

FROM COLLECTION TO PAYMENT

AGICOA negotiates and collects retransmission royalties. It maintains detailed records of use, royalty allocation and payment that can be consulted by any client at any time.

Registration at AGICOA is free. We finance our services through the deduction of a fee of below 10% of royalties collected. In other words, there is no client investment, only returns.



WE NEGOTIATE

The retransmission of audiovisual works is governed by the Bern Convention, the European Directive 93/83/EEC and national copyright law: any entity which retransmits a protected audiovisual work in the context of its economic activity must obtain the Rightsholder's authorization to do so.

The EU Directive and specific national laws add that a Rightsholder must call upon a collecting society's services instead of exercising his/her rights individually vis-à-vis retransmission operators.

Acting on behalf of Rightsholders, the AGICOA Alliance negotiates licensing agreements with retransmission operators. Thus, retransmission operators obtain the necessary authorization ("license") to retransmit audiovisual works in exchange of a royalty payment.

The licensing agreements typically specify:

- the type of retransmission (cable, satellite, internet, digital terrestrial broadcasting, etc.) ;
- the type of works (independently produced audiovisual works);
- the TV channels. However, with the proliferation of retransmitted TV channels in the digital age, the AGICOA Alliance has started proposing blanket licensing agreements. These are not limited to a specific group of TV channels but cover the retransmission of audiovisual works on all retransmitted TV channels;
- the royalties to be paid by the retransmission operators and its modalities (various options exist: a tariff per subscriber per channel, per subscriber for a group of TV channels, a percentage of the retransmission operators' subscription revenue, a lump sum or a mix of the previous formulas);
- the AGICOA Alliance's right to ask, in exceptional and limited cases, the retransmission operators to black out the retransmission of a specific audiovisual work (e.g. if the retransmission of a work would result in serious financial difficulties for the Rightsholder who detains the rights on that work).

For retransmission operators, licensing agreements with the AGICOA Alliance have two main advantages:

- it guarantees that the retransmission operator is held harmless against any third party producer claim;
- in many countries, the AGICOA Alliance is joined in its negotiations with retransmission operators by other organizations that manage retransmission rights, like broadcasters, music collecting societies, etc. Thus, through one single licensing agreement, retransmission operators can acquire the retransmission rights on audiovisual works, for music and other copyright protected works and performances.

WE COLLECT

Based on the various license contracts that it has concluded, AGICOA is regularly tracking the collection of the related royalties.

The agreements in place are enforced by our team that helps facilitate and streamline the licensing process. This ensures a fast flow of royalties to the Rightsholders.

Today, AGICOA collects in more than 30 countries.

WE ALLOCATE

When royalties collected for a given country and broadcasting year exceed the threshold of 500'000 Euro, they are allocated to broadcasts:

- on a sample of **TV channels** (the sample has been chosen in order to reduce distribution costs, whilst being representative);
- which belong to the **AGICOA repertoire**. As a general rule, AGICOA's repertoire covers all audiovisual works considered as being produced by an independent producer. Are usually excluded audiovisual works produced by a broadcaster, news programmes, live retransmission of sports and other events, infomercials and commercials;
- with a **duration** of at least one minute.

Matching of broadcasts

Having allocated royalties to broadcasts on the basis of duration and audience, AGICOA then identifies the rightsholder(s) for each of those broadcasts, based on their declared rights on audiovisual work.

Remuneration

In a next step, rightsholders' royalties are paid out by country of distribution.

As yearly defined by AGICOA's Board of Directors, the AGICOA Alliance service fee of below 10% is deducted from the amount put into distribution.

YOU RECEIVE

Once the money is allocated, the distribution process is as follows:

First distribution

In general, during the year following the broadcast, the funds collected are distributed to the Rightsholders, for the territory and period concerned.

Final distribution

Usually three years after the first distribution, unclaimed royalties are distributed on a pro rata basis to the Rightsholders who have already been paid in the past for the given country and broadcasting year. From then on, there is no possibility to claim payments for that given country and broadcasting year. Funds allocated to broadcasts of works in conflict are excluded from the final distribution, and are set aside, pending conflict resolution.

Mark up distribution

If funds collected in a given country are not large enough to justify the precise but costly distribution process, they are set aside in a so-called “mark-up” account. These funds are added up and then spread over AGICOA’s Rightsholders pro rata of the amounts allocated to them in all other distribution runs throughout the year.

General reserve distribution

Funds coming out of the general reserve are distributed to the Rightsholders pro rata of the amounts allocated to them in all other distribution runs throughout the year.

The mark-up and general reserve distributions are made at year end.