

## Mechanical Royalty Rates in Major Ex-US Territories

Current as of March 2012

Prepared by Dan Coleman

N.B: Percentages below are multiplied by the applicable price, and then divided by the number of licensable musical compositions on the album (divided by one (1) if a single track sale).

In most ex-US territories, online retailers (e.g. iTunes)—not record labels—are responsible for accounting mechanical royalties to the local collective music copyright society.

In some territories digital rates are for a “bundle” of mechanical and performance rights, with some examples of such splits indicated below (Mech%/Perf%).

### **Japan (JASRAC)**

*Physical:*

6% of retail price or 8.10 JPY, whichever is greater.<sup>1</sup>

*Digital (full download):*

7.7% of retail price or 7.70 JPY, whichever is greater, split 65/35 (mech/perf).<sup>2</sup>

### **Germany (GEMA)**

*Physical:*

13.75% of Published Price to Dealers (“PPD”) (excluding VAT), or if unavailable, 10% of the retail price.<sup>3</sup>

*Digital (full download):*

10.25% with floor of 0.0563 EUR<sup>4</sup>

### **France (SACEM/SDRM)**

*Physical:*

11% of Published Price to Dealers (“PPD”) (excluding VAT), or if unavailable, 8% of the retail price.<sup>5</sup>

*Digital (full download):*

12% (excluding VAT), with a floor of 0.07 EUR per download per single, and 0.70 EUR per download of an album up to 15 tracks (0.0435 per album track in excess of 15).<sup>6</sup>

### **UK (PRS/MCPS)**

*Physical:*

8.5% of PPD, or if unavailable, 6.5% the retail price, multiplied by the number of copies manufactured. The charge is reduced proportionately if any of the music is Public Domain or non-MCPS repertoire.<sup>7</sup>

*Digital (full download):*

(for online retailers with annual revenue in excess of 12,500 GBP)

8% with floor of 0.02 GBP per track, split 75/25 (mech/perf)<sup>8</sup>

---

<sup>1</sup> JASRAC Tariffs for the Use of Musical Works retrieved 26 February 2012 (encl.)

<sup>2</sup> Ibid.

<sup>3</sup> GEMA Royalty Rates Schedule VR-T-H 1 retrieved 26 February 2012 (encl.)

<sup>4</sup> GEMA Royalty Rates Schedule VR-OD 7 retrieved 26 February 2012 (encl.)

<sup>5</sup> <http://www.sacem.fr/cms/site/en/home/users/Rates/the-license-fee-for-producing-a-record> retrieved 26 February 2012

<sup>6</sup> <http://www.sacem.fr/cms/site/en/home/users/music-on-demand> retrieved 26 February 2012

<sup>7</sup> <http://www.prsformusic.com/users/recordedmedia/cdsandvinyl/Pages/AP1AP2.aspx> retrieved 26 February 2012

<sup>8</sup> <http://www.prsformusic.com/users/broadcastandonline/onlinemobile/MusicServices/oml/Pages/onlinemusiclicences.aspx> retrieved 26 February 2012