



2010

COPYSWEDE
DISTRIBUTION

MEMBERS: VISUAL ARTS COPYRIGHT SOCIETY IN SWEDEN. NORDIC COPYRIGHT BUREAU. THE SWEDISH ARTISTS AND MUSICIANS' INTEREST ORGANIZATION. THE SWEDISH PERFORMING RIGHTS SOCIETY. THE ASSOCIATION OF SWEDISH PROFESSIONAL PHOTOGRAPHERS. THE SWEDISH UNION OF JOURNALISTS. THE SWEDISH MUSICIANS' UNION. THE ASSOCIATION OF SWEDISH ILLUSTRATORS. THE SWEDISH PLAYWRIGHTS' UNION. THE SWEDISH WRITERS' UNION. THE SWEDISH ASSOCIATION OF EDUCATIONAL WRITERS. THE ASSOCIATION OF SWEDISH CRAFTSMEN AND DESIGNERS. THE SWEDISH FEDERATION OF PROFESSIONAL MUSICIANS. THE SWEDISH UNION FOR THEATRE, ARTISTS AND MEDIA.



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COPYSWEDE'S TASK

Copyswede provides access to culture via various media by licensing TV and radio for cable TV, on-demand services, DVD and CD publishing, etc. Via Copyswede, operators wishing to retransmit TV and radio can obtain the necessary permits from the authors and performers – such as singers, musicians, composers, actors, writers, directors and photographers – participating in the productions. Copyswede also administers the Swedish levy system for private copying. Copyswede is made up of fourteen organizations of cultural innovators.

COPYRIGHT AND COLLECTIVE MANAGEMENT OF RIGHTS

Copyright is an individual right. In principle, this entails that whoever has created a literary or artistic work, or whoever has performed a work, has to give his or her permission before what has been created or performed can be used by others. Such a right also exists for whoever has produced a film or a phonogram. Broadcasting companies' signal rights are also protected.

Agreements on the use of works and achievements consisting of a number of rights, including TV programmes and films, often require the cooperation of various categories of copyright holders. A large number of the organizations

representing Swedish copyright holders, authors and performers, formed Copyswede in 1982 for the purpose of coordinating negotiations and establishing agreements within certain areas of copyright. Through partnership agreements with broadcasting companies and organizations representing film and phonogram producers, Copyswede is also authorized to represent rights accruing to these groups.

DISTRIBUTION OF REVENUE

Copyswede licenses a large number of TV and radio channels for retransmission in various media, and administers the Swedish levy system for private copying. Copyswede collects revenue to be distributed among the groups of copyright holders concerned.

In the first stage of distribution, revenue is apportioned in accordance with agreements between Copyswede and our collaborative partners UBOS; FRF and IFPI. Next, remuneration is distributed to individual broadcasting companies as well as film/phonogram producers in accordance with the rules of distribution for each respective partner. Payments to authors and performers are made on the basis of distribution principles subject to annual approval by all Copyswede's member organizations.

Payments to individual authors and performers are made either via the member organizations or by Copyswede directly. Authors and performers outside Sweden receive payments based on reciprocal agreements via sister organizations abroad or from Copyswede directly.



COPYSWEDE'S COLLABORATIVE PARTNERS

UBOS, Union of Broadcasting Organizations in Sweden, coordinates Nordic public-service TV companies and a series of equivalent broadcasting companies from other countries and language areas.

IFPI, the International Federation of the Phonographic Industry, the Swedish Group, represents phonogram producers.

FRF, the Swedish Film Producers' Association, represents film and TV producers in various fields. Through its collaboration with Agicoa and Eurocopya, FRF also represents international film and TV producers.

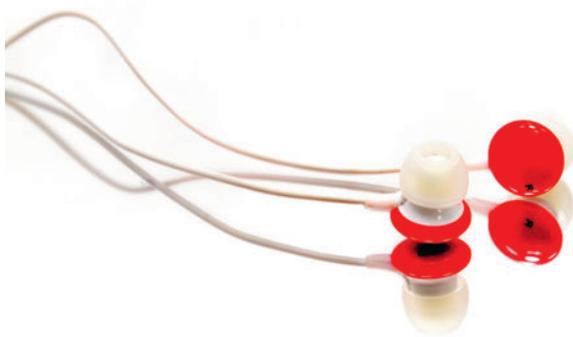


PHOTO: ULTIMAX/SHUTTERSTOCK IMAGES



PHOTO: IVCANS/SHUTTERSTOCK IMAGES

DISTRIBUTION OF BROADCAST RETRANSMISSION REVENUE

When a TV channel is retransmitted in cable TV networks, the copyright holders are entitled to remuneration for the use from those retransmitting the channel. Copyswede licenses a large number of Swedish and foreign TV and radio channels and collects revenue from the cable TV operators for these retransmissions. Copyswede's licence covers all rights in the channels accruing to authors, performers, producers and broadcasting companies. As regards all the collected retransmission revenue,

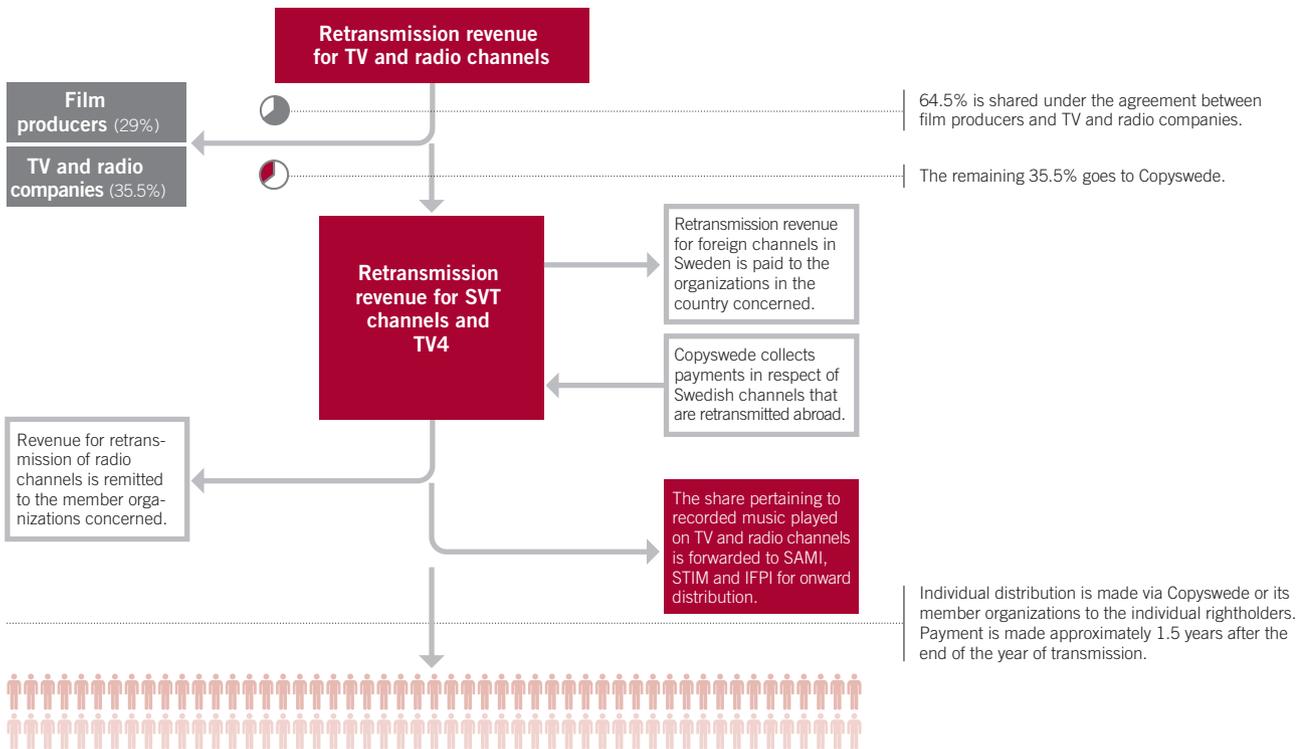
the shares accruing to the broadcasting companies and film producers are separated out and distributed to representative organizations in accordance with existing distribution agreements. The organizations FRF and IFPI distribute and pay remuneration to producers and UBOS does the same for the broadcasting companies.

Copyswede distributes the remaining share of the revenue to the authors and performers that have contributed in the licensed channels. The remuneration

accruing to the foreign channels is transferred to the representative organizations in the country of origin of the respective TV channel for onward distribution. The distribution and payment of the remuneration accruing to the Swedish channels is handled either by Copyswede directly or via the authors' and performers' member organizations.

At present, over 100 channels, primarily public service channels, are licensed. The remuneration due is divided annually to the respective channel.

■ RETRANSMISSION REVENUE – FROM COLLECTION TO RIGHTHOLDERS



Distribution among Film Producers, Broadcasting Companies and Authors/Performers

REMUNERATION FOR RETRANSMISSION OF FOREIGN CHANNELS

Remuneration is collected for all copyright holders and the retransmission revenue, in respect of the *foreign channels*, is split three ways between authors/performers (Copyswede), broadcasting companies (UBOS) and film producers (FRF). The agreement stipulates that Copyswede receive 35,5 per cent, the broadcasting companies 35,5 per cent and the film producers 29 per cent of the remuneration for the foreign channels.

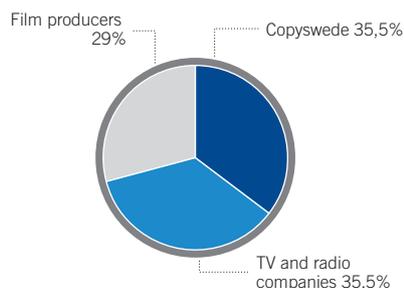
After deducing the shares of the revenue collected due to the broadcasting companies and the film producers, the share accruing to Copyswede is shared among the channels that entered into the licensing agreement.

Amounts (SEK t.) distributed in 2010 to FRF and UBOS, foreign channels

| Organization | SEK t. |
|--------------|--------|
| FRF | 5,632 |
| UBOS | 6,902 |

The amount is usually higher, but the revenue for the first six months of 2010, usually deduced by the time the brochure goes to print, has not been paid to Copyswede as the amount is subject to dispute.

FOREIGN CHANNELS



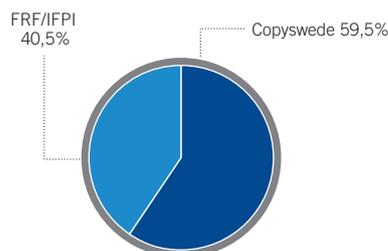
REMUNERATION FOR RETRANSMISSION OF SWEDISH CHANNELS

The retransmission revenue for the *Swedish channels* derives from two sources. In the case of the SVT channels, the revenue comes from the operators in Sweden, who have covered remuneration to Copyswede for the SVT channels since February 2009, as well as from our Nordic sister organizations for retransmitting the SVT channels in the Nordic countries.

In the case of TV4, the revenue from retransmission of the Swedish operators comes both from TV4, who have agreed to cover remuneration for the operators' use, and from our Nordic sister organizations, transferring revenue to Copyswede for the retransmission of TV4 in our Nordic neighbouring countries.

As for the first stream of payment, from operators retransmitting SVT channels, Copyswede licenses rights for all three groups, but SVT has chosen not to charge for their own rights. Revenue is consequently collected and distributed for two of the afore-mentioned groups, viz. authors/performers (Copyswede) and producers (FRF/IFPI). Authors and performers receive 59,5 per cent and producers 40,5 per cent of the revenue.

SWEDISH CHANNELS



As for the second stream of payment from our Nordic sister organizations, the revenue only pertains to the Copyswede-affiliated groups, which is why no sum is set aside for the producer group. The producers receive payment for retransmission in the other Nordic countries directly from their sister organizations.

REMUNERATION FOR RETRANSMISSION OF TV FINLAND AND SVT WORLD

The Finnish channel TV Finland, distributed in Mälardalen, central Sweden, hardly shows any films. As a result, the film producers do not receive any revenue from this particular channel. The revenue collected for TV Finland is distributed so that 38 per cent goes to the Finnish TV companies and 62 per cent to authors/performers. The Swedish channel SVT World is retransmitted in Finland under similar conditions. The Finnish organization Kopiosto collects and transfers the revenue to Copyswede for onward distribution to participating authors and performers.

RECIPROCAL AGREEMENTS

To ensure that authors and performers receive payment when the programmes to which they have contributed are transmitted abroad, Copyswede has entered into several reciprocal agreements. Among other things, the agreements regulate the transfer of collected revenue accruing to authors and performers for retransmission in the various countries. The agreements also serve to ensure the efficient payment of revenue to foreign copyright holders when programmes to which they have contributed are transmitted in Sweden.

The agreements govern two separate situations: both when entire *channels* are retransmitted in another country and when foreign *programmes* are transmitted in national channels. An example of the first situation is when the entire SVT channel is retransmitted in Norway. An example of the second situation is when a Swedish feature film is transmitted in NRK (Norway's equivalent to SVT) and is thus retransmitted in the Norwegian cable TV network.

The Swedish *channels* are only retransmitted in the Nordic countries – in other countries, Swedish *productions* are transmitted in the countries' national channels. For further information, see 'Distribution between Copyright Holders'.

NORDIC RECIPROCAL AGREEMENTS

The all-pervading principle in the Nordic reciprocal agreements is that the revenue for an entire *channel* is to be forwarded to the organization in the country of origin of the channel. The recipient organization is then responsible for the distribution of the revenue to both domestic and foreign authors and performers.

The revenue received for Nordic *programmes* transmitted in one of the SVT channels, for instance, is transferred to the country in which the programme was produced for onward distribution. Similarly, the revenue for all Swedish programmes transmitted for instance on Danish and Norwegian channels is transferred to Sweden for onward distribution.

The reciprocal agreements ensure the efficient forwarding of revenue for broadcast retransmission in all the Nordic countries. The amounts due for the *Swedish* channels are collected at Copyswede and distributed to the individual authors and performers who have contributed to the programmes. This has created an efficient system whereby revenue for the content of Swedish TV channels is primarily distributed from the same place, viz. Sweden, where information on who has made contributions to the channels is also available.

RECIPROCAL AGREEMENTS OUTSIDE THE NORDIC REGION

Copyswede has also signed reciprocal agreements with organizations outside the Nordic region, among others in Germany, France, the UK and Austria. The revenue Copyswede sends to these organizations refers to foreign programmes in Swedish channels, as well as entire channels from these countries.

Amounts (SEK t.) distributed in 2010 to foreign organizations

| Organization | Foreign channel | Foreign programme |
|----------------------|-----------------|-------------------|
| ALCS (UK) | – | 1,339 |
| Bild-Kunst (Germany) | 15 | 71 |
| Copydan (Denmark) | 2,568 | 2,602 |
| Kopioisto (Finland) | 2,458 | 256 |
| Norwaco (Norway) | 526 | 965 |
| SACD/SCAM (France) | – | 259 |
| VG Wort (Germany) | 51 | 429 |

Amounts (SEK t.) distributed in 2010 to Copyswede from foreign organizations

| Organization | Swedish channel | Swedish programme |
|---------------------|-----------------|-------------------|
| Copydan (Denmark) | 14,391 | 866 |
| Kopioisto (Finland) | 4,180 | – |
| Norwaco (Norway) | 9,765 | 1,716 |
| ALCS (UK) | – | 25 |
| VDFS (Austria) | – | 1 |
| SACD (France) | – | 46 |
| SSA (Switzerland) | – | 5 |
| VG Wort (Germany) | – | 321 |

MUSIC IN FOREIGN CHANNELS

In 2010, the following amounts were distributed to IFPI, SAMI and STIM for music used on Nordic (excluding Swedish), German, Spanish and Italian channels, retransmitted on Swedish cable TV networks in 2009. IFPI, SAMI and STIM receive payment for foreign channels having signed reciprocal agreements with their counterparts abroad.

Amounts (SEK t.) distributed in 2010 to STIM, SAMI and IFPI, foreign channels

| Organization | SEK t. |
|--------------|--------|
| IFPI | 252 |
| SAMI | 32 |
| STIM | 3,868 |

DISTRIBUTION OF REVENUE FOR NATIONAL PURPOSES FOR TV FINLAND AND SVT WORLD

In the case of retransmission of TV Finland in Sweden and of SVT World in Finland, Copyswede has entered into an agreement with the Finnish organization Kopiosto, stipulating that 10 per cent of the share of the revenue distributed to authors and performers is to be set aside for national purposes.

Revenue for national purposes in 2009

| Organization | SEK t. |
|--------------|--------|
| BUS | 6 |
| FST | 6 |
| KIF | 2 |
| SAMI | 12 |
| SDF | 79 |
| SFF | 7 |
| SFFot | 6 |
| SMF | 23 |
| Symf | 21 |
| TF | 109 |

Distribution of Cable TV Revenue Per Channel**CABLE TV REVENUE FOR SVT 1 AND 2, SVTB, SVT WORLD, SR AND TV4**

To be able to distribute the Swedish cable TV revenue for a specific year of transmission to the individuals who have contributed to the programmes on the respective channels, the revenue remaining after the shares to TV companies and film producers have been deducted is firstly distributed to each respective channel. This is subject to the number of subscribers of the respective channel.

Cable TV revenue for distribution to authors/performers per channel, year of transmission 2008

| | |
|-------------|--------|
| SVT 1 and 2 | 25,072 |
| TV4 | 13,843 |
| SVTB* | 13,617 |
| SVT World | 2,692 |
| SR (radio) | 1,295 |

* Relates to years of transmission 2003–2008.

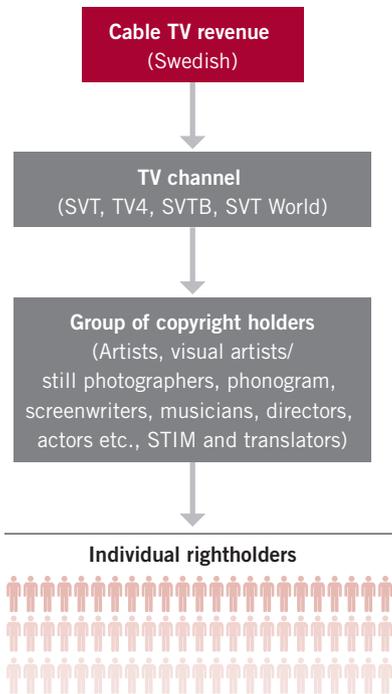
In the case of SVTB (the Children's Channel), revenue was first distributed in 2010. The revenue has been distributed in accordance with the same principles as for other channels and refers to the years of transmission 2003–2008.



PHOTO: ALESHOSTNIK/SHUTTERSTOCK IMAGES

Distribution among Authors and Performers

■ CABLE DISTRIBUTION – SUMMARY



After the revenue has been divided between all the channels, the revenue for the Swedish channels is split among the groups of copyright holders concerned. There are nine overall groups of copyright holders: artists, visual artists/ still photographers, phonogram, screenwriters, musicians, directors, actors, misc. (choreographers, set designers and dancers), STIM and translators.

In distributing the revenue to each group of copyright holders, the programme content of the individual channels and transmission time are taken into consideration. The programme content of the channels is divided into eight categories: documentary, drama, music, entertainment, children/youth, news, sport and miscellaneous. The transmission time for the different programme categories is weighted to reflect the volume of copyrighted material used. Based on the contributions in each category, the respective groups of copyright holders are then allocated shares in the programme categories. Following the distribution of the revenue to the respective groups, it is

split among the individual copyright holders *within* the group.

In conjunction with this, the foreign programmes on the Swedish channels are also identified and the foreign share of the revenue is separated for payment to the foreign organizations concerned, for onward distribution to copyright holders abroad. See previous section on reciprocal agreements.

On the basis of the above principles, annual agreements between all of Copyswede's member organizations are negotiated for the channels SVT 1 and SVT 2, SVT World, SVTB and TV4. A distribution agreement for Kunskapskanalen is under preparation.

The result of the distribution agreements produces an amount for each group of copyright holders. The group's revenue is then split among those within the group who have contributed. The revenue distributed individually in 2010 relates to contributions to programmes transmitted in 2008.

The distribution agreements between the groups of copyright holders for 2008 are as follows:

Distribution, year of transmission 2008

| SVT 1 & 2 | Percentage % | SVT World | Percentage % | SVTB | Percentage % | TV4 | Percentage % |
|--|--------------|--|--------------|--|--------------|--|--------------|
| Artists | 5.09 | Artists | 6.01 | Artists | 2.08 | Artists | 3.01 |
| Actors, misc. | 14.95 | Actors, misc. | 15.66 | Actors, misc. | 33.28 | Actors, misc. | 10.83 |
| Directors | 8.86 | Directors | 7.13 | Directors | 4.67 | Directors | 9.26 |
| Musicians | 8.93 | Musicians | 11.02 | Musicians | 3.35 | Musicians | 5.93 |
| Phonogram | 3.28 | Phonogram | 3.23 | Phonogram | 2.44 | Phonogram | 1.70 |
| Screenwriters | 20.52 | Screenwriters | 22.43 | Screenwriters | 26.48 | Screenwriters | 17.02 |
| STIM | 33.26 | STIM | 29.15 | STIM | 18.16 | STIM | 50.78 |
| Translators | 0.98 | Translators | 0.38 | Visual artists/ still photographers | 9.54 | Visual artists/ still photographers | 1.49 |
| Visual artists/ still photographers | 4.14 | Visual artists/ still photographers | 4.98 | | | | |

Individual Distribution

INDIVIDUAL DISTRIBUTION WITHIN EACH GROUP OF COPYRIGHT HOLDERS 2008

Distribution agreements between the member organizations entail that all groups of copyright holders receive a percentage of the revenue for each Swedish channel. These shares are to be distributed individually *within* each group of copyright holders. As STIM, SAMI and IFPI all had their own distribution systems when Copyswede was established, these organizations receive their payments as a lump sum to be distributed and paid out individually. For lyricists and composers, this is handled by STIM, for musicians on phonogram (recorded music) by SAMI and for phonogram producers by IFPI.

Payments to organizations with their own individual system of distribution for retransmission

| Organization | SEK t. |
|---|--------|
| IFPI for phonograms on Swedish channels | 409* |
| SAMI for phonograms on Swedish channels | 968* |
| STIM for Swedish channels | 9,331* |

* For SVTB the payments relate to years of transmission 2003–2008.

After IFPI, SAMI and STIM received their shares of revenue for the Swedish channels, an amount remains for distribution among the other groups of authors and performers. This amount is augmented by the revenue received from the other Nordic countries for the retransmission of Swedish channels in those countries.

Amounts for distribution (excl. IFPI, STIM and SAMI) for Swedish channels, 2008

| Channel(s) | SEK t |
|-------------|--------|
| SVT 1 & 2** | 20,579 |
| SVT World | 2,578 |
| SVTB* | 10,822 |
| TV4 | 10,537 |
| SR (radio) | 1,295 |

* Relates to years of transmission 2003–2008.

** Includes revenue for SVT24.

Revenue for foreign programmes on the Swedish channels is set aside for each country. In 2010, SEK 9,562 t. was set aside for the 2008 year of transmission (and for 2003–2008 for SVTB) for foreign programmes and copyright holders.

Prior to payment, certain provisions are made to cover payment claims from copyright holders who, for some reason, had not been included in the distribution records. In 2010, SEK 12,328 t. was set aside to cover unforeseen claims. This amount is higher than the provisions of previous years, due to the provision of a larger share for SVTB, as it is the first time payments are made for that channel.

The period of statutory limitation in respect of future claims for cable TV revenue under the Copyright Act is three years – whereas in practice a period of five years after the year of transmission apply. The provisions and payments for which the correct recipient could not be found are then transferred to the individual distribution. In 2010, SEK 4,481 t. of these allocations were transferred.

Five per cent of the revenue is set aside annually for each group of copyright holders (excl. SVTB 2003–2008). This is to cover the organizations' work, including ongoing negotiations to protect and strengthen the position of the authors/performers within each sector in respect of copyright issues.

Amount allocated to the organizations for 2008

| Organization | SEK t. |
|--------------|--------|
| SDF | 577 |
| SFF | 59 |
| TF | 1,037 |
| BUS | 112 |

Total amount available for SVT, SVT World, SVTB and TV 4 for individual distribution via Copyswede for each group of copyright holders, year of transmission 2008*

| Group of copyright holders | SEK t. |
|------------------------------------|--------|
| Literary and dramatic works | 14,467 |
| Visual artists/still photographers | 3,194 |
| Directors | 2,525 |
| Actors, misc. | 17,410 |
| Performers in the music sector | 3,384 |

* Includes years of transmission 2003–2008 for SVTB.



FACTORS INFLUENCING THE INDIVIDUAL CABLE TV REVENUE

- The individual partnership contract showing whether the copyright holder still holds his/her cable TV rights.
- In what capacity and to what extent the copyright holder has contributed.
- The channel on which the programme is transmitted.
- The number of times the programme is transmitted.

PAYMENT OF REVENUE

In June 2010, Copyswede paid revenue to the copyright holders who had contributed to programmes transmitted in 2008. The main payment is made once a year, 18 months after the end of the year of transmission. During that time, distribution formulae, contributor information and statistics are processed.

For authors and performers within the TF (The Swedish Union for Theatre, Artists and Media) sector, payment is distributed via the Union's rights company Tromb.

REVENUE FOR RETRANSMISSION OF RADIO

10 per cent of the cable TV revenue to be distributed to authors and performers is allocated to retransmission of radio (SR). The revenue for retransmission of radio channels is paid to the member organizations concerned, in turn responsible for onward distribution of revenue to those who have contributed, either individually or through grants.

Retransmission revenue paid for Swedish radio channels in 2010. The payments relate to retransmission in 2008

| Organization | SEK t. |
|--------------|--------|
| IFPI | 23 |
| SAMI | 380 |
| SDF | 163 |
| SFF | 236 |
| SMF/Symf | 212 |
| STIM | 62 |
| TF | 219 |

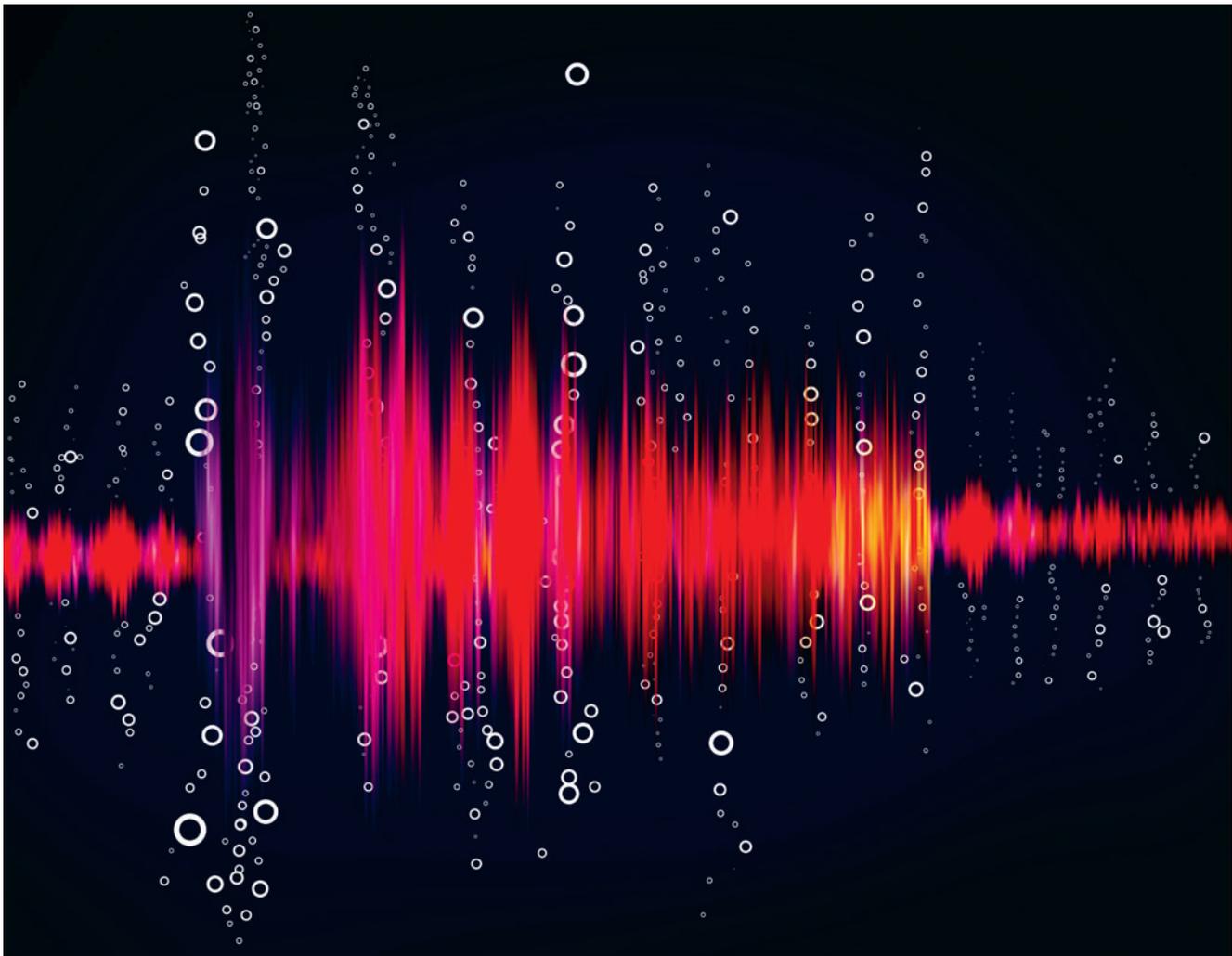


PHOTO: THRASHEM/SHUTTERSTOCK IMAGES

DISTRIBUTION OF PRIVATE COPYING LEVY

What is Private Copying Levy?

To compensate copyright holders for the permitted private copying of music or TV programmes, for instance, a system of a private copying levy was incorporated into the Copyright Act in 1999. The regulation was redrafted in 2005, following an EC directive. The private copying levy is paid by retailers/importers for products used for private

copying. They report and pay the levy to Copyswede, who then distributes the levy in accordance with present copying.

The levy is collected on products specifically used for private copying. Among the products for which private copying levy was paid in 2010 are the following:

- Recordable DVDs
- Recordable CDs
- Recordable cassettes
- Videotapes
- MP3 players
- Media players with built-in storage capacity

The Basis of Distribution of Private Copying Levy

Private copying levy (PCL) revenue should, to as high a degree as possible, be distributed to the copyright holders on the basis of the copying actually taking place. Annual copying surveys are conducted and form the basis of the distribution. The surveys show what has been copied and to what extent.

Those eligible for compensation are authors, performers and film and phonogram producers, who for copy-

right purposes reside in the EU and the EEA, as well as copyright holders outside the EU and the EEA area, provided that the other country has implemented a similar levy system.

The distribution of the private copying levy is governed by several separate distribution agreements. In accordance with an agreement with UBOS, broadcasting companies receive a standardized share of 5,33 per cent of

the total amount collected, after deduction of the costs of collection. In 2008, an agreement with representatives from the US copyright holders was signed, allocating 20 per cent of the total share of the collected private copying levy relating to video copying, net of the share accruing to UBOS. The revenue is distributed annually to FRF, for onward distribution to the US copyright holders.

Distribution Agreements Signed in 2010 Concerning Private Copying Levy Collected in 2009

The private copying levy collected for 2009 amounted to SEK 109,392 t.

After deduction of costs, SEK 104,210 t. remained for distribution. UBOS received SEK 5,554 t. while SEK 12,888 t. was allocated to the American copyright holders.

The remaining amounts to be distributed among the various product groups are as follows:

Private Copying Levy collected, by product, in 2009

| Product | SEK t. |
|--|--------|
| CD-R/RW | 11,833 |
| DVD-R/RW | 34,589 |
| Audio cassettes and minidisks | 799 |
| Videotapes | 1,715 |
| MP3 players | 13,750 |
| Media players with built-in storage capacity | 23,082 |



COPYING SUMMARY 2009

- Most copying took place on the channels SVT 1, SVT 2, TV 3, TV 4 and Kanal 5.
- The programme categories copied the most were TV series, feature films and entertainment programmes.
- Music accounts for approximately 95 per cent of all audio copying.

Distribution of Private Copying Levy per Product in 2009

The next step in the distribution is to divide the revenue for each product between audio and video copying. For this purpose, Copyswede commissions the market research company TNS SIFO to carry out annual copying surveys. The surveys provide detailed information on audio and video copying behaviour. The division of revenue is based on the results of the copying surveys and annual distribution agreements are then reached.

The following agreements per product for revenue collected in 2009 have been reached:

RECORDABLE CD-R/RWS

An agreement covering recordable CD-R/RWs has been reached, stipulating that 91 per cent of the revenue for CDs go to audio and 9 per cent to video.

The copying survey shows that of the part relating to audio copying, music represents 97.5 per cent, audio books 2 per cent and radio programmes 0.5 per cent.

RECORDABLE DVD-R/RWS

The agreement for the revenue collected for DVD-R/RWs stipulates that 80 per cent of the collected revenue go to video, while the remaining 20 per cent go to audio.

In the case of the division of the DVD revenue relating to audio, the SIFO survey shows that music represents 93.5 per cent of all copied material, audio books for 4 per cent and radio programmes for 2.5 per cent.

VIDEOTAPES

Videotapes no longer represent a major source of revenue. On the other hand, the SIFO surveys indicate that the product is still used for copying. All revenue relating to videotapes is distributed to video.

AUDIO CASSETTES

As with videotapes, these products are on their way out. All revenue has been allocated to audio. In accordance with a distribution agreement, just under 95 per cent of the revenue for recorded music goes to CD-Rs, minidiscs and audio cassettes.

MP3 PLAYERS

MP3 players are almost exclusively used for audio copying. The revenue is divided so that 99 per cent goes to audio and 1 per cent to video. Copying surveys show that most of the audio copying on MP3 players relates to music, but also audio books, leaving a very limited amount to radio programmes. 91 per cent of the revenue for audio copying is distributed to music, 7 per cent to audio books and 2 per cent to radio programmes.

MEDIA PLAYERS WITH BUILT-IN STORAGE CAPACITY

Media players with built-in storage capacity are almost exclusively used for video copying. This product group primarily comprises DVD players with built-in storage capacity and set-top boxes with built-in storage capacity. Based on the results of the surveys, distribution agreements have been reached, stipulating that 98 per cent of the revenue be apportioned to video and 2 per cent to audio.

The surveys conducted have not shown what type of audio has been copied on the media players with



PHOTO: M. DYKSTRA/SHUTTERSTOCK IMAGES

FACTORS INFLUENCING THE INDIVIDUAL PRIVATE COPYING LEVY

- The type of programme to which the copyright holder contributes, for example feature film, children's programme, etc.
- The extent to which the programme is copied.
- The channel on which the programme is transmitted.
- In what capacity and to what extent the copyright holder has contributed.

built-in storage capacity. Consequently, the same shares are applied on audio as on CDs. Music is thus allocated 93,5 per cent of the revenue, audio books 4 per cent and radio programmes 2,5 per cent.

DISTRIBUTION OF AUDIO AND VIDEO SHARES FOR EACH RESPECTIVE PRODUCT

A general agreement regulates all products relating to music copying, and the portion for music is shared equally among IFPI, SAMI and STIM, while the remaining part of the audio distribution is distributed by Copyswede. In the case of revenue for the copying of audio books, the producers' share is transferred to the Swedish Publishers' Association (SvF) for onward distribution.

Similarly, there is a general agreement for the revenue relating to video copying. This entails that 33 per cent of the revenue is allocated to FRF for onward distribution to film producers, while 67 per cent is allocated to Copyswede for onward distribution to authors and performers.

Payment of private copying levy to organizations with their own distribution systems for onward distribution, 2010

| Organization | SEK t. |
|--------------|--------|
| FRF* | 15,084 |
| IFPI | 10,736 |
| SAMI | 10,553 |
| STIM | 10,553 |
| SvF | 2,196 |

* Excluding revenue to US copyright holders.

Individual Distribution of Private Copying Levy, Year of Transmission 2008

The individual revenue for video distributed in 2010 relates to the 2008 year of transmission. Copyswede distributes the revenue individually to screenwriters, writers, translators, journalists, directors, set designers, choreographers, actors, dancers, musicians, artists, singers, cinematographers, visual artists and photographers for their achievements in film and television. The payments are made through Copyswede or via the member organizations.

The distribution system for both the private copying levy and the cable TV revenue rests on information on TV programmes and contributors. That way, the individual distribution of private copying levy has been handled at a relatively low cost.

DISTRIBUTION OF PRIVATE COPYING LEVY FOR COPYING OF TV PROGRAMMES ON SVT 1 AND 2, TV4, TV3 AND KANAL 5

In 2010, the private copying levy was distributed individually for contributions to programmes copied when transmitted on SVT 1, SVT 2 or TV4, as well as for certain programme categories on TV3 and Kanal 5 during 2008. The results of the copying surveys decide which channels and programme categories are to receive a share of the levy. Certain programme categories are more frequently copied which is also taken into consideration. The programme categories most often copied has been allocated a larger portion of the revenue than those copied less. Each channel is today divided into 11 separate programme categories, such as feature films, entertainment, sport and children's programmes. Drama, feature films and entertainment are the programme categories currently most

copied. As for TV3 and Kanal 5, only contributors on programmes in these three categories are entitled to shares of the private copying levy. In the case of SVT and TV4, the categories nature programmes and documentaries are less copied. The copying behaviour, and the monies allocated to those contributing, vary from one year to the next, among other things depending on the size of the collected amount and the selection of programmes on offer.

The share of the video revenue collected in 2008 and accruing to Copyswede-affiliated groups is shared among the various copyright holders, such as actors and writers, based on how the groups have contributed to each programme category. In each programme category, the extent to which the copyright holders contribute vary, which is reflected in the distribution. The agreed result for the groups of copyright holders for 2008 is seen in the table below:

Distribution, year of transmission 2008

| Copyright holders | Percentage % |
|--------------------------|--------------|
| Actors | 25.42 |
| Choreographers | 0.64 |
| Cinematographers | 2.35 |
| Dancers | 0.48 |
| Directors | 15.16 |
| Editing/Cutting/Lighting | 0.29 |
| Journalists | 1.71 |
| Music authors (STIM) | 14.01 |
| Musicians/Conductors | 8.31 |
| Phonograms (IFPI/SAMI) | 3.02 |
| Screenwriters | 17.91 |
| Set designers | 1.64 |
| Singers/Artists | 3.62 |
| Still photographers | 1.79 |
| Translators | 0.53 |
| Writers | 3.18 |

STIM, SAMI and IFPI all had their own distribution systems when Copyswede was established, and thus receive their payments as a lump sum. IFPI handles PCL to producers, SAMI to musicians on phonogram (recorded music) and STIM to lyricists and composers.

Private copying levy to IFPI, SAMI and STIM for onward distribution

| Organization | SEK t. |
|--------------|--------|
| IFPI | 837 |
| SAMI | 801 |
| STIM | 7,435 |

The amounts below refer to payments for the limited copying from channels other than SVT 1 and 2, TV4, TV3 and Kanal 5. Copying surveys show that there is very little copying from other channels at present. The copying surveys are analyzed and followed up annually. It has not been possible to distribute these amounts individually at a reasonable cost and they have thus been set aside to be used for collective purposes, grants or the like, as decided by the organizations concerned.

Amounts paid out in 2010

| Organization | SEK t. |
|--------------|--------|
| BUS | 29 |
| FST | 29 |
| KIF | 10 |
| SAMI | 184 |
| SDF | 690 |
| SFFot | 29 |
| SJF | 22 |
| SMF | 75 |
| TF | 1,912 |

LEVY VARIES FROM YEAR TO YEAR

The same contribution on a programme, e.g. if you are a screenwriter on a feature film transmitted on SVT, can entitle you to a certain levy one year, and quite another the next. It is determined by the total amount of the collected levy and on the types of programmes copied in that particular year.

Amounts for direct payment after allocation to foreign programmes and unforeseen claims, year of transmission 2008

| Copyright holders | SEK t. |
|------------------------------------|--------|
| Literary and dramatic works | 10,109 |
| Visual artists/still photographers | 768 |
| Directors | 6,782 |
| Actors | 15,625 |
| Performers in the music sector | 4,021 |

Some of the amounts refers to copying of foreign programmes transmitted on the Swedish TV channels. The revenue for foreign programmes is set aside in accordance with the distribution formulae. In 2010, SEK 12,084 t. was set aside for foreign programmes and copyright holders for the 2008 year of collection. Prior to payment, certain provisions are made to cover payment claims from copyright holders who, for some reason, had not been included in the distribution records. In 2010, SEK 8,543 t. of the Swedish revenue was set aside to cover unforeseen claims.

Five per cent of the revenue is set aside annually for the organizations to cover their work, including ongoing negotiations to protect and strengthen the position of the authors/performers within each sector in respect of copyright issues.

Negotiations, etc. for 2008

| Organization | SEK t. |
|--------------|--------|
| BUS | 38 |
| SDF | 407 |
| SFF | 59 |
| TF | 1,120 |

Amount for direct payment after allocation to foreign programmes and provisions to cover future payment claims, year of transmission 2008

| Copyright holders | SEK t. |
|------------------------------------|--------|
| Literary and dramatic works | 3,345 |
| Visual artists/still photographers | 84 |
| Directors | 2,184 |
| Actors | 6,970 |
| Performers in the music sector | 2,106 |

In 2010, Copyswede's Board of Directors decided that the undistributed amounts in respect of video copying on CD-R/RWs for 2007 and 2008, covered by commitments, were to be distributed to the organizations for collective purposes, grants and the like. The revenue was paid out to the organizations during 2010.

The following amounts were paid out to the organizations

| Organization | SEK t. |
|--------------|--------|
| STIM | 499 |
| SAMI | 400 |
| IFPI | 58 |
| SDF | 660 |
| TF | 1,788 |
| SMF | 161 |
| BUS | 20 |
| SJF | 62 |
| FST | 20 |
| SFFot | 20 |
| KIF | 7 |

DISTRIBUTION OF OTHER REVENUE

DVD/VIDEO ISSUING OF SVT PRODUCTIONS

Through agreements with the programme companies SVT, SR and UR, the companies are free to issue programmes on DVD or CD themselves or via a distributor. When the agreement was renewed in 2008, it was extended to include phonogram publishing. Copyswede also enters into agreements with distributors regarding revenue as well as sales and rentals reports for individual titles. The revenue is then distributed to the copyright holders contributing to each title. Of the revenue distributed, 40 per cent is usually allocated to authors and 60 per cent to performers. The revenue for each group is then split within the group, in proportion to each persons contribution.

Revenue for SVT programmes on DVD distributed in 2010 referred to the year of use 2008. The revenue was paid out to approximately 160 titles. In 2010, a total of SEK 2,754 t. was paid out by Copyswede and TROMB/The Swedish Union for Theatre, Artists and Media.

REVENUE FOR USE OF UR'S PROGRAMMES

In 2009, a new agreement was signed with UR (The Swedish Educational Broadcasting Company), regarding various ways in which UR programmes could be used. The agreement allows schools, media centres, libraries and museums to use UR productions. The revenue for 2007–2009 has not yet been paid out to the copyright holders. Proposals for distribution are in preparation and are expected to be completed in 2011.



PHOTO: ILJA MASIKSHUTTERSTOCK IMAGES

REVENUE FOR USE OF TV PROGRAMMES BY THE MERCHANT NAVY

Revenue for the distribution of SVT and UR programmes to sailors in the Swedish Merchant Navy is to be collected the year after the year of use. This is regulated in an agreement with the Swedish Maritime Administration. In the year of use 2009, revenue amounted to SEK 161 t. Following a decision by the member organizations, the revenue has been used to finance copyright collaborations with KLYS (The Swedish Joint Committee for Artistic and Literary Professionals).

REVENUE FOR SVT PLAY VIA DIGITAL TV BOXES

For 2009, SEK 1,000 t. was collected from SVT for the cable TV operators' possibilities to provide access to SVT programmes on demand via set-top boxes, i.e. SVT Play via digital boxes. The revenue does not include the STIM, SAMI and IFPI copyright holders. The revenue will be distributed in 2011. For 2010, SVT has paid SEK 1,500 t., which includes STIM. The distribution of this revenue is expected to be completed in 2011.

ORGANIZATION

PERSONNEL

CEO & Secretariat

Mattias Åkerlind, CEO

Neda Marklund, Secretary to the CEO

Lars Grönquist, Senior Legal Officer

TV and Radio

Peter Carls, Legal Affairs

Pär Nordfors, Legal Affairs

Anna Sarkany, Legal Affairs

Angela Håkanson, Financial Assistant

Private Copying Levy

Tanja Jalamo, Legal Affairs

Susanne Limpar Lantz, Financial Assistant

Egil Ekbohm, Market Surveillance

Distributions

Karolina von Essen, Legal Affairs

Katarina Björkstедt, Legal Affairs

Annelie Nordgren, Administrator

Ingalena Bruhn, Financial Manager

Maria Carlsson, Administrator

Communications

Kjell Holmstrand, Head of Communications

Liselott Silwer, Web Editor/Communications

Officer

Reception and Office Service

Lena Rosén

BOARD OF DIRECTORS

Kentth Muldin, Chairman. CEO of STIM. The board's chairman since 2005, on the board since 2003. Also on the board of SFU, NCB, CISAC, Stockholm University's Institute for Immaterial and Market Rights.

Ulf Mårtens, 1st Vice Chairman. Chief Negotiator at the Swedish Union for Theatre, Artists and Media. On the board since 1997.

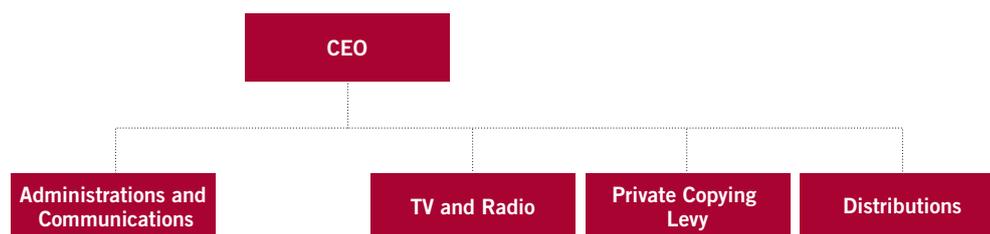
Susin Lindblom, 2nd Vice Chairman. Union Director of the Swedish Playwrights' Union. On the board since 1986. Also on the board of ALIS – Administration of Literary Rights in Sweden, Centre for Drama, KLYS – Swedish Joint Committee for Artistic and Literary Professionals, the Lars Molin Foundation.

Ingvar Hällerståhl. Representative at the Swedish Federation of Professional Musicians. On the board since 2008. Also on the board of FSM, SAMI, Musikalliansen.

Mats Lindberg. CEO at BUS (Visual Copyright in Sweden). On the board since 1986. Also on the board of Bonus Presskopia – the Swedish RRO, International Federation of Reproduction Rights Organizations.

Anita Vahlberg. Senior Advisor at the Swedish Union of Journalists. On the board since 2005. Also on the board of Bonus Presskopia – the Swedish RRO, Pressinstitutet, the Journalist Fund for Further Training, KLYS – Swedish Joint Committee for Artistic and Literary Professionals.

Helena Woodcock. Manager of Legal Affairs at STIM. On the board since 2010.



COPYSWEDE'S MEMBER ORGANIZATIONS

Copyswede has fourteen member organizations representing Swedish authors and performers:

The Association of Swedish Craftsmen and Designers (KIF)
www.kif.se

The Association of Swedish Illustrators
www.svenskatecknare.se

The Association of Swedish Professional Photographers (SFFot)
www.sfoto.se

Nordic Copyright Bureau (NCB)
www.stim.se

The Swedish Artists and Musicians' Interest Organization (SAMI)
www.sami.se

The Swedish Association of Educational Writers (SLFF)
www.slff.se

The Swedish Federation of Professional Musicians (Symf)
www.symf.se

The Swedish Musicians' Union
www.musikerforbundet.se

The Swedish Performing Rights Society (STIM)
www.stim.se

The Swedish Playwrights' Union
www.dramatiker.se

The Swedish Union for Theatre, Artists and Media
www.teaterforbundet.se

The Swedish Union of Journalists
www.sjf.se

The Swedish Writers' Union
www.forfattarforbundet.se

Visual Arts Copyright Society in Sweden (BUS)
www.bus.se



FURTHER INFORMATION

You will find more information, news and press material on Copyswede's operations on the Copyswede web site www.copyswede.se. The web site also offers access to downloads, such as brochures on Copyswede's various fields of activities. Also available are forms, information leaflets and web-based tools for rightholders or retransmission/levy payers. The brochures available in pdf on www.copyswede.se are also available in print from the secretariat, phone: +46 8 545 667 00 or via e-mail copyswede@copyswede.se.



Copyswede's Press Room at MyNewsdesk

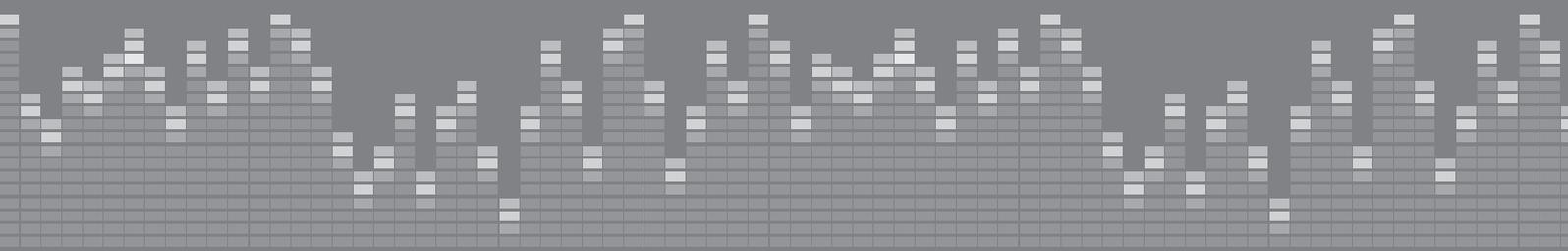
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Copyswede provides access to culture via various media by licencing TV and radio for cable TV, on-demand services, DVD and CD publishing, etc. Via Copyswede, operators wishing to reuse TV and radio can obtain the necessary permits from the authors and performers – such as singers, musicians, composers, actors, writers, directors and photographers – participating in the productions. Copyswede also administers the Swedish levy system for private copying. Copyswede is made up of fourteen organizations of cultural innovators.