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EESTI
AUTORITE
ÜHING

TRANSPARENCY REPORT

for 2022

1. Foreword

You are looking at the Transparency Report of the Estonian Authors Society (Eesti Autorite Ühing, EAÜ) for 1 January 2022 to 31 December 2022.

We hope that by informing the public about who we are and what our organisational structure, affiliation and financial data are, we will increase the trust of authors and the holders of their rights, as well as the users of their works, in us.

The Transparency Report of the EAÜ has been prepared according to the requirements of subsection 791 (6) of the Copyright Act.



2. Introduction of the Estonian Authors Society

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The EAÜ was established on 8 October 1991 on the initiative of sixteen Estonian authors. The EAÜ considers itself the legal successor of the Estonian Author Protection Association, which was established in 1932 and operated until 1940.

In its activities, the EAÜ follows the principles set out in § 79 of the Copyright Act and exercises the rights of authors and the holders of rights (heirs, music publishers) on the basis of transactions and law in the case of the following categories of works:

- musical works,
- works of visual art,
- choreographic works,
- audiovisual works.

The transaction-based right of representation of the EAÜ arises from the authorisation received from the authors and the holders of rights who are members of the EAÜ and from the Estonian Audiovisual Authors Association and the authorisation (contracts) received from the collective representation organisations of other countries. The list of Estonian authors represented by the EAÜ and the list of foreign countries where the EAÜ has concluded representation agreements with collective representation organisations is available on the EAÜ website.

The mediation of rights to musical works is the largest part of the activities of the EAÜ. This is because music is played simultaneously in many different places and through many different channels (radio, television, concerts, bars and restaurants, hotels, discotheques, shops, etc.) and not just one, but a huge number of works are used. This is why the area of use of musical works is the widest, requiring the existence of an intermediary or collective representation organisation to facilitate communication between users and authors. In Estonia, the EAÜ is the only organisation that grants licences for the use of musical works and collects royalties for authors and holders of rights.

3. Copyright exercised by the EAÜ

The EAÜ only exercises the economic rights belonging to authors and the holders of rights. On the basis of the authorisation received from its members and other collective representation organisations, the EAÜ grants licences for using works in the following ways:

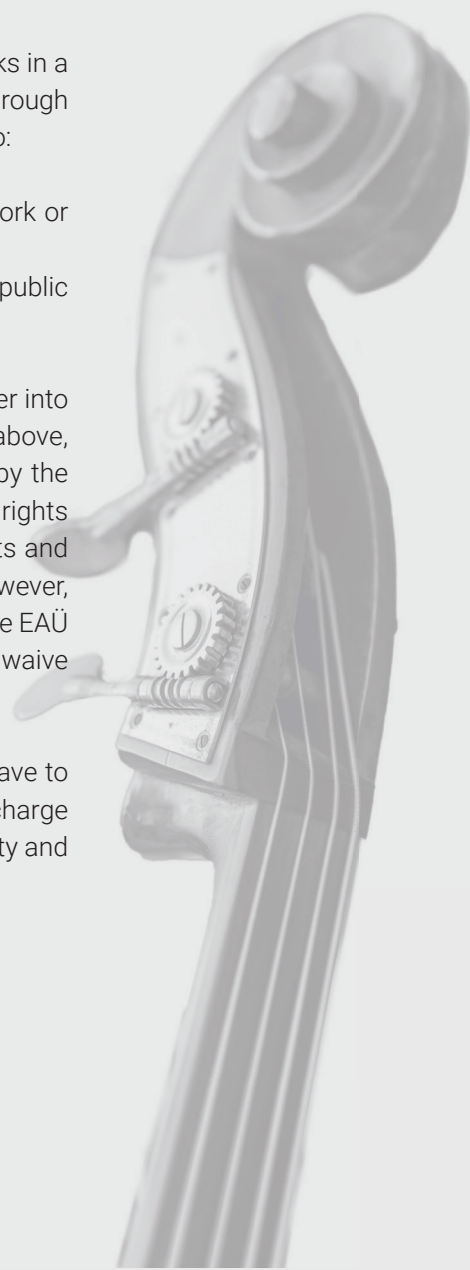
- public performance of works as live or technically mediated performance (**public performance right**);
- transmission, direct injection or retransmission of works via radio, television, cable network or satellite or via other technical equipment (**the right of transmission, direct injection and retransmission**);
- making works available to the public in such a way that persons can access the work from a place and at a time individually chosen by them, also via the Internet (**right of making the work available to the public**);
- recording works on sound or video medium, film or other similar medium or device and distribution of the work in such a manner (**right of reproduction and synchronisation**).

The EAÜ also has the right to collect remuneration for the use of works in a situation where authors can only exercise their right to remuneration through a collective representation organisation. The EAÜ also has the right to:

- collect remuneration for the private use of an audiovisual work or sound recording of a work;
- collect remuneration for the resale of an original work of art at public auction or through an art gallery or art dealer.

The membership agreement that authors or the holders of rights enter into generally covers all four categories of economic rights mentioned above, i.e. the manner in which the works are used and all works created by the author, and is generally valid worldwide. The authors can restrict these rights to a certain extent: they can decide the categories of economic rights and the territories in which they authorise the EAÜ to represent them. However, author cannot choose the works in respect of which they authorise the EAÜ to represent them – authorise who have become members of the EAÜ waive all of their works to the society for representation.

The authors and holders of rights who have joined the EAÜ do not have to pay a fee for joining or membership. However, the EAÜ is entitled to charge a commission, which is used to cover the costs incurred by the society and is set annually by the general meeting of the EAÜ.



4. Management structure of the EAÜ

The highest managing body of the EAÜ is the general meeting, which generally meets once a year and in which all members of the society may participate. The general meeting adopts resolutions on all main management matters of the EAÜ which have not been placed within the authority of the management board or audit committee of the society by law or these Articles of Association. For example, the general meeting approves the budget and amendments to the Articles of Association, and elects the members of the management board and the audit committee every three years. The general meeting of the EAÜ was held virtually in 2022.

The management board consists of seven members elected at the 2020 general assembly for a term of three years. Vaiko Eplik (Chairperson of the Management Board), Virgo Sillamaa, Kadri Sundja, Kirke Karja, Jaan Jaago, Juko-Mart Kõlar and Karl-Ander Reismann. The management board held a total of eight meetings in the financial year, including a two-day strategy day in Ida-Viru County. The management board hires the CEO and approves his or her duties and working conditions.

The everyday work of the society is handled by the EAÜ office, which is managed by the CEO Mati Kaalep. There were 22 employees in the office during the reporting period.

The activities of the EAÜ are supervised by the audit committee, whose members are also elected at the general meeting for a term of three years. The following members of the audit committee were elected at the annual general meeting of 2020: Tajo Kadajas, Margo Kõlar and Imre Sooäär. Due to the size of the balance sheet, the activities of the EAÜ are also audited by an independent auditor, Triin Seli. State supervision over the EAÜ as a collective representation organisation is exercised by the Patent Office.

Photo: Jake Farra



Vaiko Eplik
Chairman of the Board

Photo: Sohvi Viik



Virgo Sillamaa

Photo: Jake Farra



Kadri Sundja

Photo: Jake Farra



Karl-Ander Reismann

Photo: Jake Farra



Juko-Mart Kõlar

Photo: Jake Farra



Jaan Jaago

Photo: Jake Farra



Kirke Karja

5. Information on refusal to conclude licence agreements

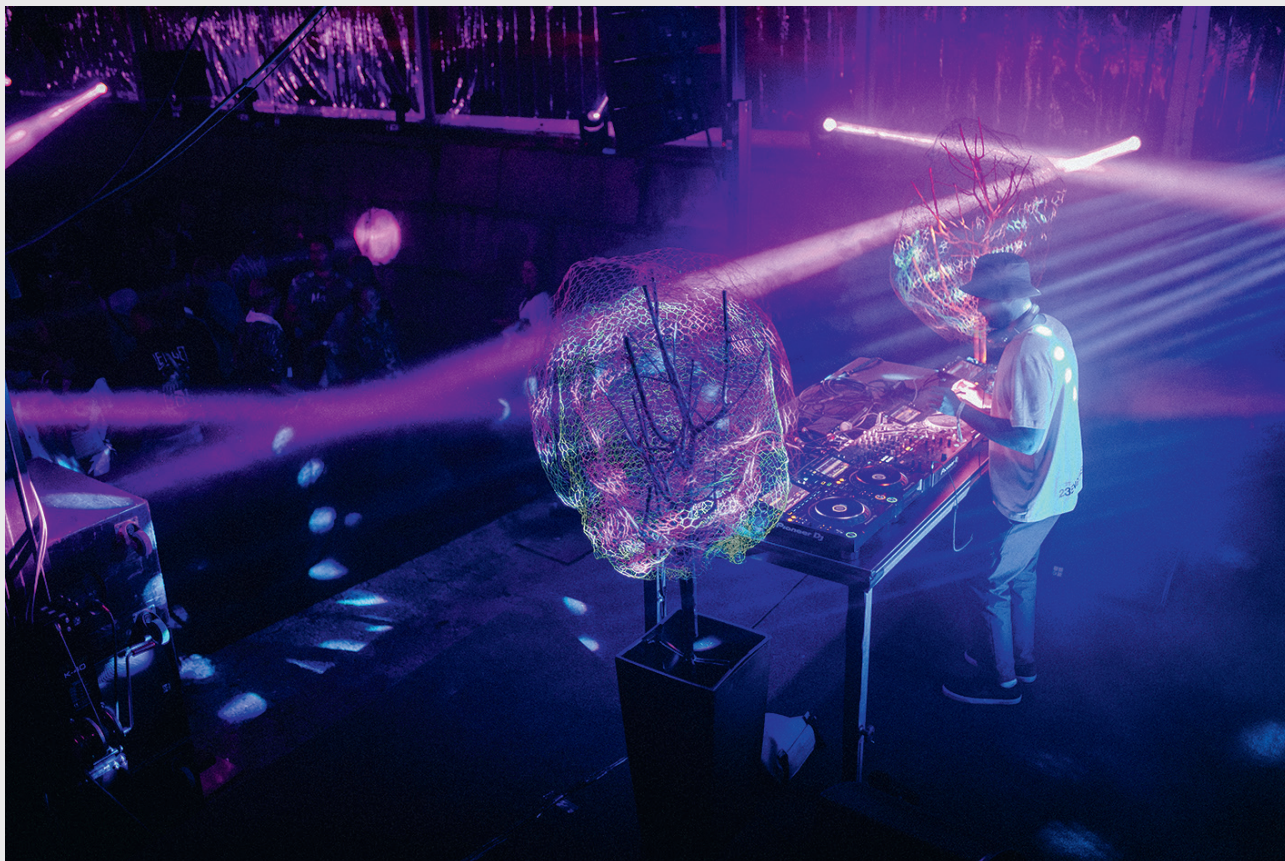
According to the resolution of the management board of the EAÜ of 30 August 2021, the EAÜ has the right to require applicants to make a prepayment, i.e. pay a deposit of up to 100% of the presumed licence fee or demand the provision of a security in the following cases:

1. if the agreement is concluded for the first time with a company whose equity capital is less than the licence fee expected to be payable;
2. if the applicant for a licence or their representative has previously failed to pay the licence fee in a timely manner or in the required amount or has submitted to EAÜ false information about the circumstances serving as a basis for the licence fee.

If the applicant for a licence is in debt to the EAÜ, the EAÜ may refuse to enter into a licence agreement with the applicant and may refuse to grant an authorisation for use to the applicant.

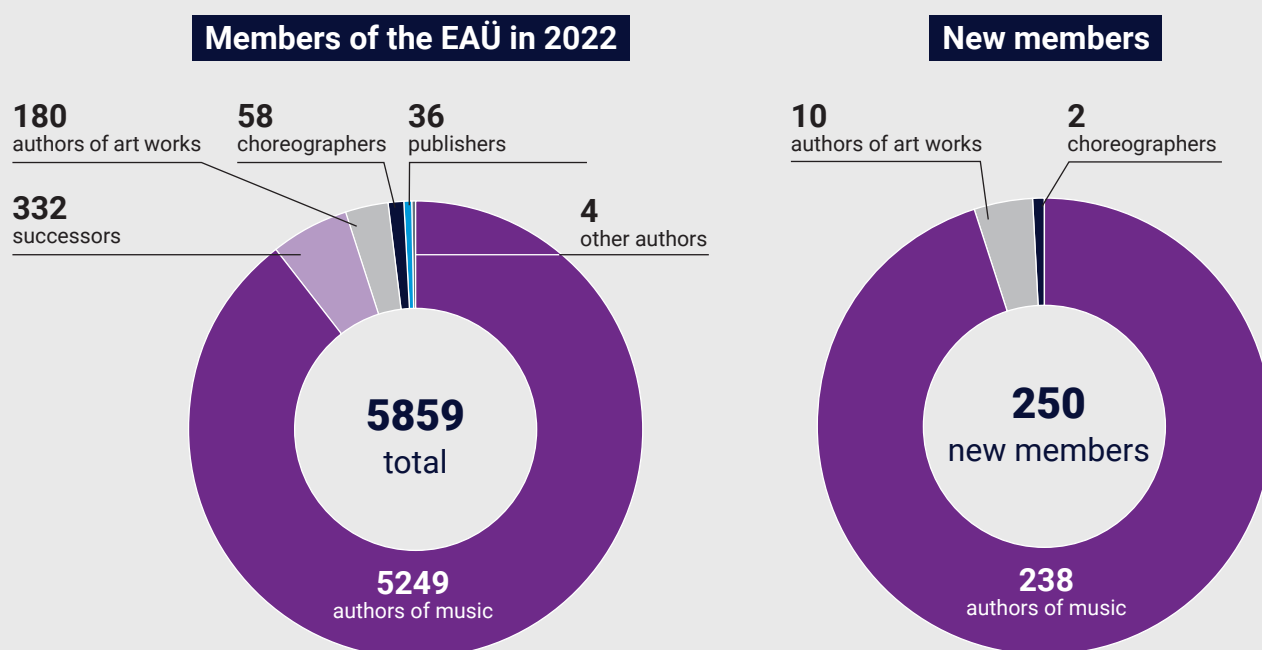
In 2022, the EAÜ entered into licence agreements with all parties who requested this.

Photo: Silver Tönisson



6. Members

250 members joined the EAÜ in 2022, including 238 authors of musical works, 10 authors of works of art and 2 authors of choreographic works. As at 31 December of the financial year, the EAÜ had 5,859 members in total, including 5,249 authors of musical works, 180 authors of works of art, 36 music publishers, 58 authors of choreographic works, four other authors and 332 heirs of deceased authors.



A member who has registered in more than one category is listed as an author in the category in which they are most active on a daily basis.

7. Report of the CEO on 2022

Dear authors,

I'm pleased to start the review of 2022 with some good news. This year was exceptional for the Estonian Authors Society (Eesti Autorite Ühing, EAÜ). More royalties were received than ever before. For the first time in the society's history, gross receipts exceeded the €10 million mark, which we had set as a target for 2025.

The rapid development of the EAÜ continued in 2022. The bigger plan was set at the 2022 general meeting, where the EAÜ Development Plan 2025 was adopted and we've followed this plan in the organisation of our activities.

The year before, in 2021, we updated the visual identity of the EAÜ, which resulted in a new logo and visual language for the society. In 2022, we started updating our website. The project, which started in May, was completed in early 2023 when the updated website was made accessible to everyone.

In the area of licencing, entering into contracts with several streaming platforms (Disney+, Viaplay, Go3 and Hayu) and a number of framework contracts can be regarded as a success. We also continued our successful cooperation with the Estonian Hotel and Restaurant Association and signed a new framework contract with the Estonian Retailers Association. The EAÜ had not had a framework contract with the latter since 2017. In the second half of the financial year, the EAÜ updated the tariff rates of public performance licences, which were approved by professional associations.

Several court cases also ended successfully for the EAÜ in 2022. The ruling of the Tallinn Circuit Court in the dispute between the EAÜ and OÜ Best Idea entered into force on 28 March and required the latter to pay the EAÜ licence fees in the amount of €33,454.46 plus default interest in the same amount. The dispute concerned the use of the works of authors represented by the EAÜ at the Jõulugala (Christmas Gala) events organised from 2017 to 2019.

In May, after constructive negotiations, we settled with a compromise the dispute with AS All Media Eesti over the use of the works of authors represented by the EAÜ in TV3 and TV6, which had been ongoing since 2019. A new cooperation project was thereby launched, where the EAÜ will contribute €10,000 euros to the prize fund of the song competition "Uus laul" ("New Song"), which will be broadcast on TV3 in 2023.

In September, the EAÜ won the legal dispute with ticketing platform OÜ Ticketer, from whom the EAÜ had requested information about seven concerts in April and May 2022, but OÜ Ticketer refused to provide this information to the EAÜ. At the end of September, Tallinn Circuit Court made a ruling in the legal dispute, which started in June, and the application of the EAÜ was upheld in all court instances. This was the first case in Estonian legal practice where subsection 79 (2) of the Copyright Act was applied in its revised wording, and we are pleased that the courts have taken a clear position that a collective representation organisation such as the EAÜ has the right to receive information from ticket agents upon request.

The (still pending) legal dispute between the Ministry of Justice and the Association of First Film Recording Producers (Filmi Esmasalvestuse Tootjate Ühing,



Mati Kaalep
CEO

FETÜ), where the FETÜ disputed the distribution of the fee for private copying presented in the distribution plan for 2022, started in 2022. The EAÜ is involved in this dispute as a third party, i.e. the EAÜ is not a party to the dispute, but we have an interest to present our positions in the dispute, as it may concern our legitimate interests. The EAÜ will present its positions with the Estonian Performers Association and the Estonian Association of Phonogram Producers.

The other IT solutions of the EAÜ were also developed alongside the new website. The work on updating the interface for authors of musical works ('user interface') started in August and its completion deadline is the first half of 2023. The development of an automatic search function for works in the repertoire performance environment rep.eau.org was launched and it was completed in January 2023. The technical system for processing the repertoire of audiovisual authors and their user interface were completed in October, which significantly increased the transparency of the use of works for audiovisual authors and made the work of the EAÜ more efficient. One of the most important in-house developments was the partial automation of distribution systems, which resulted in the automatic allocation of recording and synchronisation charges.

At the beginning of the year, we started analysing the creation of a 'client interface', an electronic environment for the conclusion of public performance contracts. Unfortunately, the results of the analysis showed that the development costs of the proposed technical solution are so high that creating such a solution is not economically viable. In 2023, the EAÜ will look for alternative ways to create a similar environment on more favourable terms. The EAÜ also looked for ways to increase technical cooperation with ticketing platforms in order to exchange information and facilitate reporting by event organisers. The negotiations did not lead to joint developments, but the EAÜ hopes that the discussion will continue and that in the future there will be cooperation at the technical level.

The office of the EAÜ was also renovated to improve the working environment of the staff. The house at Lille 13 (Tallinn), which belongs to the society and where the office of the EAÜ works on a daily basis,

had not been renovated since its completion in 1999. The same furniture that had been purchased after the house was built and that had become worn and dated was also in use to a large extent. The common areas (corridors, kitchen, meeting room) and the offices with visible damage were renovated.

As in previous years, we continued to provide training for the general public. We organised copyright training for various target groups from local authorities and professional associations to music and art teachers. The target group of teachers now also has new teaching material to use. Namely, extensive digital training material "Fundamentals of Copyright for Upper Secondary Schools" was prepared by the UT Viljandi Culture Academy, the Estonian Association of Phonogram Producers and other partners, which also includes seven animations that explain the area of copyright. The project was led by Virgo Sillamaa, member of the management board of the EAÜ, and the EAÜ's lawyer Anne-Ly Hussar and CEO Mati Kaalep also contributed to content creation.

The EAÜ continued to support the development of music and culture. Our grant programmes supported commissions for musical compositions, collaborations in composition, and the production and recording of compositions. The grant applications were reviewed by an expert committee, who decided to award grants to 86 applicants in the total amount of €133,425. All grant recipients and the amounts allocated to them can be found in the "Applications Granted" section of the EAÜ website. In 2022, 44 projects received grants in the total amount of €35,221 in the pilot round of export projects launched in cooperation with Music Estonia. The EAÜ also started recognising authors with direct grants by supporting the Estonian Music Awards Gala, the Estonian Song Contest, Jazzkaar and other events. The EAÜ also donated €10,000 to the NGO Slava Ukraini to help Ukraine.

I would like to thank all the authors and users of the works for placing their trust in the EAÜ. We do our best every day to foster and develop Estonian culture.

Happy 2023!

Mati Kaalep

CEO of the EAÜ

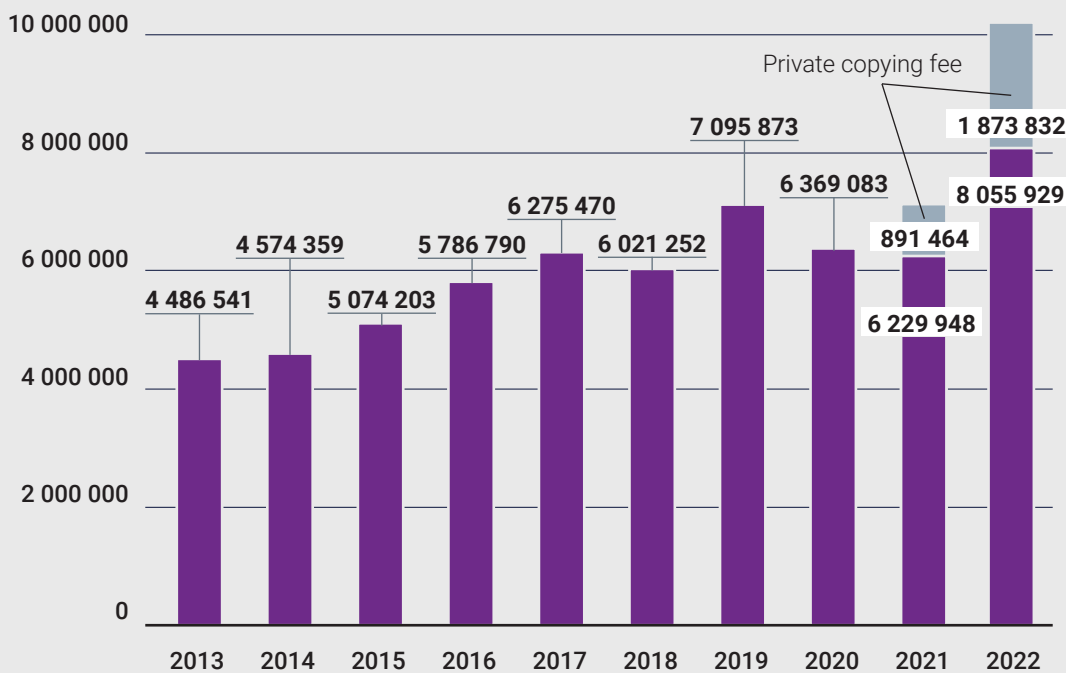
8. Financial information

In 2022 the net amount of the licence fees received by the EAÜ was €9,929,761, which includes commission in the amount of €1,543,990 and compensation for private copying in the amount of €1,873,832.

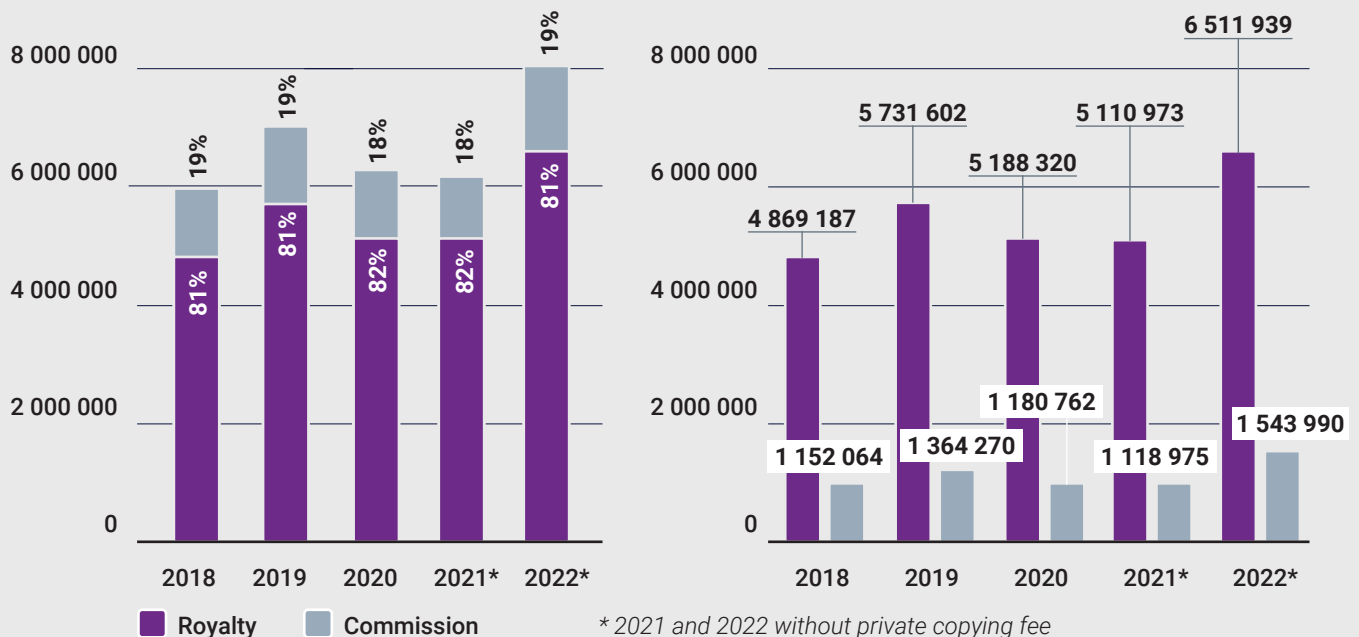
Revenues*	Expenses	Payouts
9,92	1,08	6,84
million €	million €	million €
2021: 7,12 million €	2021: 1,02 million €	2021: 4,89 million €
+29,5%		

* including commission and private copying fee

REVENUES



ROYALTY AND COMMISSION



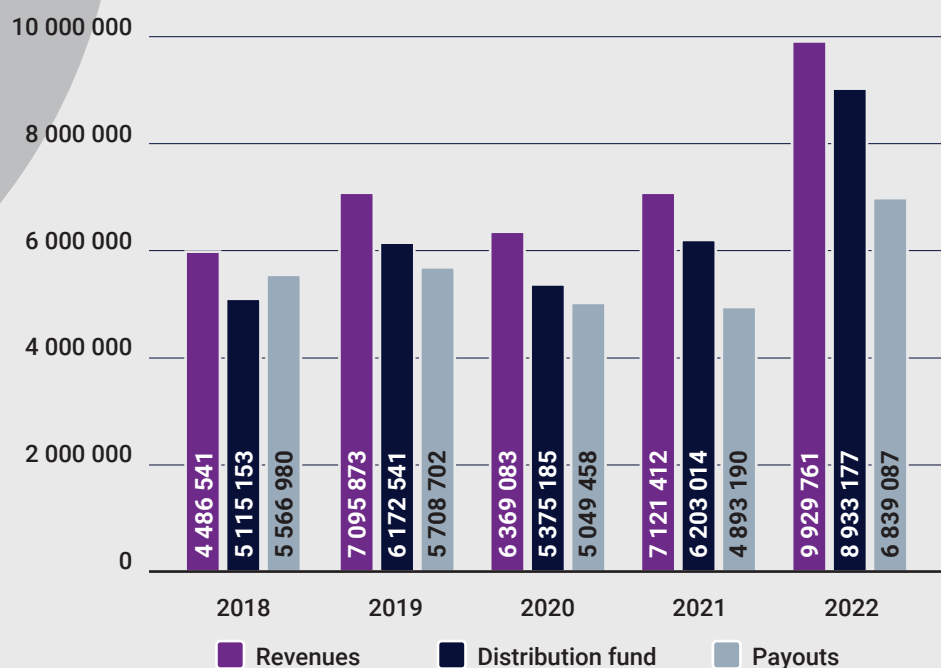
All of the budgeted revenues were met or exceeded in all areas.

	2022			2021		
	BUDGET (€)	REVENUE (€)	+/-	BUDGET (€)	REVENUE (€)	+/-
Radio	600 000	649 327	49 327	500 000	639 839	139 839
Television	700 000	1 482 674	782 674	700 000	769 042	69 042
Cable TV	620 000	779 665	159 665	600 000	640 438	40 438
Live performance	400 000	797 239	397 239	500 000	351 214	-148 785
Mechanical music	707 000	963 073	256 073	640 000	711 339	71 339
incl. bar, restaurant	320 000	456 083		280 000	310 751	
incl. shop	250 000	277 553		180 000	249 075	
incl. sport, casino	42 000	62 702		50 000	40 088	
incl. nightclub	15 000	30 873		20 000	16 050	
incl. theatre	80 000	135 861		110 000	95 373	
Cinema	80 000	133 896	53 896	100 000	72 034	-27 965
From abroad	300 000	415 603	115 603	250 000	492 804	242 804
GLA cable	400 000	428 844	28 844	800 000	833 730	33 730
Art	100 000	185 548	85 548	60 000	117 458	57 458
Audiovisual	830 000	1 087 319	257 319	750 000	825 356	75 356
Recording, digital, online	1 000 000	1 391 839	391 839	800 000	986 012	186 012
Private coping	1 800 000	1 873 832	73 832	0	891 463	891 463
TOTAL	7 537 000	10 188 859	2 651 859	5 700 000	7 330 735	1 630 735
incl. estimated VAT	-192 000	-259 098	-67 098	-187 000	-209 323	-22 323
TOTAL	7 345 000	9 929 761	2 584 761	5 513 000	7 121 412	1 608 412
incl. estimated commission 18%	1 033 000	1 543 990	510 990	1 022 000	1 118 975	96 975
NET REVENUE (ROYALTIES)	6 312 000	8 385 771	2 073 771	4 491 000	6 002 437	1 511 437

Photo: Silver Tönisson



€8,933,177 of the royalties received in 2022 was transferred to the distribution fund, i.e. €2,730,163 more than in 2021.



DISTRIBUTION FUND FOR AUTHORS OF MUSIC

€2,062,494 was received in the distribution fund in 2022

EUR	DISTRIBUTION			PAYOUTS		
	Number of authors	Distributed royalties	Average	Number of authors	Distributed royalties	Average
over 20 000	12	434 561	36 213	14	529 414	37 815
10 001–20 000	16	227 891	14 243	22	289 278	13 149
5001–10 000	65	421 659	6 487	66	436 178	6 609
1001–5000	276	595 435	2 157	299	654 164	2 188
301–1000	463	254 353	549	469	255 039	544
101–300	467	83 083	178	464	80 716	174
under 100	2543	45 512	18	698	38 053	55
Total	3842	2 062 494	537	2 032	2 282 842	1 123

883 835 from Estonia
283 435 Recording, digital, online
157 877 from abroad
204 311 Private copying compensation
533 036 Grants and additional fees

€2,296,305 was received to the distribution fund in 2021

EUR	DISTRIBUTION			PAYOUTS		
	Number of authors	Distributed royalties	Average	Number of authors	Distributed royalties	Average
over 20 000	12	384 743	32 062	14	429 881	30 706
10 001–20 000	23	319 814	13 905	20	273 574	13 679
5001–10 000	58	405 167	6 986	54	371 045	6 871
1001–5000	334	753 104	2 255	289	653 994	2 263
301–1000	498	276 772	556	459	253 204	552
101–300	593	103 366	174	596	102 658	172
under 100	2534	53 339	21	871	49 581	57
Total	4052	2 296 305	567	2 303	2 133 937	927

496 170 from Estonia
77 101 Recording, digital, online
224 440 from abroad
1 059 360 Private copying compensation
439 234 Grants and additional fees

The total amount of royalties paid by the EAÜ in 2022 was €6,839,087 (€4,893,190 in 2021).

In 2022, the EAÜ paid out royalties received by the distribution fund in 2022 and in previous periods as follows:

- €2,282,842 was paid to the authors of musical works who are members of the EAÜ, which is €148,905 more than in 2021;
- €1,799,258 was paid to the Estonian authors of audiovisual works, which is €1,569,655 more than in 2021;
- €95,755 to the authors of works of art who are members of the EAÜ, i.e. €1,373 more than in 2021;
- €2,661,212 to foreign associations, which is €225,964 more than in 2021.

PAYOUTS OF ROYALTIES

2022

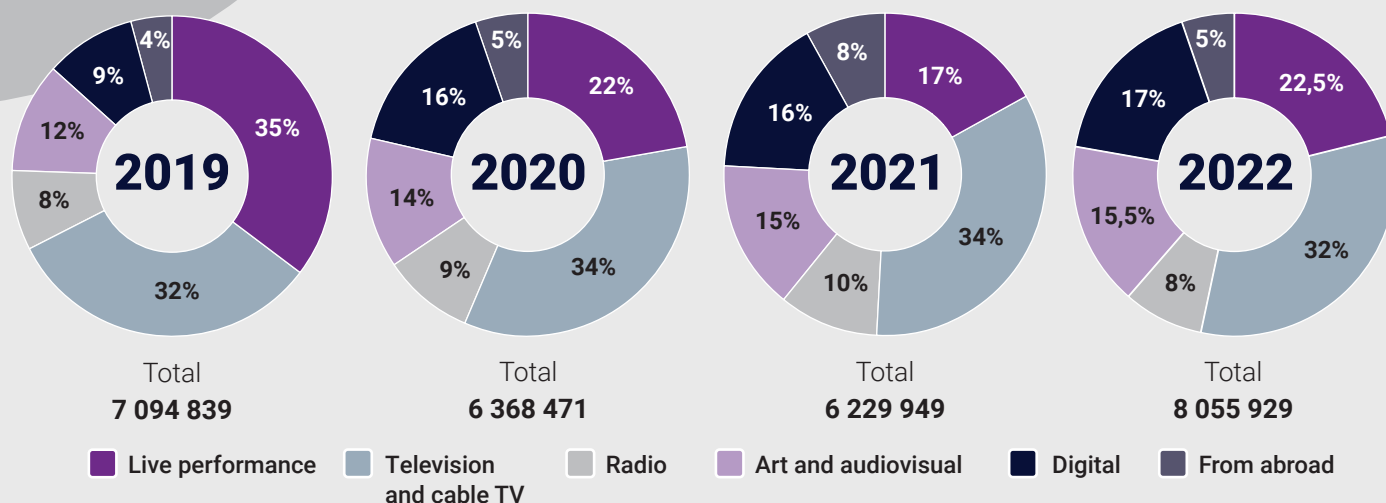
FEES PAID TO FOREIGN ASSOCIATIONS			
	amount	%	%
Radio	290 580	10,92	4,25
Television	121 340	4,56	1,77
Live performance	424 925	15,97	6,21
Nightclub	0	0,00	0,00
Cinema	45 608	1,71	0,67
Major work	29 158	1,10	0,43
Mechanical background music	346 256	13,01	5,06
GLA cable	261 232	9,82	3,82
Cable TV	256 101	9,62	3,74
Art	14 852	0,56	0,22
Audiovisual	315 770	11,87	4,62
Recording, digital, online	555 390	20,87	8,12
TOTAL	2 661 212	100	38,91
FEES PAID TO ESTONIAN AUTHORS			
Music	2 282 843	54,64	33,38
Art	95 775	2,29	1,40
Audiovisual	1 799 258	43,07	26,31
TOTAL	4 177 875	100	61,09
GRAND TOTAL	6 839 087		100

2021

FEES PAID TO FOREIGN ASSOCIATIONS			
	amount	%	%
Radio	234 254	9,62	4,79
Television	258 866	10,63	5,29
Live performance	128 069	5,26	2,62
Nightclub	9 729	0,40	0,20
Cinema	134 550	5,53	2,75
Major work	7 830	0,32	0,16
Mechanical background music	256 680	10,54	5,25
GLA cable	408 887	16,79	8,36
Cable TV	523 305	21,49	10,69
Art	28 869	1,19	0,59
Audiovisual	325 240	13,36	6,65
Recording, digital, online	118 969	4,89	2,43
TOTAL	2 435 248	100	49,77
FEES PAID TO ESTONIAN AUTHORS			
Music	2 133 937	86,82	43,61
Art	94 402	3,84	1,93
Audiovisual	229 603	9,34	4,69
TOTAL	2 457 942	100	50,23
GRAND TOTAL	4 893 190		100

9. Collection of remuneration and trends

Royalties were collected in the amount of €8,055,929 in 2022, €6,229,948 in 2021, €6,368,471 in 2020 and €7,094,874 in 2019 (the amounts also include commission).



The royalties collected on concerts in 2022 amounted to €604,900, which is more than twice the amount collected in 2021, when the net amount collected was €259,748. However, €387,797 was collected in 2020 and as much as €936,525 in 2019, which is why comparing 2022 to the pre-corona year, i.e. 2019, is appropriate. Based on this, it can be said that the recovery has been strong, but we are not yet at the point where we were before the corona crisis.

The net revenue for mechanical or background music in 2022 (including shops, restaurants, casinos, sports and nightclubs) amounted to €616,759. The trend is similar to that for concerts: although revenues were higher than in the last two years, they still fall short of the level of 2019 (€459,704 in 2021, €559,415 in 2020, €722,386 in 2019).

Net revenues for the use of works in television in 2022 amounted to €1.07 million. This looks like a significant jump at first glance (€545,808 in 2021), but such a big change is mainly due to the end of the legal dispute with AS All Media Eesti, which paid the EAÜ the royalties that had been the subject of a dispute since 2019. The net amounts received from television in the previous years were €521,592 (in 2020) and €717,714 (in 2019).

For cable distribution, the net revenues in 2022 were €1 million (€1.2 million in 2021, €1.3 million in 2020 and €1.2 million in 2019). The decline is mainly due to the decision of the ERR to withdraw from the GLA agreement, which the EAÜ uses to licence the repertoire it represents and the rights of TV channels to cable distribution operators.

For radio, the net revenues in 2022 were €474,609, more or less the same as in previous years. In 2021, the EAÜ collected €468,236 from radio, €424,270 the year before and €434,825 in 2019.

For recordings, digital and online sources, the net revenues in 2022 were €1.13 million (€778,629 in 2021, €831,085 in 2020 and €523,311 in 2019). The revenues related to recording, digital use and online sources have increased compared to 2019.

2022

	Royalty	Commission	Total
Radio	474 609	158 198	632 807
Television	1 071 456	351 401	1 422 856
Cable TV	622 717	88 960	711 677
GLA Cable	378 392	42 044	420 436
Live performance	604 900	161 638	766 538
Mechanical background music	616 759	174 045	790 804
Theatre	106 262	24 667	130 928
Cinema	99 963	28 295	128 258
Recording, digital, online	1 134 973	245 297	1 380 269
From abroad	405 215	10 388	415 603
Audiovisual	840 059	232 366	1 072 425
Art	156 634	26 693	183 328
TOTAL			8 055 929
Private copying	1 873 832		1 873 832
TOTAL (incl. private copying)	8 385 771	1 543 990	9 929 761

2021

	Royalty	Commission	Total
Radio	468 236	156 268	624 504
Television	545 808	173 126	718 934
Cable TV	511 756	73 106	584 862
GLA Cable	735 650	81 733	817 383
Live performance	259 748	76 760	336 508
Mechanical background music	459 704	129 674	589 378
Theatre	74 240	17 611	91 852
Cinema	53 912	15 100	69 012
Recording, digital, online	778 629	197 129	975 759
From abroad	485 087	7 718	492 805
Audiovisual	640 646	172 211	812 857
Art	97 556	18 540	116 096
TOTAL			6 229 949
Private copying	891 464		891 464
TOTAL (incl. private copying)	6 002 437	1 118 976	7 121 413

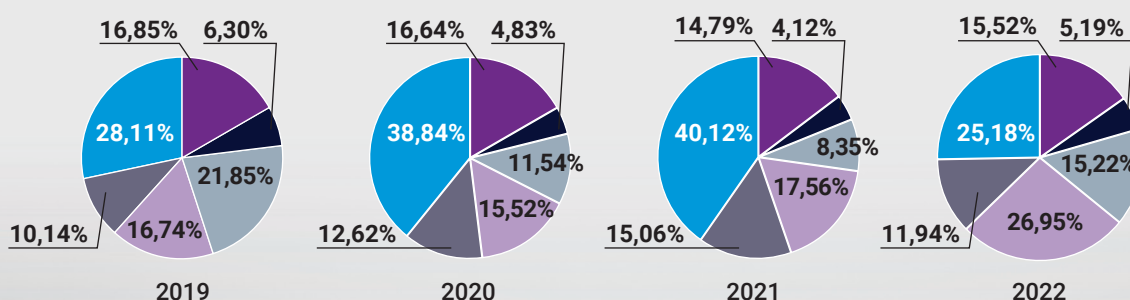
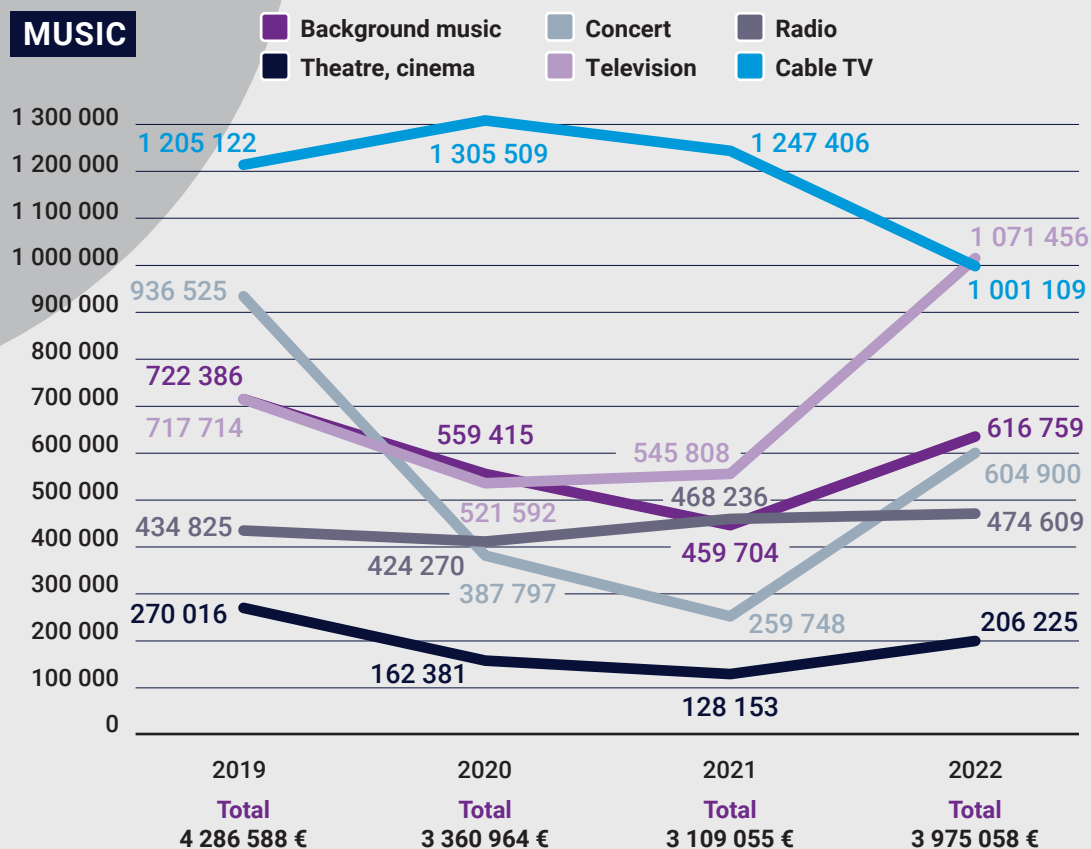
2020

	Royalty	Commission	Total
Radio	424 270	141 256	565 526
Television	521 592	168 114	689 706
Cable TV	489 396	69 891	559 287
GLA Cable	816 113	90 645	906 758
Live performance	387 797	110 967	498 764
Mechanical background music	559 415	157 361	716 776
Theatre	83 117	22 252	105 369
Cinema	79 264	22 188	101 452
Recording, digital, online	831 085	212 939	1 044 024
From abroad	317 397	6 408	323 806
Audiovisual	616 089	165 149	781 238
Art	62 174	13 592	75 766
TOTAL			6 368 471
Private copying	612		612
TOTAL (incl. private copying)	5 188 321	1 180 762	6 369 083

2019

	Royalty	Commission	Total
Radio	434 825	144 942	579 767
Television	717 714	226 303	944 017
Cable TV	467 649	66 527	534 176
GLA Cable	737 473	81 942	819 415
Live performance	936 525	259 047	1 195 572
Mechanical background music	722 386	203 915	926 301
Theatre	122 224	30 326	152 550
Cinema	147 793	41 685	189 478
Recording, digital, online	523 311	134 337	657 648
From abroad	274 808	6 374	281 183
Audiovisual	592 684	155 405	748 089
Art	53 213	13 430	66 643
TOTAL			7 094 839
Private copying	998		998
TOTAL (incl. private copying)	5 731 603	1 364 234	7 095 837

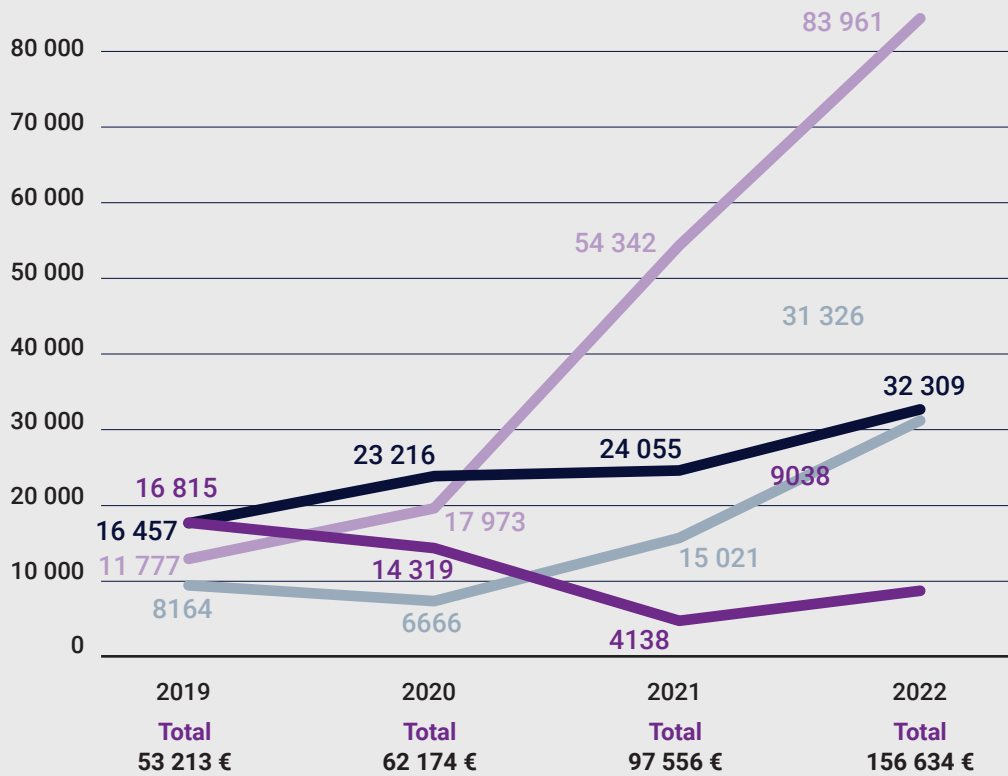
MUSIC



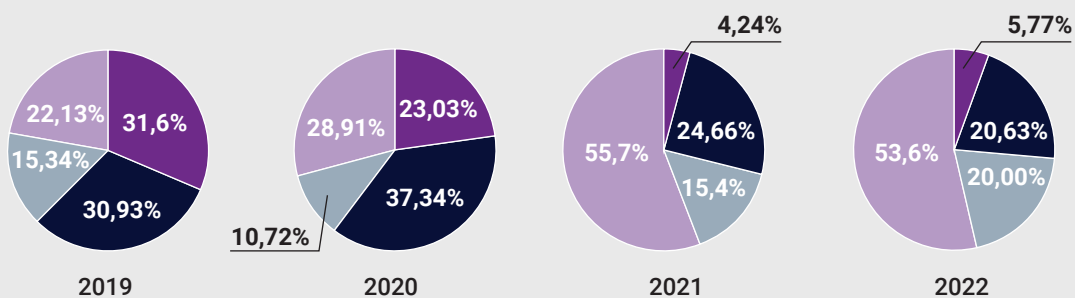
■ Background music
 ■ Concert
 ■ Radio
■ Theatre, cinema
 ■ Television
 ■ Cable TV

For works of art, the net revenues in 2022 were €156,634. These are recover revenues in the field of art. Compared to previous years, the volume of art auctions also increased in 2022 and this is largely the reason for the increase in the share of the remuneration collected. For example, the net amount of remuneration collected for the authors of works of art was €97,556 in 2021 and a little over €62,174 in 2020.

ART



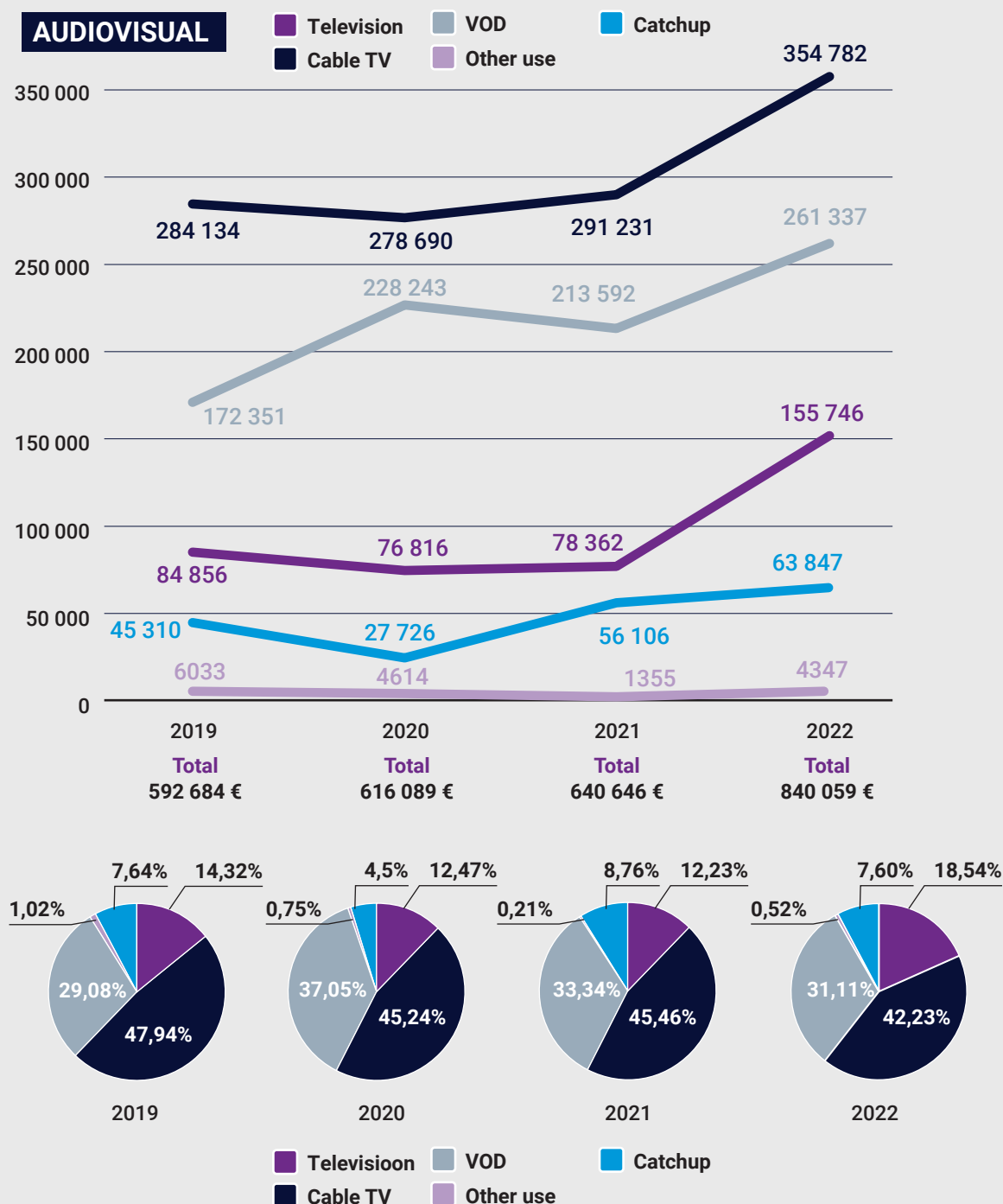
■ General reproduction of works of art
 ■ Reproduction of works of art on cable TV
 ■ Reproduction of works of art on TV
 ■ Auctions



Net revenues in the area of audiovisual works increased at a steady pace compared to previous years: from €616,089 in 2020 to €640,646 in 2021. The royalties received for authors of audiovisual works in 2022 amounted to €840,059, which is ca €200,000 more than in 2021. The increase was mainly due to the settlement of several lawsuits with rulings made in favour of the EAÜ and the periodic licence fee received in 2022, which was paid by All Media AS for works used in TV channels.

Royalties related to TV channels increased, but the volume of licence fees from telecoms that provide service bundles and cable operators decreased. There is a noticeable connection between the decrease in revenues and the change in the customer base of service providers, which occurred due to the fact that the distribution of most of the TV channels of the Russian Federation was restricted on the territory of Estonia in 2022.

Royalties from other sources, including for the use of works abroad, were stable and as expected.



10. Expenses

The actual expenses in 2022 were €42,806 less than planned. The total budget expenditure of the EAÜ was €1,076,694, i.e. 10.71% of all the receipts. As the objective according to the development plan of the EAÜ is to achieve a 15% commission rate by 2025, 10.71% on all revenues is a good result that exceeds all expectations. The commission of the EAÜ – €1,543,990 – comprised 19.17% of all receipts. The calculation of the commission does not include the fee for private copying collected by the EAÜ on behalf of all organisations it represents.

COMMISSION

	2022		2021		2020		2019		2018	
	amount	%	amount	%	amount	%	amount	%	amount	%
Bar	95 836	6,21	65 344	5,84	82 772	7,01	111 110	8,14	115 989	10,07
Shop	58 441	3,79	52 504	4,69	57 461	4,87	61 989	4,54	55 096	4,78
Casino, sport	13 263	0,86	8 444	0,75	11 532	0,98	17 142	1,26	14 946	1,30
Nightclub	6 505	0,42	3 382	0,30	5 596	0,47	13 675	1,00	12 378	1,07
Theatre	24 667	1,60	17 611	1,57	22 252	1,88	30 362	2,23	31 127	2,70
Live performance	161 637	10,47	76 760	6,86	110 967	9,40	259 047	18,99	178 832	15,52
Television	351 401	22,76	173 126	15,47	168 114	14,24	226 303	16,59	161 976	14,06
Radio	158 198	10,25	156 268	13,97	141 256	11,96	144 942	10,62	141 811	12,31
Cable TV	88 960	5,76	73 106	6,53	69 891	5,92	66 527	4,88	58 979	5,12
Cinema	28 295	1,83	15 100	1,35	22 188	1,88	41 685	3,06	32 145	2,79
Art	26 693	1,73	18 539	1,66	13 592	1,15	13 430	0,98	10 793	0,94
Audiovisual	232 366	15,05	172 211	15,39	165 149	13,99	155 405	11,39	139 159	12,08
From abroad	10 388	0,67	7 718	0,69	6 408	0,54	6 375	0,47	5 707	0,50
Recording, digital, online	245 297	15,89	197 129	17,62	212 939	18,03	134 337	9,85	125 943	10,93
GLA cable	42 043	2,72	81 733	7,30	90 645	7,68	81 942	6,01	67 184	5,83
GRAND TOTAL	1 543 990	100	1 118 975	100	1 180 762	100	1 364 271	100	1 152 065	100

The largest type of expenditure for the EAÜ is staff costs, which totalled €805,361 in 2022, i.e. 74.8% of total expenditure. Compared to the previous year, the cost of software development has more than doubled to €140,520 in the reporting year. The EAÜ was working on seven projects, one of the largest of which was updating the website, as well as updating the author's interface, adding the automatic search function in the repertoire performance environment and the gradual automation of the systems for distribution of remuneration. The legal costs decreased and only totalled €1,340, as several legal disputes ended successfully for the EAÜ and the legal costs were reimbursed to the society.

Expenses in 2022

	amount	%
SALARIES AND WAGES	605 944	56,28
SOCIAL TAXES	199 417	18,52
incl. social tax	194 611	
incl. unemployment insurance tax	4 806	
OTHER TAXES	1 678	0,16
incl. social tax on fringe benefit	931	
incl. income tax on fringe benefit	565	
incl. land tax	182	
HEATING	1 836	0,17
ELECTRICITY	6 958	0,65
SECURITY	1 249	0,12
TELEPHONE, COMMUNICATION	3 835	0,36
TRANSPORT	7 758	0,72
incl. fuel	4 044	
incl. repair and maintenance	3 393	
incl. car park	67	
incl. use of personal car	254	
DEPRECIATION	20 704	1,92
BUSINESS TRAVELS	9 815	0,91
LEGAL COSTS	1 340	0,12
SOFTWARE MAINTENANCE	140 520	13,05
POST	1 490	0,14
BANKING EXPENSES	2 646	0,25
REPRESENTATION COSTS	10 704	0,99
incl. reception of guests	6 350	
incl. seminar	1 294	
incl. general meeting	3 060	
PR EXPENSES	0	0,00
OFFICE EXPENSES AND AUDIT	18 709	1,74
incl. office expenses	11 905	
incl. press subscriptions	1 304	
incl. auditing	5 500	
INSURANCE	620	0,06
ADMINISTRATION AND OTHER EXPENSES	10 375	0,96
incl. water	391	
incl. other services (IPI, SDO, PRS)	1 628	
incl. administration expenses	8 195	
incl. other expenses	0	
incl. inspection raids	161	
MEMBERSHIP FEES	16 176	1,50
incl. EOCP membership fee	4 035	
incl. CISAC, GESAC membership fee	8 192	
incl. other membership fees	3 949	
TRAINING	560	0,05
DOUBTFUL INVOICES	0	0,00
EXPENSES OF PÄRNU HOLIDAY HOUSE	10 935	1,02
PROMOTION OF HEALTH OF EMPLOYEES	3 361	0,31
ONLINE RADIO EXPENSES	64	0,01
TOTAL	1 076 694	100

Expenses in 2021

	amount	%
SALARIES AND WAGES	575 962	56,67
SOCIAL TAXES	191 494	18,84
incl. social tax	186 868	
incl. unemployment insurance tax	4 626	
OTHER TAXES	1 960	0,19
incl. social tax on fringe benefit	931	
incl. income tax on fringe benefit	564	
incl. land tax	465	
HEATING	2 330	0,23
ELECTRICITY	3 597	0,35
SECURITY	1 016	0,10
TELEPHONE, COMMUNICATION	4 454	0,44
TRANSPORT	8 323	0,82
incl. fuel	3 689	
incl. repair and maintenance	2 191	
incl. car park	107	
incl. use of personal car	2 336	
DEPRECIATION	21 077	2,07
BUSINESS TRAVELS	669	0,07
LEGAL COSTS	24 251	2,39
SOFTWARE MAINTENANCE	62 610	6,16
POST	1 745	0,17
BANKING EXPENSES	2 243	0,22
REPRESENTATION COSTS	10 120	1,00
incl. reception of guests	3 675	
incl. seminar	3 660	
incl. general meeting	2 785	
PR EXPENSES	20	0,00
OFFICE EXPENSES AND AUDIT	17 659	1,74
incl. office expenses	7 975	
incl. press subscriptions	865	
incl. auditing	8 819	
INSURANCE	1 687	0,17
ADMINISTRATION AND OTHER EXPENSES	45 723	4,50
incl. water	319	
incl. other services (IPI, SDO, PRS)	38 059	
incl. administration expenses	6 783	
incl. other expenses	0	
incl. inspection raids	562	
MEMBERSHIP FEES	18 756	1,85
incl. EOCP membership fee	4 035	
incl. CISAC, GESAC membership fee	14 326	
incl. other membership fees	395	
TRAINING	5 455	0,54
DOUBTFUL INVOICES	0	0,00
EXPENSES OF PÄRNU HOLIDAY HOUSE	10 841	1,07
PROMOTION OF HEALTH OF EMPLOYEES	1 875	0,18
ONLINE RADIO EXPENSES	2 455	0,24
TOTAL	1 016 321	100

11. Revenues from abroad

ROYALTIES RECEIVED FROM FOREIGN ASSOCIATIONS

2022		
land	amount	%
Finland	100 899	24,28
England	74 185	17,85
Germany	51 764	12,46
Sweden	31 691	7,63
Latvia	26 711	6,43
France	26 410	6,35
Denmark	24 344	5,86
USA	23 378	5,63
Netherlands	21 127	5,08
Japan	12 146	2,92
Switzerland	10 641	2,56
Spain	5 837	1,40
Belgium	5 624	1,35
Canada	4 716	1,13
Lithuania	4 604	1,11
Poland	3 554	0,86
Australia	3 446	0,83
Portugal	3 389	0,82
Austria	2 223	0,53
Norway	2 068	0,50
Hungary	1 660	0,40
Slovenia	1 592	0,38
Czech Republic	1 533	0,37
Romania	1 364	0,33
Italia	818	0,20
Ireland	750	0,18
Brazil	644	0,15
Serbia	572	0,14
Israel	544	0,13
Malaysia	496	0,12
Greece	476	0,11
South-Korea	322	0,08
New Zealand	268	0,06
South Africa	168	0,04
Croatia	154	0,04
Mexico	149	0,04
Armenia	116	0,03
Hong Kong	94	0,02
Switzerland*	-34 874	-8,39
TOTAL	415 603	100

2021		
land	amount	%
Denmark	212 406	43,10
Switzerland	41 983	8,52
Finland	35 910	7,29
Sweden	29 238	5,93
Japan	27 358	5,55
Latvia	25 293	5,13
USA	25 187	5,11
France	17 270	3,50
England	16 298	3,31
Germany	10 819	2,20
Netherlands	8 305	1,69
Belgium	6 393	1,30
Canada	4 712	0,96
Australia	3 997	0,81
Lithuania	3 842	0,78
Poland	3 475	0,71
Portugal	3 249	0,66
Slovenia	2 720	0,55
Italia	2 361	0,48
Hungary	2 057	0,42
Spain	1 911	0,39
Austria	1 413	0,29
Norway	1 183	0,24
Ireland	1 165	0,24
Slovenia	790	0,16
Czech Republic	704	0,14
Brazil	632	0,13
Croatia	504	0,10
Israel	479	0,10
South-Korea	474	0,10
Malaysia	247	0,05
Colombia	189	0,04
Hong Kong	150	0,03
Belarus	90	0,02
TOTAL	492 805	100

* Adjustment of 2021, revaluation of accounting principle in relation to revenues of contractual partner MINT Digital.

12. Report on the amounts deducted during the financial year for the provision of social, cultural and educational services

The EAÜ used the surplus commission received to support many projects important to Estonian music life, for which grants were distributed in two rounds.

The goal of the support programme is to encourage the creation of new Estonian music and to broaden the opportunities for composers to create, so that Estonian music life is enriched as a result. The programme is divided into three areas of support:

1. support is given to orders for new musical compositions, for which there is a definite and specific plan for performance, recording and/or distribution. The order must be placed by either a concert organiser (for example, in the case of a festival), a collective or a performer other than the author (this is not a creative grant);
2. support is given to the creation of new musical works through a range of (co-)creative initiatives, such as organising residencies and co-creative camps or covering part of the costs of participation in these, both in Estonia and abroad;
3. support is given to the production and recording of musical compositions in both audio and video formats, provided that there is a specific release and distribution plan.

More detailed terms and conditions of the Creative Activities Programme can be found on the EAÜ website. In the reporting year, the grant applications were reviewed by an expert committee, who decided to award grants to 86 applicants in the amount of €133,425 in both rounds in total. All grant recipients and the amounts allocated to them can be found in the "Applications Granted" section of the EAÜ website.

The export project support measure created in cooperation with Music Estonia continued and 44 projects received support in the total amount of €35,221.

Direct grants were given to individual projects, such as the organisation of the Estonian Music Awards and the Estonian Music Business Gala. Traditionally, the EAÜ also funded the annual award of the Estonian Theatre Association in the category of musical design for a spoken word production and original music with €2,000. A cash prize was also awarded to the authors of the top three songs in the Estonian Song Contest: €3,000 to the winning song, €2,000 to the runners-up, and €1,000 to the authors of the song in the third place.

In total, grants in the amount of €236,235 were allocated from the 2022 reserves.

In 2022, the socio-cultural fund paid €67,875 in grants to elderly authors and one-off additional royalties to 760 authors of musical works, totalling €465,161.

2022

RESERVES IN 2022	balance	in	out	redistribution	balance
	1.01.2022				31.12.2022
Expenditure fund	459 052		-201 240	257 822	515 634
Development fund	251 353	105 000	-243 332	267 317	380 338
Soc. cult. fund	593 036	117 840	-533 036	415 035	592 875
Royalty risk reserve	150 000				150 000
Fixed Assets risk reserve	60 000				60 000
	1 513 441	222 840	-977 608	940 174	1 698 847

FORMATION OF RESERVES IN 2022	
RESERVE BALANCE	758 673
COMMISSION	1 543 990
LEASE INCOME	18 020
FINANCIAL INCOME	43 067
OTHER REVENUE	65 497
UNDISTRIBUTED ROYALTIES 2017-2019	392 767
TOTAL	2 822 014
EAÜ EXPENSES	-1 076 694
OTHER LIABILITIES	-46 473
	1 698 847
EXPENDITURE FUND	515 634
DEVELOPMENT FUND	380 338
SOC. CULT. FUND	592 875
ROYALTY RISK RESERVE	150 000
FIXED ASSETS RISK RESERVE	60 000
	1 698 847

2021

RESERVES IN 2022	balance	in	out	redistribution	balance
	1.01.2021				31.12.2021
Expenditure fund	518 017		-203 280	144 315	459 052
Development fund	277 255		-169 168	143 266	251 353
Soc. cult. fund	499 733	133 466	-442 359	402 196	593 036
Royalty risk reserve	150 000				150 000
Fixed Assets risk reserve	60 000				60 000
	1 505 005	133 466	-814 807	689 777	1 513 441

FORMATION OF RESERVES IN 2021	
RESERVE BALANCE	823 665
COMMISSION	1 118 975
LEASE INCOME	19 301
FINANCIAL INCOME	59 909
OTHER REVENUE	53 154
UNDISTRIBUTED ROYALTIES 2017-2019	489 200
TOTAL	2 564 204
EAÜ EXPENSES	-1 016 321
OTHER LIABILITIES	-34 442
	1 513 441
EXPENDITURE FUND	459 052
DEVELOPMENT FUND	251 353
SOC. CULT. FUND	593 036
ROYALTY RISK RESERVE	150 000
FIXED ASSETS RISK RESERVE	60 000
	1 513 441

13. Plans for 2023

A new management board will be elected for the EAÜ in 2023, which will have an impact on the further priorities of society. As 2022 was a great success, we can only hope that the same good results can be repeated in the future. In 2023, we plan to continue with the developments and activities that have already been underway in previous years, such as:

- update the electronic environment for the performance of repertoire and the interface for authors of musical works;
- sign new contracts with television service providers;
- negotiate with the Estonian Hotel and Restaurant Association the tariffs for catering and accommodation establishments and clubs that will enter into force on 1 January 2024;
- update the tariffs for the reproduction of works of art;
- put more emphasis on communication;
- carry out training for partners and authors.

Photo: Silver Tõnisson



14. The five most played musical works in 2022

ESTONIAN TOP FIVE

The table shows the five Estonian musical works that, according to the reports submitted to the EAÜ, were played the most on Estonian radio and television in 2022.

- 1 **Miraaž**
Stefan
Sven Lõhmus, Stefan Airapetjan
- 2 **Ainult Unustamiseks**
Pur Mudd & Grete Paia
Hendrik Sal-Saller
- 3 **Vihje**
Mikael Gabriel & Nublu
Tido Nguyen, Mikael Sohlman, Nublu, Santeri Valdemar Kauppinen, Ago Teppand
- 4 **Ookean**
Karl-Erik Taukar
Ago Teppand, Lauri Räpp, Gevin Niglas, Stefan Airapetjan, Fred Krieger, Karl-Erik Taukar, Vallo Kikas
- 5 **Hope**
Stefan
Karl-Ander Reismann, Stefan Airapetjan

INTERNATIONAL TOP FIVE

The table shows the five international musical works that, according to the reports submitted to the EAÜ, were played the most on Estonian radio and television in 2022.

Song title
Performer
Author(s)
Publishers

- 1 **Cold Heart**
Elton John & Dua Lipa
Bernard J.p. Taupin, Elton John, Peter Bruce Mayes, Nicholas George Littlemore, Samuel David Littlemore, Dean Meredith, Andrew John Meecham
Universal Music Publishing Pty Ltd, Universal Music Publishing Limited, Chenfeld Ltd, Hst Publ Ltd, Cow Dog Music Incd/B/A, Defected Music Limited, Universal Music Publishing International Ltd, Universal Music Publishing Ab, Bmg Rights, Bmg Rights Management (Scandinavia) Abmanagement (Uk) Limited
- 2 **As It Was**
Harry Styles
Harry Edward Styles, Thomas Edward Percy Hull, Tyler Sam Johnson
Universal Music Publishing Limited, Hsa Publishing Limited, Blackstone Creative, These Are Pulse Songs, Concord Music Scandinavia, Universal Music Publishing International Ltd, Universal Music Publishing Ab
- 3 **The Motto**
Tiesto And Ava Max
Pablo Bowman, Sarah Elizabeth Blanchard, Amanda Koci, Peter John Rees Rycroft, Tijs M Verwest, Claudia Annabel Clooney
Warner Geo Met Ric Music, Warner Chappell Music Ltd, Max Cut Publishing, Artist Publishing Group Gmr, Kobalt Music Services Ltd, Bmg Rights Management (Uk) Limited, Musical Freedom Publishing, Bmg Rights Management (Scandinavia) Ab, Kobalt Music Publishing Ltd, Warner Chappell Music Scand Ab
- 4 **Bam Bam**
Camila Cabello Feat. Ed Sheeran
Scott Harris, Edward Christopher, Barrera Edgar Sheeran, Karla Camila Cabello, Eric Burton Frederic, Cheche Alara, Juan Fernando Fonseca Carrera
Sony-Atv Tunes Llc, Handy Music Llc, Sony/Atv Music Publishing (Uk) Limited, Emi Foray Music, 11once Music, Milamoon Songs, Modern Arts Melody, Songs By Work Of Art, Mae Jesse And Ried Music, Scottharriswritesongs, Sony/Atv Music Publishing Llc, Sony/Atv Music Publishing Scandinavia Kb, Sony Atv Songs Llc, Sony/Atv Bailar, Emi Music Publishing Scandinavia Ab, Foray Music, Emi Music Publishing Ltd
- 5 **Heat Waves**
Glass Animals
David Algernon Bayley
Beggars Music Limited, Beggars Music Scandinavia



Photo: Krõõt Tarkmeel



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Hal Gatewood (Unsplash.com), Etienne Girardet (Unsplash.com)