

## Distribution basis for 2016-2019

Please find more information on the airplay data used and processed by Sena to determine the distribution of Sena fees over the 2016-2019 distribution period. Sena strives to ensure the fairest possible fee distribution, which should accurately reflect actual music use in the Netherlands. Sena distributes payments to its rightholders at the lowest possible charge.

### 1) Distribution of media income

a) Under the current approach, Sena processes the airplay data of nearly all national and all regional commercial and public radio and television stations. Media payments are distributed on the basis of these data.

See the appendix for an overview of the various radio and television stations for which we process playlist data.

### b) *Processing of airplay data and reference repertoire*

A portion of the collected media fees is not distributed on the basis of radio and television station playlists. This concerns income from the large number of small-scale commercial and public broadcasters.

We process the playlists of nationwide radio stations with a market share of at least 0.3% and who are affiliated with Nationaal Luister Onderzoek (NLO – organisation for national radio audience research). We process the playlists of regional radio stations that pay us an annual contribution of € 30,000 or more. The playlists of nationwide television stations are subject to a minimum Sena contribution of €60,000 and have to report to Stichting Kijk Onderzoek (SKO – organisation for viewership research) in order to be processed. We strive to increase the number of income sources for our distribution while keeping costs at a responsible level. In order to ensure that income is distributed as accurately and fairly as possible, we apply separate primetime and non-primetime rates for the national television stations.

The fees collected from small broadcasters are added to the amount collected from radio and television stations for which we do process playlist data. Sena determines the relevant amounts in proportion to the music played by stations for which we process airplay data.

Fees collected from cable operators – stations that are not primarily targeted at the Netherlands – are also added to the fees collected from radio and television stations for which we process airplay data.

### *New media income*

Income relating to new media (internet) are distributed on the basis of legal download data. Sena receives this information through GfK.

## 2) Distribution of income from general licences

Income from 'general licences' constitutes all fees paid by the business sector. Examples include hotels, cafes, restaurants, offices, workplaces, retail businesses, supermarkets, etc. Sena pays this income based on the basis of a large-scale market survey. The GfK research agency conducts this survey twice a year on behalf of Sena and Buma/Stemra. The survey results enable Sena and Buma/Stemra to take stock of the Dutch business sector's listening behaviour. Some 2,400 businesses are contacted by phone and asked whether they play music. Businesses that do listen to music are offered the opportunity to specify how and through which stations they do so.

*Respondents may give any of the following answers:*

(1) They listen to / watch a radio or television station, in which case they will be asked to specify which station they listen to/watch;

(2) They listen to music provided by a background music supplier, in which case they will be requested to specify the relevant supplier;

(3) They listen to own music/CDs.

(ad 1) Received licence fee income from the retail, supermarket and office categories is determined on the basis of the relevant stations' market share, added to the direct collection of the relevant stations and distributed on the basis of these stations' airplay data.

(ad 2) The outcomes of the GfK survey offer clear insight into the music-related and general share of background music providers in the retail, supermarket, hospitality and office sectors. Sena is able to ensure accurate distribution for each of these sectors thanks to airplay data from background music suppliers BCM, Mood Media, Mediatools, Xenox and Eazis.

(ad 3) Clearly, no business maintains lists of all music played on company premises. Gaining insight into the use of so-called 'own music' thus remains a challenge. For the time being, Sena will add income from the 'own music' category to the airplay data of the various radio and television stations and background music providers in the same proportions. We do so based on the station / market share percentages in the GfK survey. This information is combined to determine the actual distribution amounts. Naturally, Sena will strive to further refine its distribution basis and is exploring usage options and other opportunities to move forward with external partners.

### *Income from hotels, restaurants and cafes*

Income from hotels, restaurants and cafes are paid out on the basis of the aforementioned GfK survey (see: 'Distribution of income from general licences') and airplay data from approximately 2,500 bars and cafes.

These data offers Sena clear and reliable insight into the music that is being played in hotels, restaurants and cafes.

## Appendix 1: Stations for which we process playlists

1. 100% NL
2. BCM (2017)
3. Classic FM
4. Eazis
5. Mediatools (2017)
6. Mood Media (2017)
7. Net 5
8. NPO 1
9. NPO 2
10. NPO 3
11. NPO 3FM
12. NPO Radio 1
13. NPO Radio 2
14. NPO Radio 4
15. NPO Radio 5
16. Omroep Brabant
17. Omroep Flevoland
18. Omroep Fryslân
19. Omroep Gelderland
20. Omroep Limburg / L1
21. Omroep West
22. Omroep Zeeland
23. Qmusic
24. Radio 10
25. Radio 538
26. Radio NL
27. RTL 4
28. RTL 5
29. RTL 7
30. RTL 8
31. RTV Drenthe
32. RTV Noord
33. RTV Noord Holland
34. RTV Oost
35. RTV Rijnmond
36. RTV Utrecht
37. SBS 6
38. Sky Radio
39. SLAM! FM
40. Sublime FM



- 41. Veronica
- 42. Radio Veronica
- 43. Xenox (2017)