th of a given month are forwarded to our members by the 15th of the following month.

8 INTERNATIONAL STANDARDS

IMRO is a member of CISAC (International Confederation of Societies of Authors and Composers), an umbrella group for collecting societies. As a member IMRO has signed up to CISAC's professional rules; a code of conduct covering areas such as Governance, Membership and Transparency. In relation to Distribution, the Professional Rules set out a range of Binding Resolutions and Best Practices that IMRO fully adheres to.

8.1 INADEQUATE DOCUMENTATION

If at the time of distribution, there is inadequate documentation for a work that has been performed or broadcast but if one of the original rights holders can be identified as belonging to one of IMRO's affiliated societies, then all the royalties accruing to the work must be forwarded to that affiliated society. That receiving society will then be responsible carrying out the distribution and for providing IMRO with adequate documentation for future distributions.

There is only one exception to the application of the Inadequate Documentation rule. That is where an identified original rights holder is an IMRO member. In that circumstance the royalties owing to the work will be placed in suspense and IMRO will contact its member to secure the correct documentation.

8.2 UNIDENTIFIED PERFORMANCES

An unidentified use is a performance that cannot be matched to any documented work by IMRO and therefore cannot be distributed via the 'Inadequate Documentation' rule.

In this scenario, the unidentified performances are placed on the UP File. The UP File is provided to affiliated societies in an agreed format and is also made available to IMRO's members via the secure member area of the IMRO website.

IMRO members who log-on to the website can search for any works that they believe were performed but have not received a payment for. Each unidentified performance on the UP file holds a notional value (the royalty it would have secured had it been identified at the time of distribution). A member can claim a performance by linking it to their relevant work and following validation by IMRO staff a payment will be made at the next available quarterly distribution.

8.3 UNIDENTIFIED COMMERCIALS

Unidentified Commercials refer to advertisements with music but where the music was unidentified at the time of distribution.

In this scenario, the unidentified commercials are placed on the UC File. The UC File is provided to affiliated societies and also made available to IMRO's members via the secure member area of the IMRO website.

IMRO members who log-on to the website can search for any commercials that they believe were performed but have not received a payment for. Each unidentified commercial on the UC file holds a notional value (the royalty it would have secured had it been identified at the time of distribution). A member can claim an unidentified commercial by linking it to their relevant work and providing supporting information e.g. clock numbers. Following validation by IMRO staff a payment will be made at the next available quarterly distribution.

8.4 DEBIT/CREDIT ADJUSTMENTS

In the event of IMRO paying a work incorrectly or paying incorrect share splits on the work, then IMRO will carry out a Debit/Credit Adjustment. Following validation from IMRO staff, the royalties will be debited from the incorrect copyright owners and paid to the correct owner.

Once notified of an incorrect payment, IMRO will carry out the necessary Debit/Credit Adjustment by the next available quarterly distribution.

As per international standard, IMRO does not process adjustments for claims made more than 3 years after the original distribution

8.5 SUSPENSE AMOUNTS

If at the time of distribution, there is inadequate documentation for a work that has been performed or broadcast and ***none*** of the contributors can be identified, then the royalties due to that work are held in suspense i.e. the amount due to the work is reserved for a time to enable identification of the copyright owners.

All suspense amounts are reviewed after a 6 month period to attempt to identify the correct copyright owners. Copyright owners who are successfully identified will receive a payment at the next available quarterly distribution.

If after analysis, the correct copyright owner cannot be identified, then the royalties are returned to its relevant revenue pool for future distribution e.g. if the unidentified copyright owner featured on a work played on Today FM, then that unallocated royalty would be added to the Today FM pool at its next distribution.

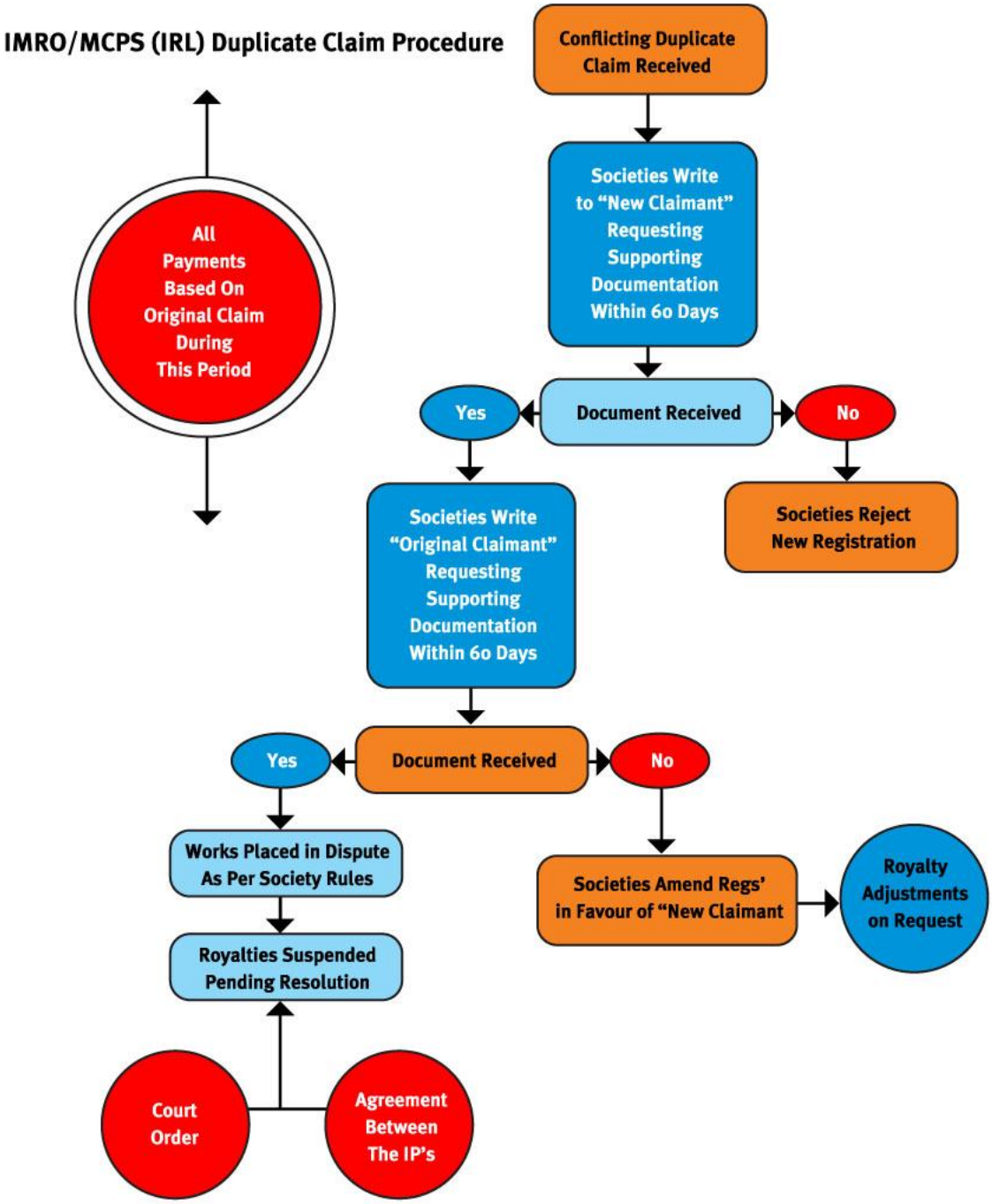
8.6 DUPLICATE CLAIMS/DISPUTE WORKS

IMRO follows international best practice where counterclaims or disputes arise in relation to the ownership of musical works.

Where a new copyright owner claim conflicts with an existing copyright owner claim, then the new claimant must be able to support this claim with documentation within 60 days before that claim can be accepted by IMRO. In the meantime, IMRO will continue to pay the original claimant.

If the new claimant can document its claim, then the original claimant has 60 days to produce documentation for its claim. If the original claimant has not answered within 60 days, they will be notified that their claim has been replaced by the new claim.

If both parties maintain a claim and can supply supporting documentation, then either party can seek to have the works placed in dispute and the relevant shares suspended pending agreement. As per IMRO Rule 6, Board approval is required to place a work in dispute.



IMRO does not and will not arbitrate in the matter of disputes between interested parties and it is not IMRO's responsibility to determine which of the claimant's documentation is more correct or valid.