

Guide to the Sales Report • Finland

1998 Sound Carrier Contract

2006 Standard Contract • Karaoke Productions

Video Standard Contract • Entertainment Videos



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1. Deadline

Please complete your sales report and send it to NCB in Copenhagen no later than **6 February 2012**.

2. Changes compared to 11/1

We have made no changes compared to 11/1. This means that you still have to report your sales information covering **sound carriers, karaoke productions** and **entertainment videos**. If, however, we have to make any changes before we invoice your sales in the 2 half of 2011 we will of course inform you immediately.

3. Type of outgoings (sales codes)

Please use the following types of outgoings when you report your sales information covering your sales in the 2 half of 2011:

- B = Budgetline (cf. page 8)
- E = Exports exclusive of mechanical royalties (cf. page 6)
- F = Free issues (cf. page 4)
- G = Outgoings exclusive of mechanical royalties to Enjoy Entertainment Club c/o Ellos AB (cf. page 6)
- K = Outgoings exclusive of mechanical royalties to Homeenter AB (cf. page 6)
- L = Public use (cf. page 3)
- R = Bargain sales (cf. page 5)
- S = Minority appear repertoire (cf. page 6)
- T = Bargain sales – budgetline (cf. page 5)
- X = Exports inclusive of mechanical royalties outside the Nordic countries (cf. page 5)
- Z = Rental (cf. page 3)
- 3 = Exports inclusive of mechanical royalties inside the Nordic countries (cf. page 5)
- 8 = Outgoings to record clubs and mail order companies approved by NCB (cf. page 6)
- 9 = Outgoings direct to consumers (cf. page 3).

Please note that you state "0.00" in the field *Baseprice* when using the E, F, G and K types of outgoings in your spreadsheet.

4. Deletion of products

- 4.1 Products that have been deleted from your catalogue – and that are not supposed to be re-released – are to be indicated with a date in the field *Withdraw-date*.

5. Box sets

- 5.1 Products printed with BOX in the field *Format* of your spreadsheet are to be stated with catalogue numbers and titles only. Please indicate the total price as well as the number of outgoing on the level with the word *BOX*.

6. Number of outgoing

Please report the number of your outgoing in the period 1 July - 31 December 2011.

6.1 Outgoing (ordinary sales)

Please report your highest PPD (*Published Price to Dealer*) in the field *Baseprice* and number of outgoing of audio and audiovisual products in the field *Itemssold*.

Outgoing direct to consumers, if any, are to be reported at your highest RRP (*Recommended Retail Price*) in the field *Baseprice* and number of outgoing in the field *Itemssold*. Furthermore, please remember to report outgoing direct to consumers with the **9** code in the field *Typeofoutg*.

6.2 Rental

Please report your highest PPD (*Published Price to Dealer*) in the field *Baseprice* and number of outgoing of karaoke productions in the field *Itemssold*. Furthermore, please remember to report outgoing for rental purposes with the **Z** code in the field *Typeofoutg*.

6.3 Public use

Please report your highest PPD (*Published Price to Dealer*) in the field *Baseprice* and number of outgoing of karaoke productions in the field *Itemssold*. Furthermore, please remember to report outgoing for public use purposes with the **L** code in the field *Typeofoutg*.

6.4 Returns

If you have already deducted returns in July/August 2011 when reporting your sales of the 1 half of 2011 you are not allowed to deduct the returns in question again when reporting your sales of the 2 half of 2011.

6.5 Free issues

Please report your number of free issues with the **F** code in the field *Typeofoutg.* and "0.00" in the field *Baseprice.* You are allowed to deduct the following numbers of free issues of the first release: :

- ◆ CD/LP/MC/DCC/MD/DVD/VHS: **Totally** 1,000 units
- ◆ Single/maxi-single/CD-single/CD-maxi: 1,000 units
- ◆ Light entertainment video/karaoke production: 250 units.

Free issues exceeding the above numbers are to be reported at your average of the highest PPD (*Published Price to Dealer*).

7. Base price and royalty rates

7.1 Base price

Please report your highest PPD (Published Price to Dealers) exclusive of VAT. NCB deducts current deductions automatically.

7.2 Royalty rate of 9.009%

The net royalty rate is 9.009% as regards your ordinary sales of the formats covered by the following standard contracts:

- ◆ Äänitesopimus 1998
- ◆ Standard Contract • Karaoke Productions 2006 • Finland
- ◆ Video Standard Contract Entertainment Videos • 2001 Finland

7.3 Royalty rate of 7.2%

The net royalty rate is 7.2% as regards your ordinary sales of music video DVDs cf. the

- ◆ Protocol to the 1998 Sound Carrier Contract • Music Video DVDs.

7.4 Royalty rate of 10%

The net royalty rate is 10% as far as bargain sales are concerned as regards the formats covered by the

- ◆ Äänitesopimus 1998.

7.5 **Royalty rate of 7.4%**

The net royalty rate is 7.4% as regards your

- ◆ club sales inclusive of mechanical royalties approved by NCB.

7.6 **Royalty rate of 6%**

The net royalty rate is 6% as regards your sales of

- ◆ karaoke productions intended for public use.

If you had sales in previous periods that have not been invoiced, yet, NCB will see to it that these sales are invoiced at the rates which had effect in the period(s) of sales.

8. **Bargain sales**

Bargain sales of karaoke productions and light entertainment videos are not allowed.

Please indicate an **R** (bargain sales – normal sales) or a **T** (bargain sales – budgetline) in the field *Typeofoutg*.

9. **Exports**

Please use the two-figure ISO country code when stating the country of sale. You can find the ISO codes on the internet.

9.1 **Exports inclusive of mechanical royalties**

Please specify country of sale as well as sales price.

Please state your outgoings inclusive of mechanical royalties to importers **in another Nordic country** with the **3** code by specifying the currency and the PPD of the country of importation.

Please state your outgoings inclusive of mechanical royalties to importers **in a country outside the Nordic territory** with the **X** code specifying the currency and the PPD of the exporting country.

Please specify your outgoings as regards **karaoke productions** as ordinary sales.

9.2 Exports exclusive of mechanical royalties

Please state these exports by specifying the **E** code in the field *Typeofoutg*. List of name(s) and address(es) of your importers **must** be enclosed if you had exports exclusive of mechanical royalties in the 2 half of 2011

9.3 Exports to the USA

Exports to the USA must be approved by NCB **in advance**.

9.4 Exports of minority appeal repertoire

Exports of so-called minority appeal repertoire inclusive of mechanical royalties to countries outside the Nordic territory can be accounted to NCB in one of the following ways:

- ◆ on the basis of the average export price – however, never below applicable minimum rates
- ◆ on the basis of the exporting country's PPD prices less a 25% deduction – however, never below applicable minimum rates.

Royalty calculation according to these provisions requires a separate agreement.

If exports inclusive of mechanical royalties to countries outside the Nordic territory do not exceed 100 copies of each catalogue number per country of destination you can add the total number of copies exported of each catalogue number and state your own country code.

If exports inclusive of mechanical royalties to countries outside the Nordic territory exceed 100 copies but do not exceed 1,000 copies you have to indicate your exports specifying your outgoings each catalogue number and country of destination.

Exports exceeding 1,000 copies are to be specified as normal exports.

10. Outgoings to record clubs and mail order companies approved by NCB

10.1 Outgoings inclusive of mechanical royalties to record clubs and mail order companies approved by NCB

Outgoings inclusive of mechanical royalties to the below record clubs can be accounted by you according to the rules which NCB and the record clubs in question have laid down.

Name of record club	Outgoings exclusive of mechanical royalties	Outgoings inclusive of mechanical royalties
Enjoy Entertainment Club c/o Ellos AB	OK	OK
Homeenter AB	OK	OK
Tylden & Co. as	Not allowed	OK
Other record clubs	Not allowed	To be accounted as ordinary sales

Please state these outgoings in the fields *Salescountry*, *Itemsold*, with the **8** code in the field *Typeofoutg*. Please do not forget to state the base price, too.

NCB only accepts outgoings to the above record clubs as being sales to record clubs.

Your outgoings to other customers than the above record clubs must be included in your ordinary sales.

10.2 **Outgoings exclusive of mechanical royalties to record clubs and mail order companies approved by NCB**

Please state your outgoings by specifying the **G** code (Enjoy Entertainment Club) or the **K** code (Homeenter AB) in the field *Typeofoutg*.

Outgoings exclusive of mechanical royalties to record clubs and mail order companies approved by NCB of international repertoire, which are reported to one of NCB's sister societies, are to be stated in your spreadsheet

Please report your outgoings of karaoke productions and light entertainment videos as ordinary sales at your highest PPD.

11. **Budget releases**

Budget sales of karaoke productions, light entertainment videos and music video DVDs are not allowed.

Other products submitted for NCB registration in advance and approved by NCB as being budget releases are to be reported with the **B** code in the field *Typeofoutg*.

However, the PPD price (Published Price to Dealer) cannot exceed the below amounts unless you are able to verify the original price and the present price at NCB's request:

CD	LP
€ 6.22	€ 4.20

12. Television promotions

NCB does not grant a quantity deduction as far as TV-promotion of karaoke productions, light entertainment videos and music video DVDs is concerned.

- 12.1 NCB can grant a quantity deduction for other audio and audiovisual products provided that they have been submitted for NCB registration and approved by NCB **in advance**. The deduction, however, is granted in the first accounting period in which the promotion took place and for the following period only.
- 12.2 The reported number must be the total number of outgoings.

13. Products that do not appear on your sales report

- 13.1 If you have had sales of products that do not appear from your spreadsheet please add them to the spreadsheet.
- 13.2 Furthermore, please submit the products for NCB registration as soon as possible.

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