



Annual Report **2014**

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# Koda gets ready for new EU rules

**Koda is busily adapting to a new EU directive that will, according to Koda chairman Niels Mosumgaard, support and promote the ongoing modernisations at Koda. The strategy is to enter into even more international alliances that can help make the organisation robust and competitive in times of uncertainty.**

“A great, exciting and very challenging year for Koda.”

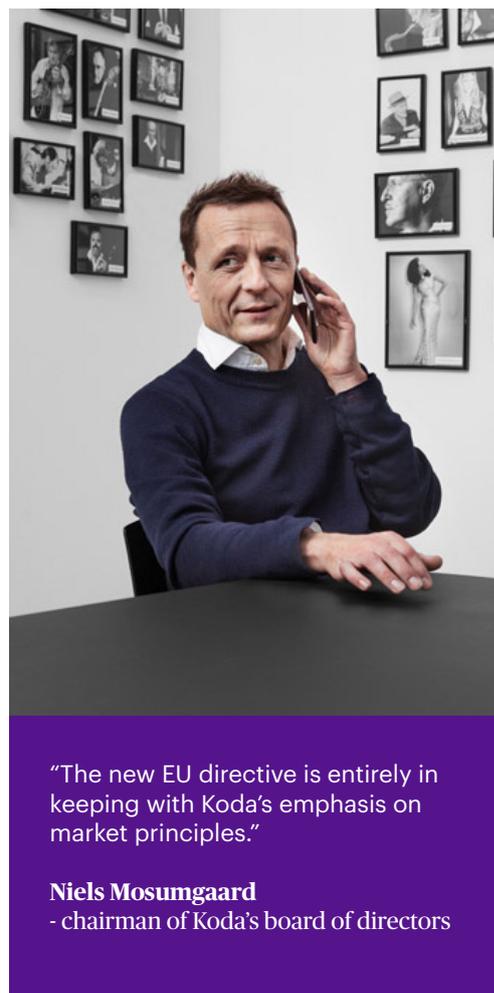
That is how Niels Mosumgaard, chairman of the board at Koda, sums up the year 2014. He uses the word “fantastic” to describe the fact that Koda generated a total turnover of EUR 111 million, which is the organisation’s best result ever.

“This means that we will make record-breaking distributions to composers, songwriters and publishers, and it also means that Koda continues to be vitally important in ensuring that exciting, moving, relevant music gets made. Those of us who sit on the board of directors cannot possibly lavish enough praise on the management and staff of Koda for the dedicated, enthusiastic work they’ve done in 2014. All departments performed even better than expected, and overall we continue to take successful steps to promote efficiency. We are keeping costs low, and we enjoy very fruitful co-operation with other Nordic collective rights management societies on the development of IT solutions. Moving into new, beautiful headquarters has also given everyone at Koda an extra boost of energy. Those of us who work in the Songwriters and Composers associations also benefit greatly from the fact that we are now all sharing a building with Koda. This has created a better flow in our co-operation, and we quite simply get to know each other better. There is more energy, and good ideas get realised quickly. Also, we no longer waste any time on commuting whenever we want to meet up,” says Niels Mosumgaard.

## EU set the agenda

Niels Mosumgaard has certainly had little time to waste: he does not deny the fact that the ambitious EU directive on collective rights management has taken up a lot of time for the Koda board of directors.

“We’ve clocked up quite a bit of overtime on that account over the course of the last three years, not least in 2014,” smiles Niels Mosumgaard, speaking about the new directive, which was adopted at the beginning of 2014.



“The new EU directive is entirely in keeping with Koda’s emphasis on market principles.”

**Niels Mosumgaard**  
- chairman of Koda’s board of directors

The new directive sets out new requirements on transparency and good governance, and it is expected that it will be implemented in Danish legislation towards the end of 2015. However, Koda has already adjusted its practice in several areas, which means that the society is ready to adhere to the new rules as they enter into force in April of 2016.

## In tune with the times

“Koda’s strategy is entirely in keeping with the EU directive, which aims to ensure a consistent framework for competition within the field of collective rights management for e.g. music. This means that there is a natural focus on market principles. At the same time we can also, to a reasonable extent, maintain our focus on the cultural bottom line and help ensure diversity on the music scene. We have a head start compared to other collective rights management societies because the politicians of the EU have, among other things, been inspired by how Koda does things. Koda takes great pains to be in tune with the times. Overall, we take a positive view of the directive, and transparency and good governance have long been key terms for Koda,” says Niels Mosumgaard.

“We think it is a good thing that the directive will allow for detailed insight into the distribution plans and policies of collective rights management societies in Europe. This enables our members and rightsholders abroad to see how we distribute the funds available. It also allows us to make comparisons and see where we do things differently,” says Niels Mosumgaard.

Prompted by the new EU directive, the Koda board of directors have given Koda’s distribution policies a careful check-up, and this has prompted a number of changes.

## Update of distribution policies

Niels Mosumgaard explains: “Right now we are discussing the relationship between TV and radio. We are raising the distributions paid out within the field of DAB, but the funds set aside for this purpose remain considerably smaller than those assigned to airtime on the FM band, quite simply because DAB radio is still far less popular than FM radio. We are also lowering the minimum payments made for concerts. In the past, the minimum amounts paid out by Koda for small concerts were rarely in keeping with the actual income received by Koda from the promoter. This is to say that such payments were essentially a kind of subsidy, which was not in keeping with modern rights management principles. The Koda distribution policies are regularly updated by the board of directors; this is necessary in these turbulent times where technologies and programming are subject to rapid change. At Koda we place great emphasis on claiming royalties and on making distributions in keeping with market principles. However, we also need to take into account less business-oriented values and the artistic aspects of this field. This is why we continue – to

## Overview: Money in and out of Koda

	Income 2014	Deduction for administration Total 9.1%	Deduction for cultural contributions	Deduction for first performance and subsidies concert	For distribution 2014/15
TV incl. cable	50	7.7%	9.1%	1.9%	40
Radio incl. cable	18	9.9%	9.1%	2.9%	14
Online*	10	9.6%	8.0%	0.4%	8
Cinemas and films	1	13.3%	9.1%	4.9%	1
Background**	12	13.3%	9.1%	3.9%	9
Concerts**	11	18.1%	9.1%	3.7%	8
Subsidised concerts**	0.3		9.1%		1
First performance award					2
Abroad	7				7
KulturPlus (incl. collective funds)	0.7	2.5%***			0.7
Cultural contributions					10
Interest	3		9.1%		2
<b>Total</b>	<b>114</b>				<b>103</b>

ALL AMOUNTS LISTED AS EUR MILLION

\*) The item 'Online' includes EUR 0.5 million that are listed in note 1 of the 2014 Annual Report under 'Primary transmission on radio and TV and retransmission'.

\*\*) Income from 'Concerts' and 'Background' is listed in note 1 of the 2014 Annual Report under 'Hotels and restaurants', 'Background music', 'One-off events/concerts' and 'Other entertainment'.

\*\*\*) The 2.5% deductions pertain only to individual distributions of KulturPlus funds.

\*\*\*\*) Interest revenue for individual distribution will be added to the items above.

some extent – to support the kinds of music that struggle in the marketplace,” says Niels Mosumgaard.

The new EU directive is also crucial because it has a direct impact on the Koda members’ right to vote. It eliminates the old principle stating that the right to vote at Koda’s annual general meeting is exclusively restricted to members of the four Songwriters and Composers associations in Denmark (DJBFA, DPA, DKF and the music publishers’ association DMFF).

## More democracy

“We are introducing more democratic principles. However, the new rules also represent a challenge for Koda. We need to ensure continuity and stability, and we can do this by ensuring that the right to vote goes to those members for whom Koda is a significant part of their business. It is only fair that you must receive considerable income from Koda in order to be able to affect the course and strategies of the organisation. What is new, and fair, is that seriously working Koda members who are not members of one of the four associations will now also get the right to vote,” says Niels Mosumgaard.

## A crucial vote

Koda’s board of directors are currently preparing proposals for changes to the Articles of Association intended to align Koda with the new EU directive. The members will vote on these changes at the general assembly in 2016.

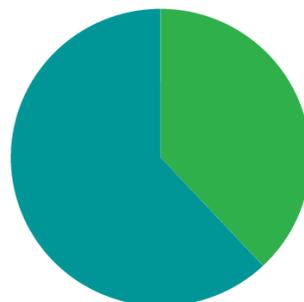
Niels Mosumgaard hopes that the direction indicated by the board of directors will win widespread support, for there is much at stake for Koda and for individual members in these times of upheaval where competition is growing fiercer and copyright is under attack.

“Our fundamental objective is to maintain collective rights management via Koda. We must adapt to the new EU directive and preserve Koda as a collective rights management society so that Koda can continue to make a positive contribution to the rightsholders’ business. We must stick together, and Koda must also look wider ashore. In recent years we have already strengthened our position through groundbreaking and very close co-operation with Nordic collective rights management societies. The next step is to enter into international alliances with other collective rights management societies,” says Niels Mosumgaard, pointing to how Koda was able, on average, to pay out more money than ever to rightsholders within all income categories in 2014.

“Koda is the obvious choice to make when you want your rights managed. We have experienced five years of unbroken growth: our turnover is up by 43% compared to 2009. We have secured excellent agreements in Denmark and abroad, and we are adhering to modern market principles. Our administrative expenses rate is still at a record-breaking low,

### Distribution 2014: Koda-members and others

■ Koda members – EUR 36.1 million  
■ Abroad/others – EUR 59.3 million



and Koda holds a very strong position on its domestic market. We are constantly taking steps to become even more efficient, and finally we are spearheading the struggle to protect copyright. Copyright is the foundation on which the growing creative industry is built. We cannot let copyright be undermined by exemptions or vague legislation – or by letting multinational corporations make money on music without paying a fair and reasonable fee to the rightsholders,” says Niels Mosumgaard, chairman of Koda’s board of directors.

# Ground-breaking Nordic partnership

**Koda has reinvented itself with new, modern headquarters and a unique Nordic partnership. Deputy Managing Director Gorm Arildsen hopes that more international alliances will help lower costs even more.**

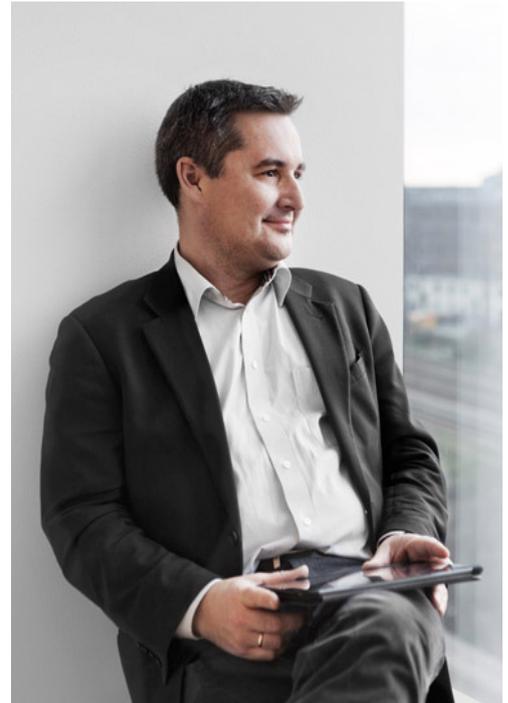
Deputy Managing Director Gorm Arildsen is still beaming with pleasure whenever he takes visitors on a tour of Koda's new headquarters in the Nordhavn area of Copenhagen. The change of location – from maze-like, expensive offices in the centre of Copenhagen to bright, inviting spaces in the Nordhavn area – was one of the key tasks completed in 2014.

"We pulled up everything in March of 2014 when Koda moved house. We left our old offices at Landemærket one Friday at four o'clock, each of us carrying our own laptops. All shelves were moved over the course of the weekend, and all files and binders put in their rightful place. We all turned up for work Monday morning at our new headquarters, and after an official celebration we went to our new desks. Not a single working hour was wasted on unforeseen emergencies. All systems, networks and phones were up and working, and we experienced no breakdowns or interruptions in service in connection with the move. We have outsourced 75 servers, which means that we no longer need to house such machines ourselves. This makes for great savings for us, for it would have cost a small fortune to set up a new server room," says Gorm Arildsen.

## A social boost

Koda's most recent work satisfaction survey also shows that Koda's employees are very happy about their new workplace.

"Our new premises are brighter, airier and have facilitated better co-operation. The new open-plan office layout has taken some getting used to for some, but we have supplemented this with plenty of meeting rooms so that there's always one available. It is important that all those little everyday things work well. At Koda, we have seen a boost in our social interaction. We now all have a stronger sense of what the other people around us – including those on the other floors – are actually doing, and we see that teams are better at sharing information and lessons learned. Whenever a company makes a change as great as this, it usually takes some time before the employees find their feet again.



Koda can look back at yet another successful year. However, Deputy Managing Director Gorm Arildsen says that continuing such growth may be difficult in future: "But even if we cannot generate even more income, we can still pay out more to members by cutting costs," he states.

**Gorm Arildsen**  
- Deputy Managing Director

However, we very quickly settled in and felt comfortable in our new, modern surroundings, and in spite of many changes and urgent focus areas in 2014 our productivity and turnover have continued to grow,” says Gorm Arildsen.

He is very satisfied with the results of 2014, which include a EUR 8 million increase in turnover compared to 2013 and an unusually low administrative expense rate of 9.1 per cent. Very few collective rights management societies in the world can boast lower administration costs.

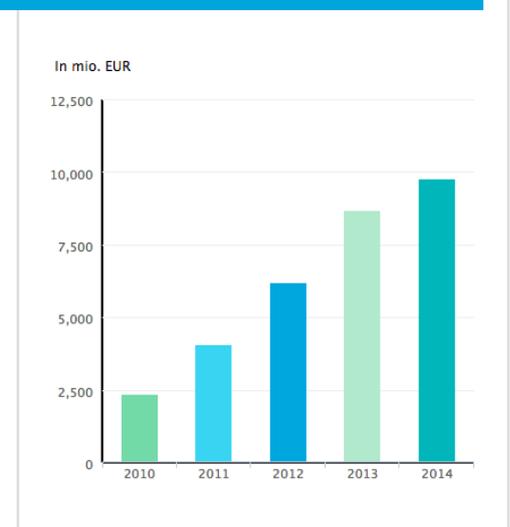
## The dream of reaching EUR 120million

“Our EUR 111 million turnover in 2014 actually exceeded our budget, and after these splendid results we expect to see modest additional growth in 2015. I haven’t given up on my dream of us eventually reaching a turnover of EUR 120 million, but we also need to be realistic about this. We are facing increasingly fierce competition and a situation where rights are becoming unmoored, and this means that Koda may lose parts of its repertoire due to direct licensing. In the past, collective rights management was not affected by competition and market forces in the way that the private business sector is. However, Koda changed its course by applying a more market-oriented strategy at an early stage, and we have now benefited greatly from taking extensive steps to improve efficiency. Even so, I believe that we can still achieve even greater efficiency. As a collective rights management society we are very aware of the fact that we are looking after the rightsholders’ interest. It may sound obvious, but we truly feel that it is our duty to constantly monitor our expenses so that we can send as much money as possible to the rightsholders we represent. Keeping costs in check also gives us the opportunities to make investments that adapt our business to a rapidly changing market. In recent years we have focused much of our resources on becoming part of the international repertoire database ICE and the pan-Nordic partnership Polaris Nordic. We will consolidate these partnerships in 2015. Koda and its partners Teosto from Finland and TONO from Norway are now the most closely integrated collective rights management societies in the world. No other societies co-operate so closely, and this essentially means that Koda saves two-thirds of the costs involved in developing new IT systems for the rapidly growing volumes of data and ever more complex agreements we need to handle. And this also means that we can handle many more tasks without having to take on more staff. In future, we must co-operate and exchange our lessons learned with even more European collective rights management societies – and we must seek inspiration from successful industries that share certain traits with Koda. If we cannot secure greater income, we can still increase the distributions made to rightsholders by saving on our administration rates,” says Gorm Arildsen.

## TV consumption patterns are changing

The impressive results achieved in 2014 mean that once again, rightsholders will receive more money than ever from Koda. A total of

### Income: Online



more than EUR 95.4 million will be distributed to those who created the music and to music publishers. Indeed, Gorm Arildsen finds many things to be pleased about when he looks over the various items in the 'income' category, where by far the largest item continues to be 'TV, Radio and cable'.

"Within this field we generated income to the amount of EUR 68 million in 2014, which corresponds to a 6% increase. This growth was the result of a combination of having well-established agreements, of the Danish consumers' general increase in media consumption on many platforms, and the fact that new on-demand products are continually being launched by TV broadcasters and on the Internet. Media consumption patterns are changing greatly these years, and Koda must continually adapt to the digital business models that emerge. This is also why it was so important to us that 2014 saw us enter into a new agreement with a Danish newspaper on their web-TV solution. 2015 will be a very interesting year for us: we will negotiate new agreements with key players within the TV and radio industries," says Gorm Arildsen.

Another important indicator of growth in this year's annual report can be found in the item 'Online', which saw a 12% increase compared to 2013.

"We are very happy to see such growth, for this is a relatively new source of income for Koda. However, the period of rapid development within this field has come to an end: by now music streaming is very widespread among Danish consumers, and even though the 'online' category has seen fierce growth in recent years it still only accounts for 9% of our total income," says Gorm Arildsen.

While on the subject of online activities, 2014 also saw Koda securing an agreement with Netflix, which is a very popular service on the Danish market.

## **Record payments to and from abroad**

In 2014 Koda paid out distributions to a total sum of EUR 60 million – the highest amount ever. This is because the use of non-Danish music is very widespread in Denmark, and this of course means that rightsholders abroad also receive their rightful share in the profits generated by Koda.

Koda is also seeing great progress in terms of income from abroad: a 15% increase was achieved in 2014. Koda invested in this field by taking on a new employee to find more sources of income for Koda members when their music is used abroad.

In fact, the 2014 report only shows decline within one income category (except for regulations made due to accounting practices). This category is 'Cinemas and films', and the drop in income can be attributed to the fact that Danish cinema did not have any very big hits in 2014. Other than that, Danish consumers are as eager to go out as ever: to restaurants, clubs, concerts or festival. Koda's figures tell us that the experience economy is booming, and we see growth within the categories 'Hotels and restaurants' and 'One-off events/concerts'.

Another key area for Koda, 'Background music', has seen a 3% increase, and in this regard Gorm Arildsen points to how the main point to be borne in mind here is the fact that growth, however small, has been achieved even though many shops are struggling these days.

## **Excellent offer to supermarkets**

"The growth is modest, yes, but still this result is excellent when you take into account the general decline within retail. In 2013 we took on two new outreach employees within this market, and if we had not made this investment we would probably have seen considerable decline within the field of 'Background music'. To ensure competitiveness, we also chose to lower our rates for supermarkets in 2014; as a result many have once again begun to use music made by rightsholders represented by Koda. Within the field of 'Other entertainment', which includes income from everything from exhibitions and trade fairs to aerobics and dance classes, we have seen great growth of 12%. This is partly because the dance craze (caused partly by the Danish version of 'Dancing with the Stars') continues unabated in Denmark, and because we have launched a campaign aimed at gyms and dance studios. The market is complex: we have 23 employees working to generate approximately EUR 26 million in income by contacting all sorts of businesses: pizza places, hairdressers, concert promoters and so on. This work is labour-intensive, so even though we would love to ensure that every instance of music use generates income for our members, we need to make priorities. The results achieved must match the effort put in," states Gorm Arildsen.

# Copyright under EU pressure

**Once again, copyright was besieged on many sides in 2014. Koda helps spread the message that protecting copyright actually promotes growth in Europe. Last year, Danish authors contributed directly to the defence of author's rights.**

"The creative industry has seen growth in its employment rates during the period 2008-12. Other industries, taken as a whole, have seen decreasing employment during the same timeframe. This is demonstrated by a new report. Nevertheless, we see that the very foundations of the creative industry – copyright – is attacked on so many fronts that there are reasons to fear it may eventually succumb under the onslaught," says Jakob Hüttel, Director of Legal and International in Koda.

The report mentioned by Mr Hüttel was prepared by EY (formerly Ernst & Young), and it paints a picture of a booming creative industry, which is now the third-largest industry in Europe in terms of the number of jobs created. Music contributes to this growth, and the industry as such is highly resilient in times of economic downturns, partly due to its ability to create unique products. The creative industry can continue to create and maintain plenty of jobs in the future. However, many forces are trying to put a spanner in these otherwise well-oiled works – forces that wish to tamper with the very basis for such growth: copyright.

Jakob Hüttel is keeping close tabs on this development and seeks to convince politicians of the need to take action to ensure that those who create music will also receive a fair and reasonable income when their work is used by others.

## Pirates and criminals are lurking in the sides

"Threats appear on many fronts," says Koda's Director of Legal and International, summing the situation up as follows:

"We are up against large, multinational corporations that make vast amounts of money on providing content, such as music, and they wish to weaken and water down author's rights so that they can avoid paying for content – or pay very little. The 'Pirate Party', which is represented in the European Parliament, openly fights against copyright. The EU has also launched a so-called copyright reform, which sees several politicians hoping to suspend copyright within areas such as libraries and



Copyright is under attack, and Jakob Hüttel, Director of Legal and International in Koda, works to protect it. In 2014 he was supported in this struggle by four Koda members who went to Brussels to speak out on behalf of copyright.

**Jakob Hüttel**  
- Director of Legal and International

education. Finally, there are cunning cyber criminals out there who are displaying great inventiveness in their efforts to make money by illegally providing access to films and music via various sites, and within this field the real culprits are very clever when it comes to making it difficult to prosecute them," says Jakob Hüttel.

It may sound as if Koda and its sister companies in Europe are up against overwhelming forces. However, there are also many who rally round the cause of copyright, defending the authors' rights, and this clearly has a positive effect.

## **A creative alliance**

"We at Koda are helping to make life more difficult for cyber criminals via the Danish Rights Alliance. The alliance is working on behalf of the film, music, text and design industries and represent more than 85,000 Danish rightsholders. For example, the alliance has persuaded Danish Internet providers to prevent access to the illegal service Grooveshark, and the Rights Alliance also argues in favour for setting up a special IPR (Intellectual Property Rights) task force in Denmark to enhance our protection of copyrighted material on the Internet. A task force of this kind already exists in Sweden, and such a central investigative body is clearly better equipped to handle complicated cases than local police forces. Several parties in the Danish parliament support this proposal," says Jakob Hüttel and continues:

## **Reform is a slippery slope**

"Koda is also active under the auspices of the international umbrella organisations GESAC and CISAC. In this context we are greatly involved in changing the so-called 'Safe Harbour'-regulation. This regulation is included in an old EU e-trade directive from 2000; the idea behind the regulation was to exempt hosting providers from liability if the owner of a given website did something illegal. Now, however, this rule is being exploited to disclaim all liability for services that generate vast advertising income by offering content such as music. Providers simply shrug and excuse themselves by stating that they do not control the materials uploaded by users. This state of affairs should be changed so that rights owners are not cheated out of their payment. It is quite unfair that the value generated by content is shifted away from its creators towards online intermediaries who do not want to pay for using that content.

Koda is also fighting to protect rightsholders' copyright income under the auspices of the EU's new 'copyright reform'. Overall, the EU wished to standardise the field of copyright, removing the various exemptions pertaining to copyright throughout Europe. This may sound harmless, but in fact this can be a slippery slope: at worst we might see the rules on copyright standardised to match the lowest common denominator, thereby destroying valid and functional copyright schemes around the EU. This may lead to lost income for rightsholders because the value of their rights is undermined. "In Denmark, for example, we have seen great examples of how rightsholders have jointly licenced the rights

to use of their materials at educational establishments – this ensures that educators have access to the material while also ensuring that rightsholders receive fair payment,” says Jakob Hüttel.

## **Openness is a plus**

He also emphasises the point that not all EU initiatives are bad news for Koda and rightsholders – far from it.

“An EU Directive on collective rights management was adopted in 2014. This directive is entirely in keeping with Koda’s strategy of preparing our organisation for the future as a modern, competitive collective rights management society. We are working on implementing this directive, and the new rules will enter into force in April 2016. The directive includes new demands for transparency, and we welcome this move. We must all ensure greater transparency in the ways in which we make information on the distribution of payments available, and in this regard Koda is ahead of the game: we have always published our figures in our annual reports. The new EU rules will also make it easier for us to check our sister societies’ figures when we ourselves are collecting payments. At present we are closely monitoring how the directive is incorporated into Danish legislation so that we can help ensure that the EU Directive is correctly implemented. We want to keep our administration cost rates very low – at present our administration cost rates are among the lowest found in any rights management society throughout the world. This is obviously of great benefit to all the rightsholders we represent,” says Jakob Hüttel.

## **A delegation of musicians**

Last year, a delegation of Koda members took part in the struggle to protect copyright.

“In the autumn of 2014 the Managing Director of Koda, Anders Lassen, and I went to Brussels in the company of four very different Danish artists – before the new European Commission began working on the current copyright reform. The four artists were Engelina, a successful hitmaker, singer Pernille Rosendahl, TV/film composer Frans Bak and bass player Jens Skov Thomsen from the band Veto. They met with politicians from the European Parliament to tell them about what a musician’s everyday life can be like and how Koda and copyright issues affect them directly. The politicians were highly interested in hearing what they had to say, and personal stories and experiences like this certainly make an impression on legislators. We at Koda will continue to be at the vanguard in the struggle to protect copyright,” says Jakob Hüttel.

# Koda beats its own records

**Yet another record result means that massive payments are made to rightsholders. The turnover for 2014 represents a 43% increase compared to the results achieved in 2009, and several recent investments have paid off immediately, too. Koda stands well prepared for the future – partly due to a unique Nordic collaborative partnership.**

Koda's results for 2014 shows that the organisation continues to go from strength to strength.

Koda has successfully achieved record-breaking turnovers every year since 2009. In 2014 Koda's total income came to EUR 111 million, which represents a EUR 8 million increase compared to the results of 2013. This corresponds to an 8% increase, and also means that Koda's turnover has gone up by no less than 43% compared to 2009.

At the same time Koda is keeping its costs low. Once again, the administrative expense rate reached record-breaking low levels: In 2014 the figure ended at 9.1%, which places Koda's expense rates in the Top Five best performers in this field out of all the collective rights management societies in the world.

Anders Lassen, Managing Director of Koda, declares himself "very satisfied indeed"; he has to delve down into quite marginal items in the accounts to find anything to make him frown even a little.

"We have achieved great results – even better than budgeted. And at the same time we have begun making major investments that will help prepare Koda for the future. We are developing our IT solutions in a unique pan-Nordic partnership with our sister societies in Finland and Norway, and productivity has been markedly improved in many links of our organisational chain. We get much more done – and treat rapidly growing quantities of data – without having to take on more employees," sums up Anders Lassen.

## Koda's been trimming the fat

The panoramic view from the large windows behind Anders Lassen, opening up on the Copenhagen Nordhavn area, is also part of the story about the extensive modernisation process that Koda has undergone. At the beginning of 2014, Koda moved into new, spacious and bright prem-



Koda has achieved new record turnovers every year since 2009. In 2014 the total income reached EUR 111 million. Anders Lassen, Managing Director of Koda, also expects modest growth in 2015, but rapid changes to TV consumption patterns make predictions difficult.

**Anders Lassen**  
- Managing Director of Koda

ises, leaving behind the rather more labyrinthine offices of its former home in the centre of Copenhagen.

“The move was a fresh start for us. Koda has seen very extensive changes in recent years, but those changes have been gradual. When we got our new house it was rather like when a man tries on a whole new set of clothes after having lost a lot of weight. Our move made me fully realise what an incredible – and incredibly fast – evolution we have gone through. That transition has been carefully planned: it took its first beginnings ten years ago, when the board of directors of Koda opted for a more market-oriented direction. The strategy stated that in order for Koda to survive and thrive in a turbulent future, we had to accept that we operated within a competitive field. And when you are competing with others, you obviously need to strive to be the best at servicing members, publishers and customers. We have gotten a head start on other rights management societies by changing our course at a very early stage,” says Anders Lassen.

## Sixty million euros sent abroad

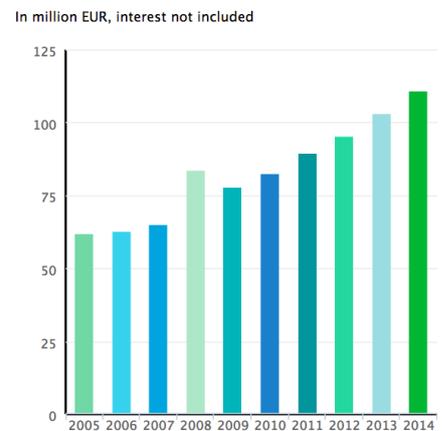
“The record-breaking results means that we will pay out more money to rightsholders than ever before. We also see progress for all income groups amongst rightsholders. In Denmark and abroad. In fact, the splendid results for 2014 means that Koda will pay out EUR 60 million to rightsholders abroad” says Anders Lassen.

Naturally, he would like to see Koda continue its positive evolution, and indeed the budget for 2015 expects modest growth. However, the upheaval currently seen within the realm of television makes predictions difficult.

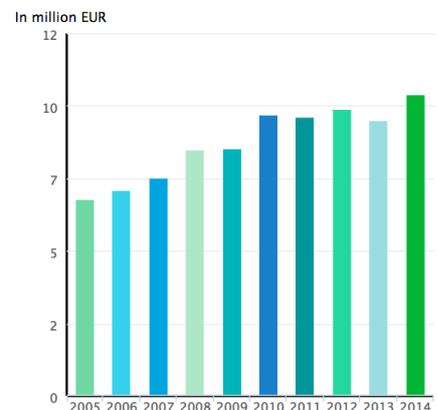
The category “TV, radio and cable” is Koda’s main source of income by far, and in 2014 the growth seen within this particular field – a 6% increase, bringing the total income generated within this category to EUR 68 million – was crucial in ensuring the positive results for the year.

“Many analysts believe that great changes will take place within the field of TV in the years to come as digital broadcast and streaming services make their impact. Many viewers are already swapping their large cable TV packages for less extensive options and take on a Netflix subscription or similar instead, and ratings are stagnating or falling for the main TV channels. We are working closely with cable network operators and broadcasters to counteract these changes, but we cannot rule out the possibility that this will have an adverse impact on Koda’s income in the years to come. At present, however, it is rather unclear when and to what extent these developments will affect us. We must rejoice in the many years of progress we have enjoyed and look ahead with courage,” says Managing Director Anders Lassen.

### Koda's total income 2005-2014



### Koda's expenses 2005-2014



## A Nordic Beacon

The future is far more certain and firmly secured as far as Koda's IT solutions are concerned. The objective is to make them state-of-the-art. Koda is now linked up with the international repertoire database ICE, which will ensure even greater accuracy in the distribution of payments in the years to come. And Koda takes part in the unique Polaris Nordic partnership alongside Teosto from Finland and Tono from Norway.

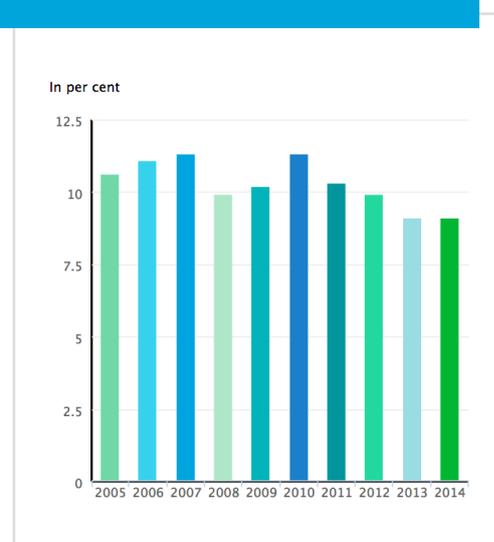
"It just wouldn't make sense for every rights management society to develop their own IT systems, and the Polaris partnership helps Koda, Teosto and Tono achieve considerable savings. This in turn helps ensure that our rightsholders in Denmark and abroad receive the best possible service at the lowest possible price. Koda aims to rank among the leading rights management societies in the world, and international collaboration is part of this strategy. We use our Nordic sister societies as a benchmark and learn much from each other. Even though our countries are small, we see that our domestic markets are highly evolved compared to most other countries. Our total turnover makes us the sixth-largest rights management society in Europe – on a par with e.g. Spain and Italy. This also means that our voice and our opinions are heard internationally, for example when we speak out about copyright issues," says Anders Lassen.

He points out that important battles in the struggle to protect copyright will be fought in 2015.

## Outmoded legislation

"Copyright is under tremendous pressure. The EU is currently looking into the area, and large multinational corporations and the so-called Pirate Party are seeking to undermine copyright. Koda has been highly involved in this area for years, and happily we see that many politicians appreciate how copyright is crucial to the creative industry. Such politicians are also aware of the fact that artists at the beginning of the food chain suffer the most under one particular rule currently in force. We wish to see changes to parts of the so-called 'Safe Harbour'-regulation, which is part of an old EU directive. Those rules make it possible for multinational corporations to shirk their responsibility by denying all liability if their users share copyrighted material. This is not fair to those who create the music. Furthermore, the very existence of sites where music can be accessed for free makes it very difficult for the legitimate streaming services to charge a reasonable fee and win wider audiences. In the past, YouTube has denied liability with reference to the Safe Harbour rules, but in 2013 we entered into our first agreement with the giant online video clip portal. We achieved what could be achieved at the time. Right now it is important to renegotiate the YouTube agreement, which expires in 2015. At the same time we are striving – alongside our European sister companies – to convince politicians that the unjust and unreasonable aspects of the Safe Harbour principles should be abolished altogether," says Anders Lassen. He finds it absurd when some accuse copyright of impeding growth. Rather, a new report demonstrates that copyright is a prerequisite for growth in Europe.

Koda's administration costs 2005-2014



## Creative industry boom

“Koda has long maintained that the creative industry should be taken seriously as a business. Now we have iron-clad arguments supporting our claims in the form of a report from EY (formerly Ernst & Young, ed.). The creative industry is booming. It is the third-largest industry in Europe in terms of jobs generated: seven million Europeans work in the creative industry – corresponding to 2.5 times the total number of workers in the car industry. Figures like these quite obviously make an impression on Brussels politicians. Art and culture is important in many ways: it stimulates us intellectually and can express and preserve unique national traits. And in an age where unemployment is on the rise and growth is sorely lacking, the fact that the creative industry can present such impressive figures certainly has an impact. Whenever you speak of ‘culture’, many will instantly think of state-subsidised undertakings. However, the report firmly establishes that out of the EUR 536 billion turnover generated in the creative industry, only approximately 10% comes from state subsidies. The report also shows that the creative industry is robust, and that it has helped keep Europe afloat during the credit crunch. This proves that music is part of a growing European industry that cannot be outsourced to Asian manufacturers. You cannot cultivate hip-hop sung in Danish in Beijing. So it makes no sense to favour the multinational corporations that make huge profits from the contents on their sites – at the expense of those who create that content,” says Managing Director of Koda, Anders Lassen.

# Cultural contributions: A clever investment in goodwill

**Koda uses its cultural contributions to support and develop the music industry and surrounding industries, making strong networks and partnerships. This will in return generate new business areas and create more income for Koda and, hence, for the rightsholders we represent.**

Ten per cent of all income generated by Koda is set aside for cultural contributions. These funds are used to invest in activities that promote and support a vibrant and dynamic music scene, thereby helping to put music and copyright issues on the public and political agenda. We therefore regard the cultural contributions as a clever investment in goodwill – both amongst political decision-makers, music users of all kinds and amongst the rightholders.

The return of investment is a good framework for entering the best possible agreements and co-operations with big customers and stakeholders, safeguarding the distribution of payments to the rightsholders and a positive political climate.

Thus, the cultural contributions are very important in terms of enabling Koda to retain its high profile and goodwill amongst the general public, opinion-makers and decision-makers. In recent years the public image of Koda has constantly improved towards the better and Koda ranks in the absolute top as regards our ability to generate value to the rightsholders we represent.

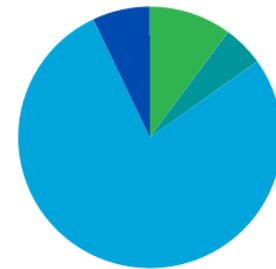
At the same time Koda has one of the lowest administrative expense rates of all the collective rights management societies in the world – even if you include the funds allocated to cultural contributions.

## In support of cultural sustainability

Some of the cultural contributions are used to support songwriters/composers directly: to publish new music, for work grants, international co-writing, etc. Cultural contributions are also used to support and keep afloat very popular festivals and music events that help create unique experiences, salutes the talent and retain and expand audiences’ interest in music. Amongst other activities Koda supports the international SPOT festival for upcoming acts, as well as Danish Music Awards, Nordic music days and Spil Dansk Dagen (“play Danish day”).

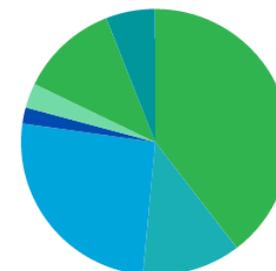
**Cultural contributions 2014: How the cultural contributions were distributed**

■ Koda projects 10 %
 ■ Other Koda members 5 %
 ■ The four member societies 77.2 %
 ■ Joint projects: the four member societies 7.8 %



**Cultural contributions 2014: The four member societies’ and Kodas expenditure in 2014**

■ Working grants, production subsidies, etc. 40 %
 ■ Festivals, concerts 12 %
 ■ cultural politics, PR 26 %
 ■ Legal issues, copyright 2 %
 ■ Competency development 3 %
 ■ Administration 12 %
 ■ Transferred to the new year 6 %

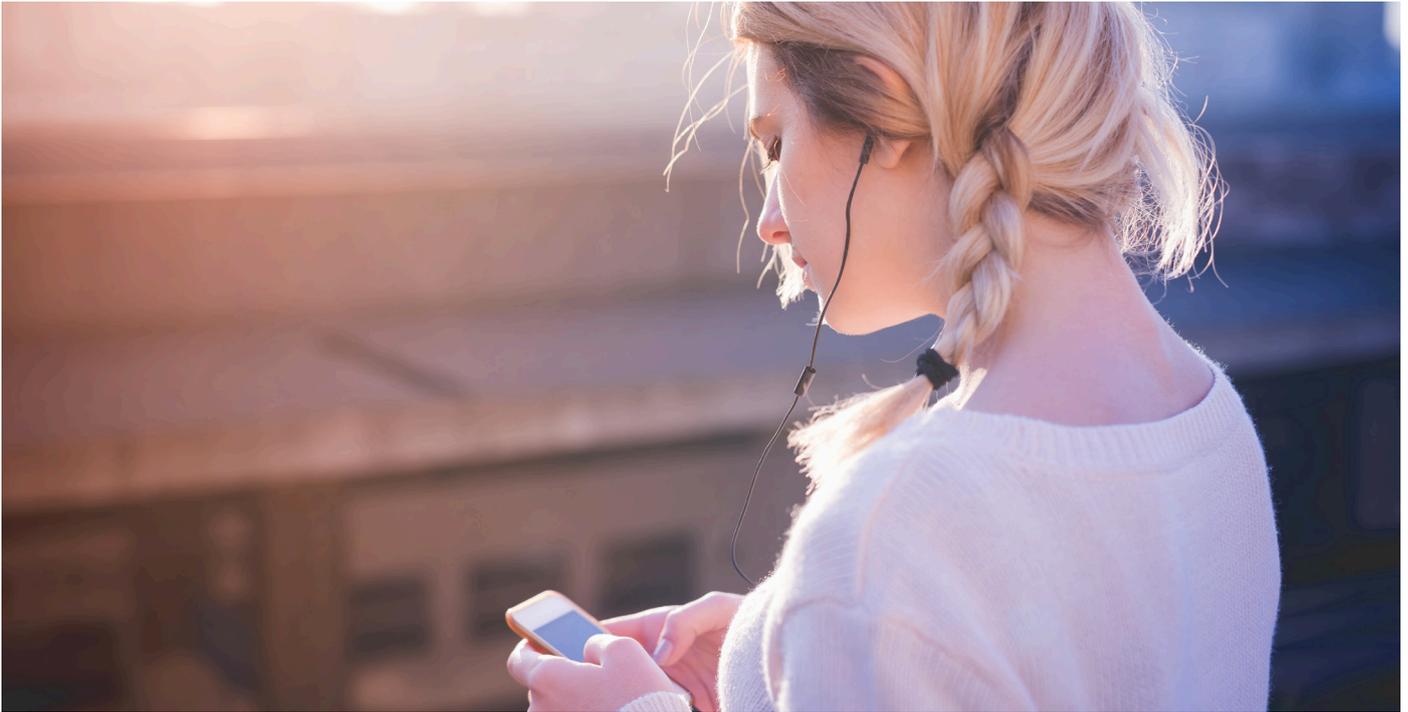


None of the funds are used as social aid or for retirement schemes/pensions. All allocations are used as investments to support the music scene, and full transparency surrounds every investment.

To us at Koda, the use of cultural contributions is not just about supporting the music scene and its artists directly. The cultural contributions also represent a smart investment in promoting and exposing the value of music in a wider sense, thereby reinforcing our good reputation and support the cultural sustainability by securing good agreements and new business areas and, hence, greater profits for the rightsholders we represent.

For all these reasons the cultural contributions are an important part of and a good investment in the efforts made to preserve and strengthen the high degree of profitability and good reputation Koda currently enjoys.

# Listeners find their music online



**Danish consumers love streaming services. Ordinary Danes stream music like never before – young and mature consumers alike make confident use of a wide selection of music streaming services and discover new favourite music with ease. Even though Danes are fond of freebies and like to listen to music for free, for example via YouTube, there is nevertheless a growing number of consumers who pay for one or more music streaming services where their listening is not disrupted by commercials.**

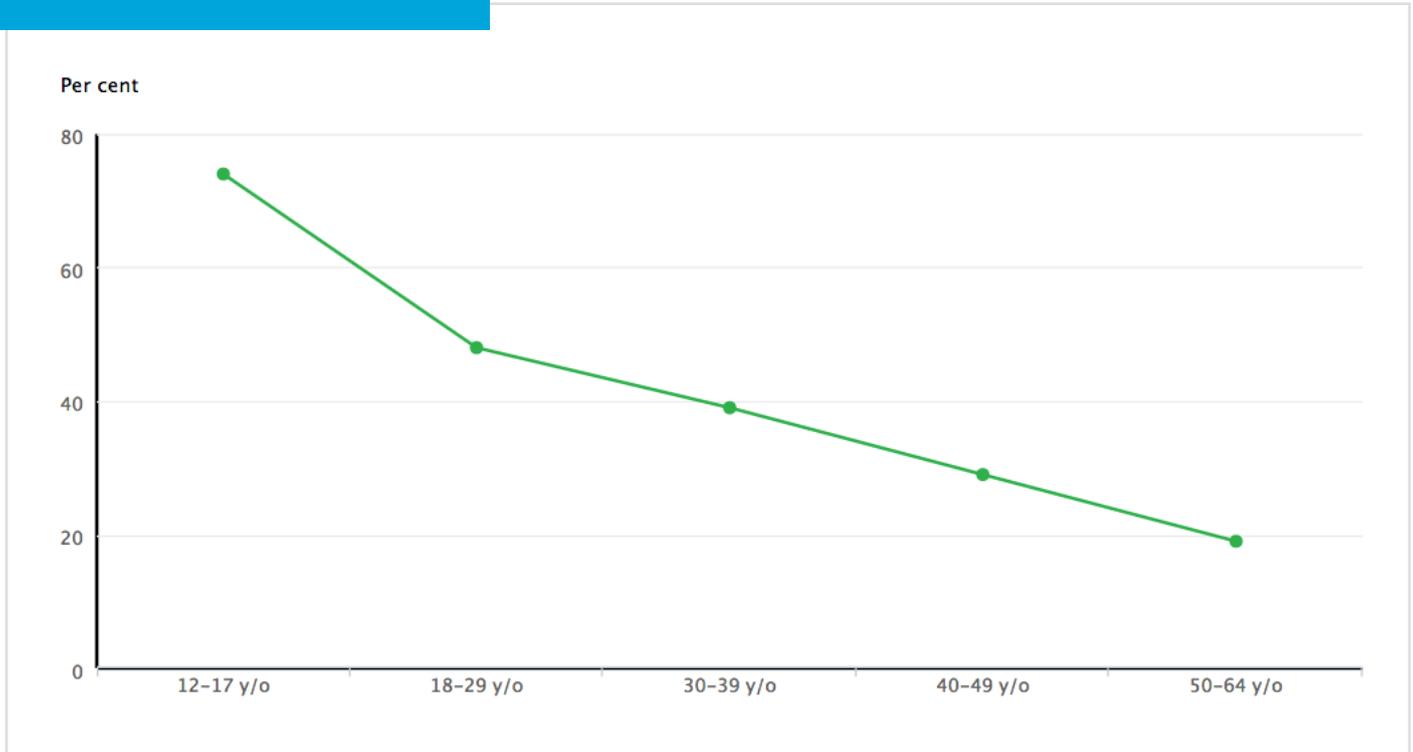
Koda has completed its fifth survey of the Danish consumers' media habits in order to map out how Danes act when it comes to music and film consumption. These surveys give Koda and its members clear insight into the changes that infuse current Danish consumer trends as

regards music and media. Most recently, the research firm YouGov conducted a survey in March 2015. These up-to-the-minute figures document a number of trends in Danish music consumption habits and how they are changing with increasing digitisation.

## **Music consumption declines as purchasing power grows**

Young people are definitely the main consumers of music. More than 70 per cent of the 12 to 17 year-olds play their own favourite music every day and cannot settle for the music they hear on radio and TV. This urge decreases steadily with age, and the figures are clear: the older we get, the less we listen to music.

## The older we get...



This is to say that the very young listen to the most music, but of course – and regrettably – they are not the age group with the greatest purchasing power. The digitisation of the entire music industry exacerbates the imbalance between consumption and purchasing power, for the 12 to 17 year-olds usually do not have access to a credit card.

### Online music is a big hit

More Danes than ever now stream music every day. No less than 28 per cent of all Danes listen to music via the Internet every day – in one way or another. The very young certainly take the lead when it comes to streaming music, but the older generations are not lagging far behind. Today, only one in three sixty-something Danes state that they never stream music.

### Ownership loses its importance

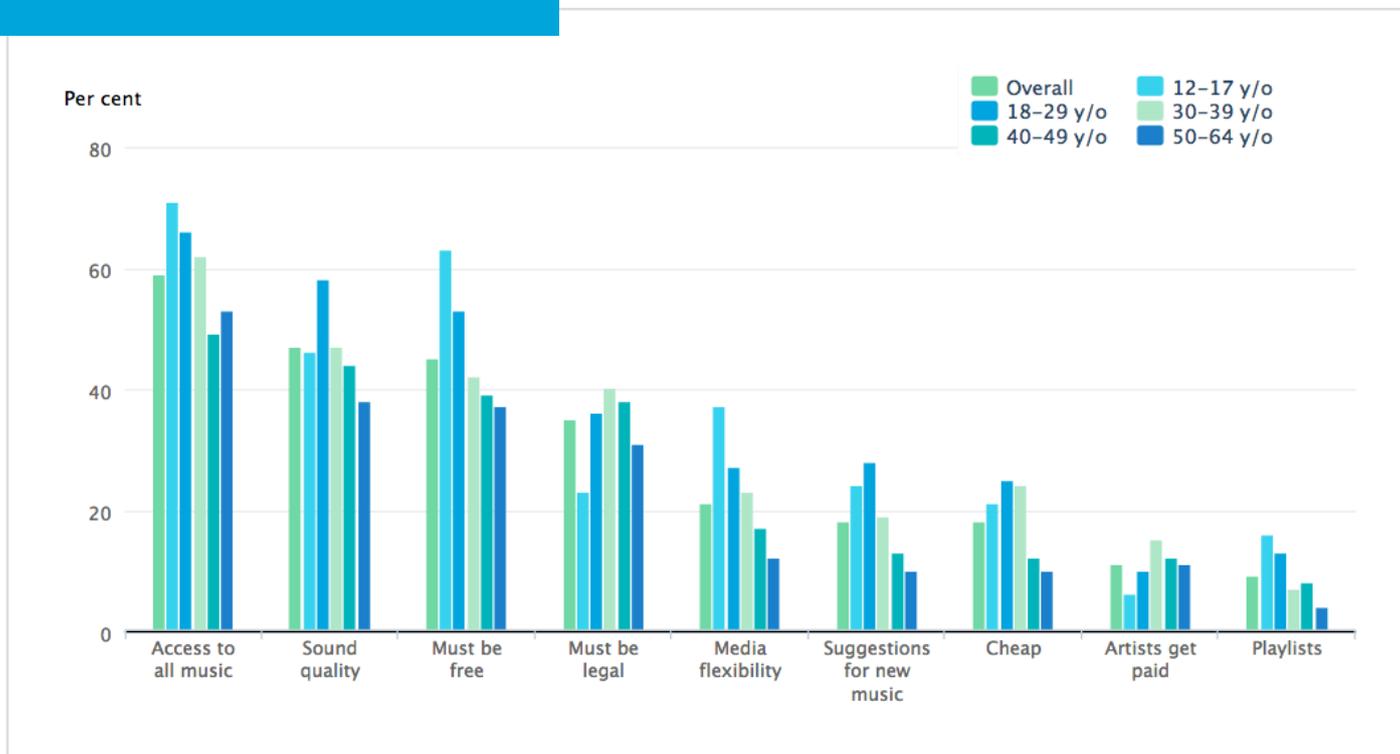
As the Danes increasingly embrace streaming services, owning music means less and less to them. Today, more than one in three Danes state that ownership means 'nothing' or that they prefer streaming over other forms of access to music. If we go back just two years, that figure was 23 per cent – less than one in four.

Large selection, good quality sound – and preferably free

When Danes choose a music service, their key concerns are that the service should provide access to all music, that the music should be of good quality – and that it should be free. The question of whether the artists are paid is only of secondary interest to them. Only around one in ten emphasise the latter issue. And if you ask the very young, you find that this issue is of very little importance to them – whereas they are very interested in finding a free service.

However, the most recent figures suggest that the question of getting music for free has become less important to Danes. In 2011 a total of 55 per cent of all respondents stated that free music was important to them – today, that share has dropped to 45 per cent.

## What users emphasise...



## Facebook is a new platform for music

Almost half of all Danes use Facebook to watch music videos. A total of 42 per cent of all Danes have watched or listened to music videos via Facebook within the last month.

If we focus on the 12 to 17 year-olds, this figure rises to 66 per cent, and in fact Facebook is a regular source of music consumption for more than one in four of all young people: 26 per cent of the 12 to 17 age bracket watch or listen to music videos via Facebook 'every day' or 'often'.

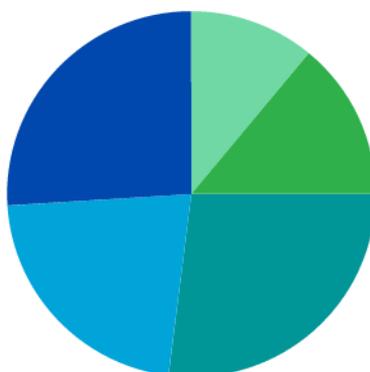
## Income should be shared with artists

If you ask the Danes whether they agree that the owners of Facebook ought to share part of their profits with the artists who created the music shared so intensively on Facebook, their response is clear: More than one in three Danes believe that Facebook ought to pay part of their profits onwards to the people who wrote the music shared on Facebook.

A total of 37 per cent 'agree' or 'strongly agree' that the owners of Facebook ought to pay a fraction of their income to the artists who wrote and performed the music featured on Facebook. The very young – the ones who most frequently use Facebook for watching music videos – also agree. No less than 34 per cent 'agree' or 'strongly agree' that it would be fair to pay those who created the music.

### Facebook should pay those who make the music?

Strongly disagree 11% Disagree 14%  
Disagree somewhat 27% Agree 22%  
Strongly agree 26%

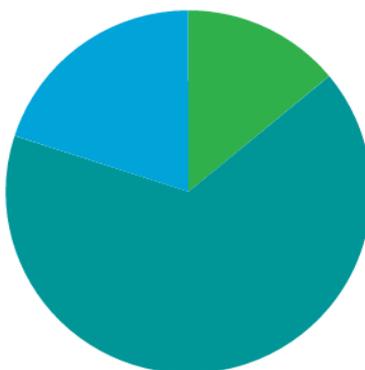


## Popularity of streaming threatens cable TV

Half of all Danes now subscribe to a film and TV series streaming service, and this greatly affects their consumption of cable TV. Almost one in five Danish households has either cancelled or reduced the scope of their cable TV contract within the last 12 months – most respondents (73 per cent) state that they gave up or reduced their cable TV package in order to save money. At the same time, more than a third of all respondents also state that Netflix, HBO and similar streaming services has prompted them to give up or cut back on their cable TV deals.

### Cutting back on cable TV

- Don't have cable TV 14 %
- Has kept cable TV 66 %
- Recently opted out of cable TV 20 %



### Opting out of cable TV

One in five of all Danish households with cable TV are tied to a particular cable TV contract via their homeowner's association, housing co-operative or similar. This means that when fewer households are bound by a specific contract, we might reasonably expect consumers to increasingly opt out of cable TV.

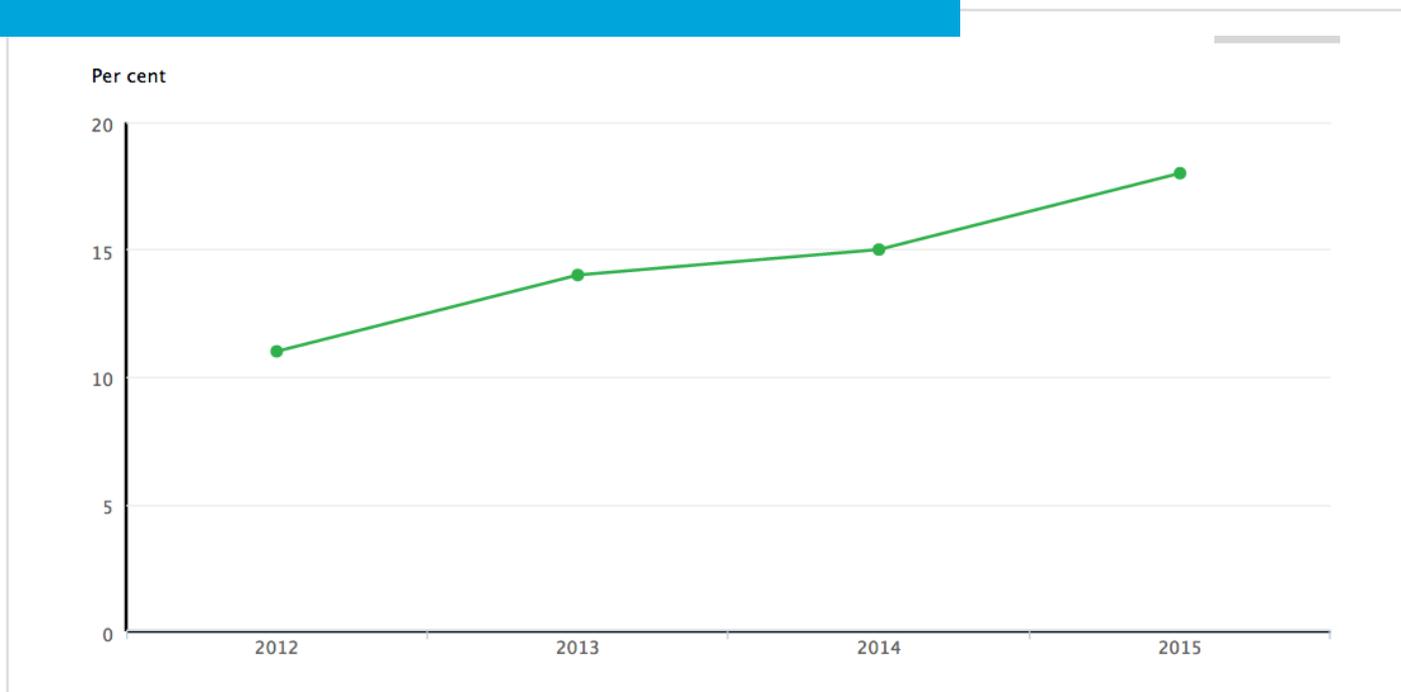
Online TV is very successful in Denmark. The latest media survey conducted by YouGov demonstrates that more than half of all Danes use the DR (Danish broadcasting corporation) website to watch TV. In fact, the DR website is a regular source of TV content for one in four Danes – 25 per cent respond that within the last 30 days, they have used the DR website to watch TV 'every day' or 'often'.

## More Danes pay to stream music

At present, almost half of all Danes pay for their consumption of online music, and the share is growing. Now, 40 of all Danes pay for the use of services such as Spotify, TDC Play, WiMP etc. – either through monthly subscriptions or as part of their telephone, Internet or TV subscriptions. This constitutes a five per cent increase since 2013.

If we focus exclusively on those Danes who pay a monthly subscription fee and who have not acquired access to a music streaming service as part of their contract with e.g. their Internet or TV provider, Koda's survey still shows an increase. Now, 18 per cent of all Danes actively pay for services such as Spotify, TDC Play and WiMP. In 2010 the corresponding figure was just 10 per cent.

### Percentage of Danes paying for their music steaming service



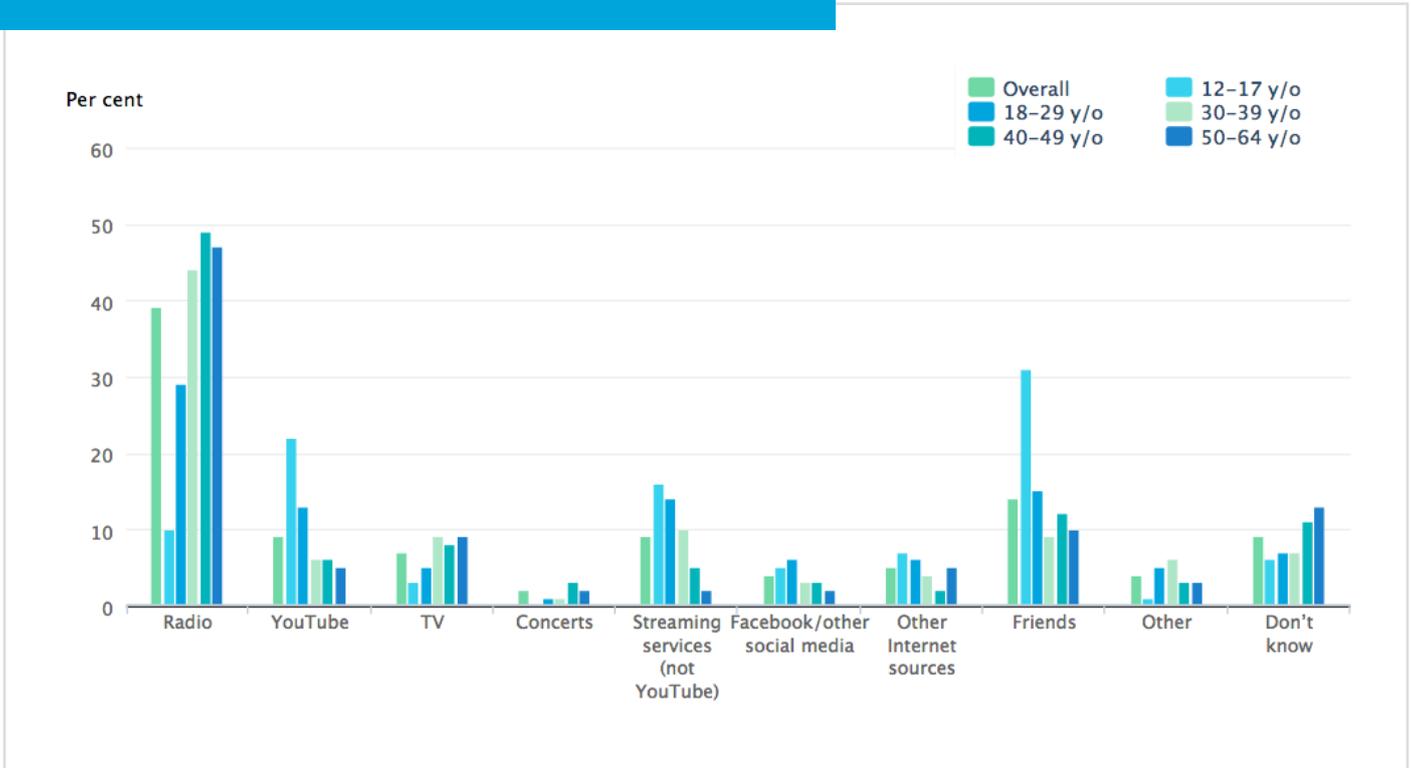
## YouTube is the new MTV – radio remains important

Danes discover new music on streaming services, YouTube or Facebook, which is integrated with Spotify – which means that TV is left out of the equation.

Young people in particular discover new music via YouTube: almost one in four in this demographic use YouTube to explore and seek out new music. For Danes over fifty, the corresponding figure is just five per cent.

For young people, unlike the rest of the Danish population, radio and TV is of very little or no importance as far as discovering new music is concerned. Young people listen to music via streaming services and YouTube, but in all cases their peers – classmates and friends – are their key source of new music discoveries. For older generations, traditional media such as TV and radio continues to have considerable impact on what new music they discover and become taken with. While the radio medium may be losing some of its significance, radio airplay continues to be the most effective way of reaching an audience for most musicians, songwriters and artists.

## Where do users discover new favourite music?



# Money is paid out faster than ever

**Anne Sophie Gersdorff Schrøder, who is Director of Koda's Publisher and Member Services department, can look back upon a successful 2014. A survey shows that general satisfaction with Koda has reached very high levels. At the same time all rightsholders receive the money distributed to them faster than ever because Koda has increased its distribution frequency – and Koda has also successfully attracted international music publishers as members.**

December 2014 became very busy for the staff working at Koda's Publisher and Member Services department. Despite the frenzy, the department managed to successfully conclude its many projects for the year, and looking back upon the year, Director Anne Sophie Gersdorff Schrøder is very pleased.

"Rightsholders are more satisfied with Koda than ever. We now send more money to rightsholders abroad than ever, and at the same time we have succeeded in generating more money from abroad to Koda's own members in Denmark. We have introduced a rapid-distribution scheme which means that rightsholders will now receive their money within much shorter timelines. And every last seat has been filled at all our events for members," says Anne Sophie Gersdorff Schrøder.

## Money is paid out faster

Another area of Koda's activities has also seen radical change in 2014: Distribution flows. The changes were made under Head of Distribution Jens Juel Andersen. In the past, Koda would usually make one distribution per area per year, which meant that if a rightholder's music was played on the radio in February of 2012, that rightholder would not receive payment until 2013. The new changes mean that distributions are made quarterly for all main areas. If, for example, a rightholder's music was played on a radio channel belonging to the Danish broadcasting corporation DR in February 2014, payment would be made in September 2014.

"We have made extensive changes to our distribution flow, and this has major benefits for rightsholders, who will no longer have to wait up to 18 months to receive their money. From 2014 onwards, rightsholders will – in the vast majority of cases – receive their money no later than nine months after their music was used."



Anne Sophie Gersdorff Schrøder, who is Director of Koda's Publisher and Member Services department, is pleased with the results of a new survey. More than 90% of Koda members state that they are "very satisfied" or "satisfied", as do 90% of the music publishers.

**Anne Sophie Gersdorff Schrøder,**  
- ADirector, Publisher and  
Member Services

“The transformation has required changes to our in-house systems and working processes, but it also requires even closer contact to e.g. radio and TV stations. We firmly believe that the money should be in the rightsholders’ hands as soon as possible, not in Koda’s, so we are very pleased to see that these changes have been successfully implemented,” says Head of Distribution Jens Juel Andersen.

Transparency about financial matters, distributions and accounts is part of Koda’s overall strategy, and all signs indicate that the rightsholders are pleased with Koda’s current course and communication.

## Koda gets a big smiley

Approximately every two years, Koda conducts a survey among its members and music publishers in order to be able to make ongoing improvements to its services and meet the rightsholders’s needs. The 2014 survey showed that Koda had reached a 90% approval rating among members and music publishers alike.

“When we carried out a similar survey in 2012 we found that 78% of all members stated that they were “very satisfied” or “satisfied”. We’ve seen positive developments since then, and of course we are very pleased with that. Rightsholders find that their inquiries receive prompt replies. They are satisfied with the website, the newsletters, the My Koda user site, and the member events. However, the members would like to see even more detailed information about what concerts or TV broadcasts give rise to payment for them, and we will look into this,” states Anne Sophie Gersdorff Schrøder.

“Overall, all indicators point to things going really well,” says Director of Member and Publisher Services Anne Sophie Gersdorff Schrøder.

“Koda is attracting more members at a rapid pace, and we are very happy to see that we have successfully attracted large international music publishers and major rightsholders. I strongly believe that word is spreading about Koda and about the serious, careful efforts we make on behalf of rightsholders and music publishers,” explains Anne Sophie Gersdorff Schrøder.

## Full house in new headquarters

She is pleased to see that Koda’s new headquarters have been a source of pleasure to employees and members alike. The latter have flocked to Koda’s new home in vast numbers to take part in a range of members-only events in 2014. Koda drew a full house every time – there were even waiting lists to get in – and will continue to offer similar events in 2015.

Four meetings for music publishers were arranged in 2014; here, Koda responded to direct, specific questions on core business matters, and music publishers were kept abreast of the latest agreements signed and distributions made.



“We have made major changes to our distribution flows to benefit all rightsholders – which means that from 2014, the vast majority will receive their money no later than nine months after their music was used.”

**Jens Juel Andersen**  
- Head of Distribution

## A barrage of new data

“The members are enthusiastic about the new headquarters, and we are often praised for the way in which music has been made an integral part of the interior. We really want this house to be full of life and music, for that will remind us of the ones we are here to serve. We are here for the sake of the rightsholders – in Denmark and abroad – and I believe that this firm conviction is a huge part of the explanation behind Koda’s success in recent years. The fifteen employees working in my department have been incredibly dedicated to their work – even as the tasks to be handled are growing increasingly complex. The new age of streaming content means that the quantity of data to be processed has exploded, and the new agreements entered into with e.g. Netflix and YouTube means that we must constantly adjust our systems of reporting and distribution. At the same time we have to accommodate special exemptions from collective management when a rightsholder wants to manage the licensing of specific customers themselves. We do all we can to be flexible and agile – preferably without taking on any new staff so that we can keep costs low. In this respect we benefit greatly from our pan-Nordic partnership in Polaris Nordic, which means that three companies, rather than just one, share the costs of IT development work.”

“All the record-breaking results in 2014 are wonderful; it’s always great when you reach a target. But we mustn’t rest on our laurels. We know perfectly well that being a composer and songwriter is not necessarily a lucrative business. That is why we are prepared to do even more to improve the conditions and business of music creators, and to this end we look to other collective rights management societies for inspiration. In 2014 we visited PRS for Music, ASCAP, BMI, GEMA, Buma and TONO, and we were received with great kindness and generosity. There is a mutual willingness to co-operate, and our visits gave us plenty of useful information,” says the Director of Koda’s Publisher and Member Services.

FROM THE ORGANISATIONS ON THE KODA BOARD OF DIRECTORS

# Composers and publishers with insights and connections

**Four separate organisations – DJBFA, DKF, DMFF and DPA – are in themselves members of Koda and constitute the Koda organisation’s backbone. The members of these organisations – which alternately call themselves associations, societies or guilds – comprise almost all of Denmark’s professional composers and music publishers, representing all the genres found within the diverse realm of music.**

Together, the four organisations constitute an important repository of knowledge. Based on their professional expertise within the fields of composing and songwriting, the organisations can offer deep insight into all aspects of cultural policy and politics as they pertain to the music scene. They also offer a business perspective on the field, as well as access to an international network comprising similar organisations around the world (ECSA, CIAM, ICMP). Within these networks we exchange insights and lessons learned about rights, rights management, and political issues relevant to all professional composers and publishers today.

DJBFA, DKF, DPA and DMFF co-operate closely, engaging in open dialogues on how we may best stimulate the business and networking opportunities available to composers and music publishers, as well as on how we can create showcases – in Denmark and abroad – that involve other agents on the cultural scene as well as the Danish broadcasting corporation (DR) and other business partners.

Taking part in fruitful democratic political discussions is a main priority for us, and we contribute our insights, experience and expertise to the cultural scene by supplying board members and other contributors to music councils, project committees and various other committees set up by the Danish Ministry of Culture. In short, our four organisations give the creative music community a voice on the political scene by staying in touch with the relevant politicians in the Danish and European parliaments.

## Rightsholders co-fund support for new Danish music and texts

While often of outstanding quality, Danish music takes its starting point in a small domestic market and a very small language. Nevertheless, ten



Koda’s Board of Directors. From the left: Bent Sørensen - DKF, Maj-Britt Kramer - DJBFA, Jens Visby (employee representative), Jacob Morild - DPA, Ole Dreyer Wogensen - DMFF, Niels Møsumgaard - DPA, Peter Littauer - DMFF, Susi Hyldgaard - DJBFA, Niels Marthinsen - DKF og Tine Birger Christensen - DMFF.

per cent of the cultural contributions paid out by Koda are assigned to directly supporting new Danish music. This means that we composers rally round to fund the creation of new Danish music and lyrics. To mention just a few examples, the cultural contributions help:

- stimulate the entire music scene in Denmark, ranging from festivals and music associations to songwriters' clubs onwards to emerging acts and international, high-profile co-writing collaboration schemes
- promote and sell music written by Danish composers throughout the world – from the USA to Korea
- optimise composers' opportunities for professional growth and for expanding their markets
- provide, through grants and residencies, the calm and quiet settings required to create truly high-quality music – regardless of genre

## Outreach projects

Much of the four organisations' overall and political work takes the form of projects – brief or long-term – where we draw on national and international collaboration to point ahead, indicate what the future will bring, and set the agenda for making music. Examples of the many projects launched in 2014 include:

- the pilot project Music Business 2020, which reaches out to the business community in general while seeking to develop new business models and sources of income for composers
- a special temporary venue ("Kulturens Telt") set up in a tent during the "Folkemødet" (Denmark's main political rally, attracting all Danish political parties, journalists and thousands of visitors) on the island of Bornholm. The venue hosted discussions on cultural policymaking, concerts, and various lobbying activities
- an initiative on public sound art, taking its point of departure in Koda's and our organisations' new headquarters in the Nordhavn area of Copenhagen
- 'It's all about Songwriting' – an event held during Eurovision 2014, where DPA, DJBFA, DMFF and Koda invited a number of Danish songwriters to write music together with the many European songwriters visiting the Danish capital for the event. The project offered a unique opportunity for writing songs across different genres and national borders, and for building stronger networks among songwriters in Europe
- New Music : New Audiences – an international network about audience trends and new music. Run by DKF, the network initiative comprises approximately 50 music organisations and ensembles from 17 different European countries

All this is to say that the cultural contributions allow our organisations to provide important support for the development of the Danish music scene; support that is not dependent on public-sector subsidies.

- Bent Sørensen, chairman of DKF; Ole Dreyer, chairman of DMFF; Niels Mosumgaard, chairman of DPA, Susi Hyldgaard, chairman of DJBFA.

# Sixty million euros sent abroad

Koda's continued growth means that the distributions paid out to collective rights management societies abroad also continue to rise. 2014 saw a 21% increase within this field, and the payments to the rights holders are primarily made via STIM (Sweden) and PRS for Music (UK).

Danes have a long-standing tradition for listening to a great deal of music from abroad, and music by international artists is played extensively on the radio and on streaming services. At the same time Koda's turnover continues to grow, and this means that Koda's total distributions to rights management societies abroad went up by no less than 21% in 2014: from nearly EUR 50 million in 2014 to almost 60 million in 2014.

The payments made within this field have gone up every year since 2011; the reason for this is that Koda has one of the lowest administrative expense rates in the world (9.1% in 2014) and that the Danish market is very well regulated with excellent, extensive agreements in place.

63% is sent abroad

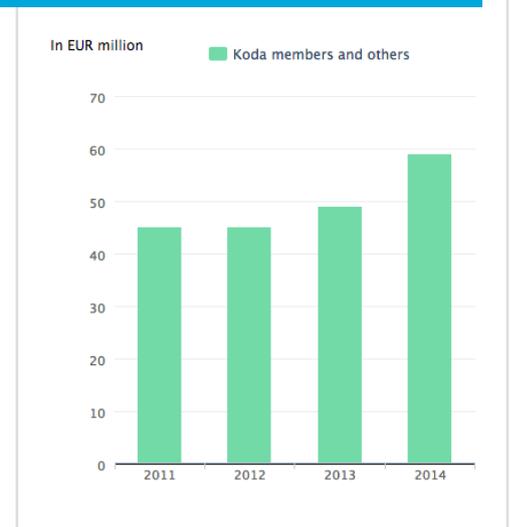
Koda's distributions to collective rights management societies abroad account for EUR 59.8 million out of the total distributions of EUR 95.4 million. This is to say that 63% of the total distributions made by Koda – almost two-thirds – are paid out to collective rights management societies abroad.

Once again, the Swedish collective rights management society STIM receives the majority of these funds: 38% go to STIM. From here, much of the money will flow out into the wider world: many multinational music publishers use STIM to handle their repertoire in the Nordic countries.

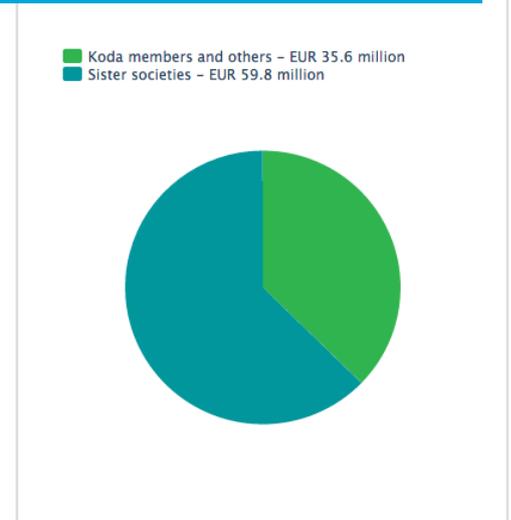
The second-largest distribution made by Koda abroad is paid out to PRS for Music (UK); in 2014 the amount came to more than EUR 14 million. This corresponds to an impressive increase of 26% compared to 2013. The other collective rights management societies to top the list of distributions made by Koda are ASCAP (USA), BMI (USA) and GEMA (Germany).

All this is to say that Anglophone music has a strong grip on Danish listeners, and indeed Koda's lists of the most frequently played songs and pieces of music on Danish radio stations demonstrates that more than half of that music was made by non-Danish artists.

Payments to sister societies 2010-2014



Distribution 2014: Koda-members and sister societies



## Top 20: Distributed to and received from other societies

Society	Distribution		Received	
	2014 (EUR 1,000)	+/-2013 (%)	2014 (EUR 1,000)	+/-2013 (%)
STIM	22.583	20%	1.193	-16%
PRS	14.335	26%	609	30%
ASCAP	6.645	16%	220	52%
BMI	5.992	19%	271	44%
GEMA	2.651	17%	1.110	50%
APRA	1.686	157%	84	17%
SACEM	1.626	-7%	339	66%
TONO	1.073	19%	644	-16%
SOCAN	751	9%	75	353%
SESAC	408	19%	0	
SIAE	317	-13%	252	3%
BUMA	292	14%	211	10%
AKM	221	50%	109	8%
IMRO	212	8%	16	-34%
SGAE	143	-32%	89	36%
TEOSTO	121	2%	1.027	25%
SUISA	99	-15%	222	38%
SABAM	70	-16%	196	149%
JASRAC	65	29%	171	-8%
SAMRO	45	227%	11	16%
Other	488	-4%	486	2%
<b>Total</b>	<b>59.823</b>	<b>21%</b>	<b>7.335</b>	<b>15%</b>

## Top played foreign composers in Denmark 2013

1	Max Martin
2	Ryan Tedder
3	Mike Rosenberg
4	Shellback
5	Pink
6	Pharrell
7	George Michael
8	Michael Jackson
9	Nate Ruess
10	Avicii

## Top 10 in 2014 on public radio

	Title	Composer/songwriter	Artist
1	To mod verden	Fridolin Nordsø/Shaka Loveless	Shaka Loveless
2	Rude	Nasri Atweh/Adam Messinger/Mark Pellizzer/Ben Spivak/Alex Tanas	Magic!
3	Lipstick Lies	Louis Samson/Nicolai Gabold/Oliver Kincaid	Julias Moon
4	A Sky Full Of Stars	Chris Martin/Guy Berryman/Tim Bergling/Jon Buckland/Will Champion	Coldplay
5	Windy	Emil Goll/Joachim Dencker/Alexander Malone/Rasmus Jørgensen	Scarlet Pleasure
6	Prototypical	Nicolaj Rasted/Stine Bramsen	Stine Bramsen
7	Happy Home	Rasmus Hedegaard/Lukas Forchhammer	Hedegaard feat. Lukas Graham
8	Marilyn Monroe	Pharrell Williams/Ann Marie Calhoun	Pharrell Williams
9	Rather Be	James Napier/Nicole Marshall/Jack Patterson	Clean Bandit feat. Jess Glynne
10	Don't Wanna Dance	Karen Marie Ørsted/Ronni Vindahl	MØ

## Top 10 in 2013 on commercial radio

	Title	Composer/songwriter	Artist
1	Waves	Dennis Stehr	Mr. Probz
2	Happy Home	Rasmus Hedegaard/Lukas Forchhammer	Hedegaard feat. Lukas Graham
3	Jalouisi	Medina Valbak/Thor Nørgaard/Mads Møller/Theis Andersen	Medina
4	All Of Me	John Legend/Tobias Gad	John Legend
5	Happy	Pharrell Williams	Pharrell Williams
6	Counting Stars	Ryan Tedder	OneRepublic
7	To mod verden	Fridolin Nordsø/Shaka Loveless	Shaka Loveless
8	Karma	Burhan Genc/Lars Ankerstjerne/Liam O'Connor/Fridolin Nordsø	Burhan G feat. L.O.C.
9	Million	Joey Moe/Kasper Larsen/Ole Brodersen	Joey Moe
10	Rather Be	James Napier/Nicole Marshall/Jack Patterson	Clean Bandit feat. Jess Glynne

# Artists on Koda



"Koda is the past, present and future protector ensuring artists' survival in a world that is constantly on the move."

**Julias Moon**



"I am very grateful that Denmark has the kind of society that Koda is. They make a huge difference for me as a composer by systematically collecting money for my work. And this goes for recordings and for live performances alike. I often think about how I could not possibly navigate the jungle of data that this involves on my own, collecting all that information and keeping on top of it. Especially these days, when the market is constantly changing, this makes Koda one of the most important factors of all for us music-makers. Thanks, Koda!"

**Trentemøller**



"It's a nice feeling to know that when I'm done playing around in the studio, a group of responsible people will take good care of my music. After all, those songs are full of my dreams, my thoughts and my lifeblood. And it really does reassure me to know that Koda is keeping an eye on them."

**Burhan G**



"I live for music night and day but without Koda I couldn't stay"

**Band Ane**



Peter Ingemann on Gasolin' and Koda:

"It must have been around the early 1970s, back when the first wave of the beat revolution was ebbing out. Gasolin' were trying to make up for lost time; they got started some time after the rest of us, and they were incredibly insistent and in-your-face even though they didn't sound very good. I'd let them copy my Marshall amp set-up, but then they also wanted to meet with me to talk about how you went about getting payment from Koda and that sort of thing. My response at the time was: "Erm ... shouldn't you guys learn how to play first?" Since then they grew up to be the most beautiful flower in all the garden, so this is basically the story of the Ugly Duckling all over again."

**Peter Ingemann**

PHOTO: Private collection