



# ANNUAL REPORT 2015



SABAM



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**PHILIPPE DE SCHEPPER, BAS ADRIAENSEN,  
JOEL VANHOEBROUCK & CO.**



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### **SABAM key figures:**

- Turnover 2015: € 155.7 million (-1.05% or € -1.66 million compared to 2014)
- € 132.1 million paid to rightholders (+19.5%)
- 99 royalty distributions
- Net percentage of costs: 15.98% (16.56% in 2014)
- 40,575 authors, composers and publishers were affiliated on December 31<sup>st</sup> 2015
- 265.7 FTE on December 31<sup>st</sup> 2015 (271.3 in 2014)



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## **BALTHAZAR**

### **Collections relatively stable in 2015 (-1.05%)**

The slight decrease is due to collections from cable distributors, which fell by almost a quarter (- € 4,297,426).

2014 was characterised by an exceptionally high collection from one single operator for the period 2010-2014. In 2015, turnover returned to normal levels of previous years.

Apart from this exceptional decline, there are substantial increases that can hopefully be sustained in the longer term:

- The number of concerts increased by 4%, as well as ticket sales, representing a 18% increase in collections.
- The top 5 of revenues is as follows: U2, AC/DC, Violetta, One Direction and Clouseau.
- Collections at festivals also rose 18% thanks to higher attendance and ticket prices.
- The top 5 of collections: Rock Werchter, Tomorrowland, Pukkelpop, Graspop and Dour.

Unfortunately, the fee for the online music offer does not reflect the use made thereof.



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## **ALICE ON THE ROOF**

### **Distributions +19.5%, an increase of € 21,593,608**

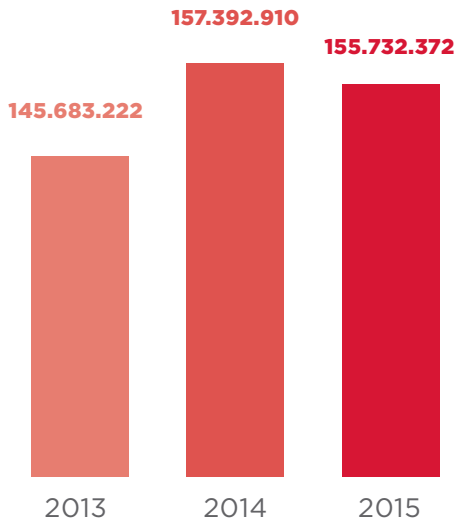
In 2015, royalty distributions to members and foreign societies rose approximately 19.5% to € 132,128,645.

This performance is mainly due to a part of the Belgian performing rights that were overdue owing to documentation issues. However, following a project launched in 2012 to improve identification of unallocated royalties and to enable a more efficient distribution of these royalties, we were able to distribute them last year.

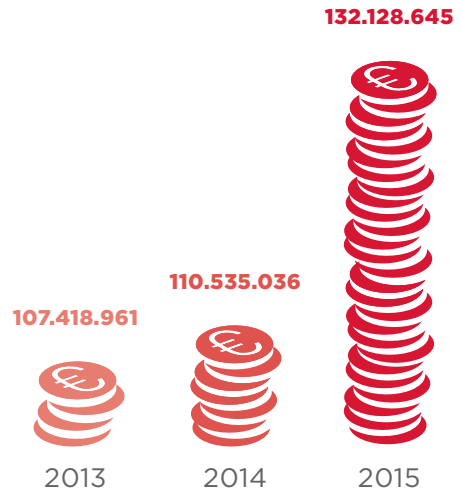
### **Costs**

Thanks to a strengthened management, gross operating costs dropped a further 2.01% (to € 30,319,568). This decrease is mainly due to the reduction in the number of FTEs to 265.7 on December 31<sup>st</sup> 2015, compared to 271.3 FTEs in 2014. Personnel cost continues to account for almost 75% of gross operating costs.

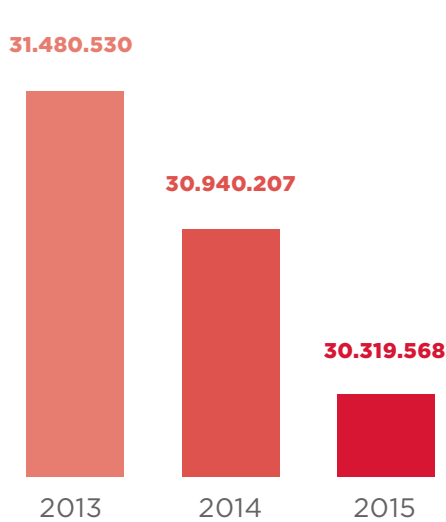
### Invoiced amounts in €



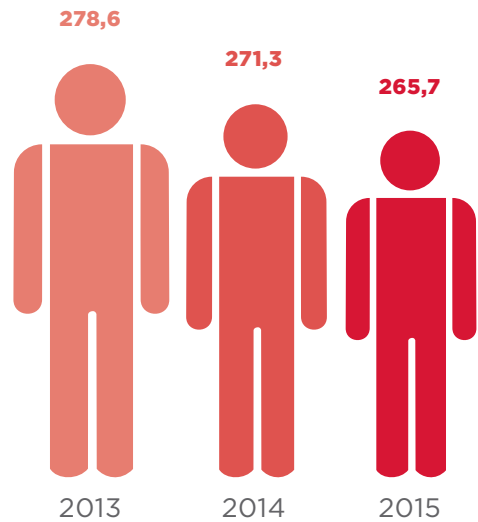
### Total distributed in €



### Gross operating costs in €



### Staff FTE



## Invoiced amounts

### 2015 invoicing in detail

(in €)	(1)	(2)	(3)	(4)	(5)
	31/12/2015	31/12/2014	31/12/2013	(1)-(2)	(4)/(2)
<b>ROYALTIES</b>	<b>155,732,372</b>	<b>157,392,910</b>	<b>145,683,222</b>	<b>-1,660,538</b>	<b>-1.1%</b>
<b>Media</b>	<b>43,274,444</b>	<b>47,984,474</b>	<b>40,005,989</b>	<b>-4,710,030</b>	<b>-9.8%</b>
Public broadcasters	12,574,690	12,163,610	12,197,356	411,080	3.4%
Private radios	2,812,786	2,665,206	2,552,092	147,580	5.5%
National private broadcasters	7,141,355	7,860,694	5,460,302	-719,339	-9.2%
Regional television and television for target audiences	907,097	763,826	673,709	143,271	18.8%
Pay channels	4,824,911	5,460,789	4,048,764	-635,877	-11.6%
Distributors	13,240,589	17,538,015	14,374,332	-4,297,426	-24.5%
Cable retransmission of foreign programmes	1,773,015	1,532,334	699,434	240,681	15.7%
<b>Online</b>	<b>2,546,896</b>	<b>2,878,462</b>	<b>2,748,081</b>	<b>-331,566</b>	<b>-11.5%</b>
Streaming	897,162	814,290	1,019,220	82,872	10.2%
Downloads	1,457,062	1,819,760	1,445,020	-362,697	-19.9%
Simulcasting - web radio - web TV	192,672	244,412	283,841	-51,740	-21.2%
<b>Public performing rights music</b>	<b>69,223,451</b>	<b>65,762,197</b>	<b>62,900,200</b>	<b>3,461,253</b>	<b>5.3%</b>
Light mechanical music	51,490,246	51,072,578	48,076,024	417,668	0.8%
Light live music	14,416,631	11,632,135	11,793,600	2,784,496	23.9%
Serious music	1,374,321	1,237,971	1,272,663	136,351	11.0%
Music in cinemas	1,942,253	1,819,514	1,757,914	122,739	6.7%
<b>Rights of phono- and videographic producers</b>	<b>9,854,976</b>	<b>9,904,278</b>	<b>11,091,223</b>	<b>-49,302</b>	<b>-0.5%</b>
Occasional collections	626,726	905,097	756,778	-278,371	-30.8%
Contractual collections	2,283,554	2,070,265	2,006,510	213,289	10.3%
Central licensing - Belgian market	2,046,115	2,951,400	3,371,356	-905,285	-30.7%
Central licensing - other countries	2,809,345	1,960,756	2,489,880	848,589	43.3%
Background music	972,148	935,761	1,235,457	36,387	3.9%
Videographic rights	1,117,089	1,081,000	1,231,243	36,089	3.3%
<b>Performing arts</b>	<b>3,645,372</b>	<b>4,199,384</b>	<b>3,680,001</b>	<b>-554,012</b>	<b>-13.2%</b>
Professional theatre	3,012,559	3,620,680	3,081,084	-608,121	-16.8%
Amateur theatre	632,813	578,704	598,917	54,109	9.4%
<b>Reprography</b>	<b>1,696,828</b>	<b>2,144,363</b>	<b>1,618,295</b>	<b>-447,535</b>	<b>-20.9%</b>
<b>Private copying</b>	<b>7,019,799</b>	<b>7,349,867</b>	<b>6,431,575</b>	<b>-330,068</b>	<b>-4.5%</b>
<b>Public lending right</b>	<b>434,571</b>	<b>450,759</b>	<b>382,275</b>	<b>-16,188</b>	<b>-3.6%</b>
<b>Literature</b>	<b>76,766</b>	<b>125,677</b>	<b>99,513</b>	<b>-48,910</b>	<b>-38.9%</b>
<b>Visual arts</b>	<b>1,374,408</b>	<b>1,013,117</b>	<b>933,401</b>	<b>361,292</b>	<b>35.7%</b>
Reproduction right	342,135	234,488	313,974	107,647	45.9%
Resale right	995,090	742,164	578,781	252,926	34.1%
Online	37,184	36,464	40,646	719	2.0%
<b>Unisono - SIMIM</b>	<b>4,421,964</b>	<b>4,288,957</b>	<b>4,251,858</b>	<b>133,007</b>	<b>3.1%</b>
Music in companies	3,454,254	3,394,331	3,322,014	59,923	1.8%
DJ	498,387	431,823	372,658	66,564	15.4%
Background music	469,323	462,803	557,185	6,520	1.4%
<b>Foreign societies</b>	<b>12,162,897</b>	<b>11,291,375</b>	<b>11,540,811</b>	<b>871,521</b>	<b>7.7%</b>
Theatre works	170,524	65,222	119,624	105,302	161.5%
Cable and performing rights	8,793,791	8,773,933	8,697,551	19,857	0.2%
Visual arts	288,314	84,691	58,557	203,623	240.4%
Resale right	330,181	166,580	219,790	163,601	98.2%
Mechanical reproduction rights	2,580,087	2,200,949	2,445,289	379,138	17.2%

(1) and (2): these are the amounts effectively invoiced in the respective calendar years, and insofar as these amounts are considered collectible.

(3): this is turnover realised valued at nominal value. This has been recorded following the general principle of prudence and concerns the exploitation year of the royalties.

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**DIRK STALLAERT - SABAM AWARD COMIC STRIP 2015**

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**SANDRA ZIDANI**

**Distribution timeline of collected funds**

BUDGET YEAR	TO BE DISTRIBUTED	NET AMOUNT ALLOCATED 2015	NET AMOUNT ALLOCATED 2014	NET AMOUNT ALLOCATED < 2014	SOCIAL FUND	% DISTRIBUTED
<2013		29.833.980	28.306.467			
2013	111.755.245	12.497.656	65.919.956	11.995.956	6.200.907	86%
2014	122.790.083	71.898.761	16.308.607		7.041.643	78%
2015	131.038.938	17.898.247			8.977.149	21%
		<b>132.128.644</b>	<b>110.535.031</b>	<b>Not applicable</b>		

Thanks to the new accounting scheme, we can offer greater transparency in the future about the timeline of the distributed funds. We implemented this scheme in 2015. The comparison with similar figures for the previous year is difficult as they were put together in a different way. For example, the funds for the Social Fund, allocated on the basis of Article 49 of our General Rules, are now included in the distributed royalties because they have already been withheld from the distribution process. Year after year, this table becomes more relevant to gain insight into the history of the financial flows.

We can conclude from this first version that 86% of the 2013 royalties have already been distributed after 2 years and that 78% of the 2014 royalties have been distributed after just 1 year. For the 2015 royalties, 21% have already been allocated.



## Distributions

The amounts below are net, excluding the commission as well as contributions to the Social Fund.

(in €)	(1) 31/12/2015	(2) 31/12/2014	(3) 31/12/2013	(4) (1)-(2)	(5) (4)/(2)
<b>TOTAL DISTRIBUTED</b>	<b>132.128.645</b>	<b>110.535.036</b>	<b>107.418.961</b>	<b>21.593.608</b>	<b>19,5%</b>
Performing rights Belgium	93.334.499	68.776.790	65.941.586	24.557.709	35,7%
Mechanical reproduction rights Belgium	9.804.534	8.378.803	11.408.324	1.425.731	17,0%
Private copying	6.250.713	6.578.201	5.187.388	-327.488	-5,0%
Performing rights from abroad	7.331.074	8.544.967	9.730.559	-1.213.893	-14,2%
Mechanical reproduction rights from abroad	2.057.177	3.364.055	2.875.668	-1.306.878	-38,8%
Performing arts	2.829.837	3.454.831	2.687.767	-624.995	-18,1%
Reprography	1.853.680	1.717.991	2.032.533	135.689	7,9%
Online	1.450.147	2.834.843	815.149	-1.384.696	-48,8%
Visual arts	1.687.162	1.432.617	1.125.066	254.545	17,8%
Literature	82.189	117.307	51.844	-35.119	-29,9%
Lending right	288.139	292.581	271.769	-4.442	-1,5%
Unisono - SIMIM	3.888.844	3.632.631	4.290.721	256.213	7,1%
Background music	1.111.194	1.243.973	838.520	-132.779	-10,7%
Commercial use rights	159.455	165.445	162.067	-5.990	-3,6%



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**RAF AND MICH WALSCHAERTS**



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**NADINE MONFILS**

An important notion in our financial management is the concept of gross operating costs, which does not take into account financial income or taxes payable and this way enables an easier comparison of the operating costs year by year. Costs fall by just over 2%.

	2015	2014	2013	DIFFERENCE 2015-2014	DIFFERENCE %
<b>Gross operating costs</b>	<b>30.319.568</b>	<b>30.940.207</b>	<b>31.480.530</b>	<b>-620.639</b>	<b>-2,01%</b>
Services and other goods (2)	6.464.567	7.599.039	6.280.497	-1.134.472	-14,93%
Salaries, social security contributions and pensions	22.725.500	23.329.736	24.609.783	-604.236	-2,59%
Capitalised production costs	-968.183	-938.793	-973.079	-29.390	3,13%
Depreciation	3.894.066	3.377.410	3.203.639	516.656	15,30%
Write-back of depreciation	0	0	-368.000	0	
Impairment losses on receivables	0	30	148.833	-30	-100,00%
Provisions for risks and liabilities	-588.764	-1.099.491	-485.693	510.727	-46,45%
Other operating expenses (2)	2.085.067	1.985.772	2.851.239	99.295	5,00%
Recovered costs (3)	-3.292.685	-3.313.496	-3.786.689	20.811	-0,63%

(1) SABAM defines gross operating costs as the sum of the operating costs in the 60/64 accounts (€ 34,580,437), the capitalised production costs in the 72 accounts (€ -968,183), other operating income in the 74 accounts (€ -1,295,206), the contribution for social, cultural or educational purposes in the 744.2 accounts (€ -2,000,536) and consolidation costs of CES asbl (€ 3,056).

(2) As a result of the implementation of the Royal Decree of 25 April 2014, communication costs incurred for social and cultural activities are henceforth considered as other operating costs. They are no longer a part of the services and other goods. The 2014 and 2013 figures have been retroactively adjusted to enable a relevant comparison.

(3) As a result of the implementation of the Royal Decree of 25 April 2014, the commission collected for SIMIM is no longer considered as other income, but as revenue. The 2014 and 2013 figures have been retroactively adjusted. The recovered costs mentioned here correspond to other operating income in the 74 accounts (€ -1,295,206), the contribution for social, cultural or educational purposes in the 744.2 accounts (€ -2,000,536) and consolidation costs of CES asbl (€ 3,056).