

Consumer-payable audiovisual content services

Pricelist for performing rights royalties

Valid as of 1 January 2017. Last revised, October 2023.

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The performing rights royalty for services providing paid audiovisual content is determined as a percentage of AV service provider's revenue subject to royalty. The royalty shall be at least the minimum payment mentioned below. This price list does not apply to services only containing music or music videos.

The royalty percentage of an AV service is determined on the basis of the profile of the content it provides. If the service has advertising revenues as well, the royalty for the advertising revenue shall be paid according to the price list for free-to-end user AV services based on the share of music in the content.

Determining the content profile of channels, channel packages, or programme libraries

News, sports, current affairs: Almost 100 % of content is news, sports, and/or current affairs. Share of music max. 15%.

Focused on news, sports, and/or current affairs: May contain content other than news, sports, and/or current affairs. The share of the aforementioned is however at least 60% of the overall content.

Mix: Contains content from various program profiles. The share of both news, sports and/or current affairs and entertainment is less than 60% of the overall content.

Focused on entertainment: May contain content other than entertainment, but the share of entertainment is at least 60% of the content.

Entertainment: Almost 100% of content is content which has a high share of music (movies, scripted drama, children's programmes). Share of music max. 75%.

The profile of an entire channel, channel package, or programme library is not affected by the inclusion of a single channel, channel package, or programme that deviates from the profile in question.

Determining the content profile of channels, channel packages, or programme libraries

Example 1

Channel package contains 15 channels:

8 film/movie channels	}	11 entertainment channels (73% of package content)
3 children's channels		4 news, sports, and current affairs channels
4 sports channels		27% of package content

= Entertainment-focused channel package (over 60% of package content is entertainment)

Although the channel package contains content other than movies, scripted drama, and children's programmes, it is entertainment-focused on account of over 60% of the package content being entertainment. The package remains entertainment-focused even if small changes are made to the content.

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The price covers both VOD services and linear pay-TV channels and pay-TV packages or combinations thereof. The price is charged for each channel package separately.

Free trials of the service of up to thirty (30) days shall be exempt from the license fee. Free trials shall only be offered to new customers and only one free trial period per customer shall be permitted.

The minimum payment is a fixed price based on the number of subscribers and the content profile of the VOD service or the channel package.

If the number of titles in the program library is less than 2000 titles, the minimum payment will be sliding within the content category applicable to the service. The minimum compensation is then determined by multiplying the VAT excluded subscription fee by the royalty percentage applicable to that content category (Example 3). However, the minimum payment shall always be at least equal to the lowest amount mentioned in relation to that content category.

If the service contains music that is not represented by Teosto or music that is directly licensed, and the service provider provides the reports required by Teosto and indisputably produces evidence of the use of music not represented by Teosto / directly licensed music in the content of the service and the number of views of the content, Teosto will take into account the share of the aforementioned music in the compensation to be paid by the service provider in accordance with the price list. The compensation percentage according to the price list is reduced by a proportional share of the total music content of the service, weighted by viewings of music not represented by Teosto / directly licensed music.

Content profile Royalty	Sports	Focused on sports 60%	Mix	Focused on entertainment 60%	Entertainment
	For services over 2000 titles: Minimum payment of the package or service EUR/month/package or service subscribed	0.65%	1.25%	1.75%	3%
For services less than 2000 titles: Minimum payment of the package or service EUR/month/package or service subscribed	0.04€	0.08€	0.15€	0.19€	0.20€
Channel-specific fixed price, EUR/month/channel subscribed	0.02€ - 0.04€	0.04€ - 0.08€	0.08€ - 0.15€	0.10€ - 0.19€	0.11€ - 0.20€
	0.0069€		0.0187€		0.0241€

The channel-specific fixed price applies when determining the price for a single linear pay-TV channel. The content of the channel may consist of various types of programmes: news, sports, current affairs, documentaries, reality, comedy series, etc.

Example 2

Sports and entertainment in the programme library:

Sports } Sports make up at least 60% of the entire content
 Entertainment } Entertainment makes up at most 40% of the content

= Sports-focused programme library (over 60% of the content is sports)

Example 3

Determining the minimum :

Entertainment-focused VOD service (over 60% of package content is entertainment) contains 900 titles and is offered to the end users with monthly subscription fee of 6.00 + applicable VAT.

Minimum fee of the VOD service is calculated as follows:
 $6.00\text{€} \times 3\% = 0.18\text{€}$

Minimum fee of the VOD service is 0.18€.

Application of this price list requires a specific agreement with Teosto about the use of music in AV content. The price list is intended for broadcaster companies and AV services operating in Finland.