

**2020 DISTRIBUTION: LICENCE FEES FROM CORPORATIONS & ASSOCIATIONS**

|   |   |                         |                   |
|---|---|-------------------------|-------------------|
| <p><b>1. BACKGROUND</b></p>   | <p>This scheme of allocation applies to the combined licence fees from corporations and associations under licences that provide ‘blanket’ coverage for uses content represented by Copyright Agency. The licence fees are from:</p> <ul style="list-style-type: none"> <li>• corporations, including pharmaceutical, public relations, banking and finance, law firms, property</li> <li>• associations and other entities:             <ul style="list-style-type: none"> <li>○ quasi-governmental organisations (that are not covered by the government statutory licence)</li> <li>○ local government organisations</li> <li>○ religious organisations</li> <li>○ not-for-profit associations</li> </ul> </li> </ul> <p>There is more information about these licence schemes on our website <a href="#">here</a>.</p> <p>We have limited data about the actual use of content by people covered by these licence schemes. We therefore use a range of data sources that indicate the content that is available for use in the sectors covered by the licence schemes</p> |                         |                   |
| <p><b>2. CHANGES SINCE PREVIOUS DISTRIBUTION OF LICENCE FEES FROM THESE SOURCES</b></p> | <ul style="list-style-type: none"> <li>• the annual distribution is earlier this year (March) than last year (May), so the amount available for distribution is less (fees received by early March 2020, compared to late April 2019);</li> <li>• further simplification of the apportionment of the amount available for distribution into ‘pools’ for different classes of rightsholder;</li> <li>• a fund to assist recruitment of new members with repertoire that is valuable to commercial licensing (to be distributed in December 2020);</li> <li>• a new allocation method for the pools of newspapers and magazines, based on the recipients, and relative proportion for each, from four past distributions of licence fees from media monitoring companies;</li> <li>• a new method to account for publishers of local newspapers associated with local councils we license (an increase in their percentage of the pool); and</li> <li>• inclusion of content identified by current and potential licensees as a valuable to them.</li> </ul>                    |                         |                   |
| <p><b>3. FUNDS FOR DISTRIBUTION</b></p>   | <p>Amount</p>   | <p>\$5.6m</p>           |                   |
|   | <p>Licence fee sources</p>  | <p><b>Sector</b></p>    | <p><b>\$m</b></p> |
|   |   | <p>Corporations</p>     | <p>5.19</p>       |
|   |   | <p>Local government</p> | <p>0.43</p>       |

|                                      |   |  |
|--------------------------------------|---|--|
|                                      | Not-for-profit associations   | 0.03   |
|                                      | Licence type  | Voluntary  |
|                                      | Licence fee period  | Fees received from April 2019 to 10 March 2020   |
|                                      | How calculated  | Licence fees received less deduction for anticipated operating costs (including Cultural Fund); see further <a href="http://copyright.com.au/fees">copyright.com.au/fees</a> . |
| <b>4. DISTRIBUTION SCHEDULED FOR</b> | March 2020  |  |
| <b>5. SOURCES OF DATA</b>            | <ul style="list-style-type: none"> <li>• <b>publications</b> (including journals, books and websites) identified by licensees as valuable to them</li> <li>• <b>books:</b> titles in Copyright Agency's works database from sources that include <ul style="list-style-type: none"> <li>○ book sales data (from Nielsen BookScan)</li> <li>○ titles held in libraries listed in the National Library's online catalogue</li> <li>○ surveys of copying and sharing by licensees</li> </ul> </li> <li>• <b>journals:</b> titles in Copyright Agency's works database from sources that include: <ul style="list-style-type: none"> <li>○ surveys of copying and sharing by licensees</li> <li>○ titles available from full-text databases managed by RMIT (Informit databases)</li> </ul> </li> <li>• <b>newspapers/magazines:</b> past recipients of payments from media monitoring licences</li> <li>• <b>artist-owned images:</b> information provided by artists and their agents about published images for which the artists retain copyright; and past payments to artists</li> <li>• <b>writers in periodicals and collected works:</b> information provided by writers and their agents about writing published in periodicals and collected works (such as newspapers, magazines and anthologies), for which the writer retains copyright but does not receive royalties from a publisher, and other sources including data from licensees for full-text databases and media monitoring, and past recipients of payments</li> </ul> |  |
| <b>6. DATA EXCLUDED</b>              | Data not used for distribution includes: <ul style="list-style-type: none"> <li>• material in which copyright is owned by a government</li> <li>• other material for which a copyright owner has asked us not to allocate</li> <li>• data relating to rightsholders who are not participating in these licence schemes</li> </ul>   |  |

|  |  |
|--|--|
| <b>7. DISTRIBUTION 'POOLS'</b>                           | <p style="text-align: center;"><b>\$5.6m</b><br/>Corporations<br/>Local government<br/>Associations</p> <ul style="list-style-type: none"> <li>→ <b>37% Newspaper publishers</b></li> <li>→ <b>26% Books (inc book writers), websites</b></li> <li>→ <b>28% Journal &amp; prof magazine publishers</b></li> <li>→ <b>7% writers: periodicals, collected works</b></li> <li>→ <b>1% artists</b></li> <li>→ <b>\$60K recruitment fund</b></li> </ul>   |
| <b>8. POOL PROPORTIONS</b>                               | <p>The pool proportions for publications are based on analysis of past usage and external research in 2016 of government employees' copying and sharing of content. The pool for artist-owned images is based on analysis in the UK. The pool for writers without royalties (e.g. newspaper and journal contributors who have retained copyright) is based on usage data from Australian universities (the best available 'proxy'): 2% of the pool for books, and 10% of the pools for periodicals (journals, newspapers, magazines).</p>  |
| <b>9. SELECTION OF DATA FROM DATA SOURCES</b>            | <p><b>Books and journals</b></p> <p>The selections of titles for the books and journals pools are based on a 'subject matter profile': identification of the subject matter areas likely to be used in the relevant licence sectors, and the relative proportions of each. We conduct a statistically random selection process to select titles with the relevant subject matter. We select sufficient titles so that the allocation to each title is \$200 or more.</p> <p><b>Newspapers and magazines</b></p> <p>Recipients of payments from distributions of licence fees from media monitoring companies over four past quarters, who include publishers of local newspapers associated with local councils that we license.</p>   |
| <b>10. RIGHTSHOLDERS ENTITLED TO ALLOCATION</b>          | <p>We allocate to rightsholders who have authorised us to include their content in these licence schemes.</p>  |
| <b>11. APPORTIONMENT TO RIGHTSHOLDERS FROM EACH POOL</b> | <ul style="list-style-type: none"> <li>• <b>publications</b> identified by licensees as valuable to them: the 'base rate' multiplied by 10</li> <li>• <b>other book and journal titles:</b> equal allocation to each title in the dataset that results from the random selection process</li> <li>• <b>owners of copyright in newspaper and magazine content:</b> the proportion of licence fees distributed from media monitoring licence fees over four past quarters, with a minimum payment of about \$10 for this distribution, and an upweight for publishers of local newspapers of councils that we license</li> <li>• <b>artist-owned images and writers in periodicals and collected works:</b> based on the number of books or periodicals in which the creator's works have appeared, and/or recent payments to the creator, with adjustments for: <ul style="list-style-type: none"> <li>○ titles that have appeared in usage data (e.g. from schools or universities);</li> <li>○ titles published more recently; and</li> </ul> </li> </ul> |

|   |  |
|---|--|
|   | <ul style="list-style-type: none"> <li>○ for newspapers and magazines: extent of availability (e.g. higher for national or major metropolitan newspapers, lower for regional or local newspapers).</li> </ul>  |
| <b>12. MINIMUM ALLOCATION</b>           | For books and journals, there was a minimum allocation of about \$200, for owners of copyright in newspapers and magazines of about \$10, and for writers and artists \$50.  |
| <b>13. OBLIGATION TO SHARE PAYMENTS</b> | Recipients of allocations for books are required to share payments in accordance with any contractual obligations (e.g. a publishing contract between an author and a publisher), unless we have the share information (in which case we pay each 'shareholder' directly). |