



**ASCAP's Survey and Distribution System:  
Rules & Policies**

**This document sets forth the rules and policies governing the ASCAP survey and distribution system, as adopted by ASCAP’s Board of Directors, as follows:**

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## **1. GENERAL PRINCIPLES OF THE ASCAP SURVEY**

**1.1** For many decades, ASCAP’s distribution of royalties to its members has been guided by certain basic principles. ASCAP’s goal is to design and implement an efficient survey and distribution system that enables ASCAP to track music use on radio, television, the Internet, live venues and other media, determine which music has been performed, and pay the appropriate writers and publishers. The ultimate purpose of the survey and distribution system is to ensure that royalty payments to members reflect fairly the value of performances in the various surveyed media, and that the methods and formulas employed for such distributions are disclosed fully and clearly to all members.

**1.2** “Follow-the-dollar” is the chief principle underlying the survey and distribution system: The royalty distributions made to members for performances in each licensed medium should reflect the license fees paid by or attributable to users in that medium.

**1.3** A second basic principle is that different types of performances have different values, even within the same medium. Those values should be reflected in a distribution system that gives appropriate weight to those different types of performances, and does so in an objective fashion that does not judge the subjective artistic merit of any work. The weights assigned to performances are set forth in the Weighting Formula, which are applied equally to all works regardless of their identity.

**1.4** Another important principle is that distributions be on a basis that gives primary consideration to the actual performance of members’ compositions as indicated by regularly conducted, objective and statistically valid surveys of performances in the various media licensed by ASCAP.

**1.5** Whenever feasible, ASCAP conducts census or sample surveys of the performances of the compositions of its members. The surveys are designed and reviewed periodically by an independent survey expert. If a sample is used, licensees or performances may be grouped so as to reflect differences in economic value of performances insofar as practical, taking into account the added costs and complexity of finer groupings. Sample surveys are selected randomly and weighted appropriately by the use of statistical multipliers that reflect the share of the hours or performances sampled from the various groupings. The size of the sample may differ among the various groupings, and may take into account survey costs and considerations of sampling

efficiency. Where survey costs and considerations of sampling efficiency make it impractical to conduct a sample survey of licensees or performances, proxies of performances in other media are used.

**1.6** The census and sample surveys are designed to reflect accurately the number and identification of performances and the revenue attributable to those performances. Economic multipliers are applied to the results of the census and sample surveys to reflect the proportion of ASCAP's revenue attributable to the various groupings of performances or licensees. In determining the revenue attributable to television network broadcasts and, by analogy, that attributable to certain other similar media, ASCAP takes into consideration the revenue received from affiliated stations' commercial announcements adjacent, and reasonably attributable, to network programs carried by the affiliates (often referred to as the "spot adjustment factor").

**1.7** Surveyed performances may be identified from a variety of sources, including recordings of broadcasts (analyzed by ASCAP's music experts), computerized program schedules obtained from industry sources, logs furnished by broadcasters and other music users, and cue sheets prepared by film and television program producers.

**1.8** There are billions of performances licensed by ASCAP each year. ASCAP is committed to distributing royalties for these performances to its members fairly, accurately, and efficiently.

## **2. THE ASCAP DISTRIBUTION SYSTEM**

**2.1** **Writer Distributions.** Each writer hereafter elected to membership will receive domestic royalties in accordance with the Current Performance Plan (as described in Section 3.1.3), based on performances of the member's works included in the Society's repertory and surveyed in the same survey quarter(s) as are then applicable for all other writer members.

**2.1.1** A writer who was elected to membership before April 1, 2014 and receives distribution on the Current Performance Plan shall have an option prior to October 1 of each calendar year to receive distribution on the Averaged Performance Plan (as described in Section 3.1.2) effective for the first quarterly distribution in the succeeding calendar year.

**2.1.2** A writer who receives distribution on the Averaged Performance Plan shall have the option to receive distribution on the Current Performance Plan effective for the first quarterly distribution in the succeeding calendar year.

**2.1.3** An election made pursuant to Sections 2.1.1 or 2.1.2 must be made in writing prior to October 1 of each calendar year and shall apply to the first distribution in the succeeding calendar year and thereafter for a period of not less than four (4) calendar quarters beginning with the quarter in which it first becomes effective until cancelled by notice in writing. Notice of such cancellation given prior to October 1 of any year pursuant to Sections 2.1.1 or 2.1.2 shall be effective for the first distribution in the succeeding calendar year and shall apply thereafter for a period of not less than four (4) calendar quarters.

**2.1.4** A writer who receives distribution on the Averaged Performance Plan and who receives \$25.00 or less in any domestic distribution in 2014 or later shall be switched to the Current

Performance Plan, effective for the succeeding quarterly distribution, and shall not thereafter be eligible to receive distributions on the Averaged Performance Plan.

**2.2 Awards.** ASCAP may make special awards as follows:

2.2.1 To writer members whose works are substantially performed in media not surveyed by ASCAP, or whose works have a unique prestige value for which adequate compensation would not otherwise be received, as determined by an independent panel appointed for that purpose by the writer members of the Board of Directors, in a total amount not to exceed 0.5% of the Society's total distributable revenues.

2.2.2 To writer members whose works have a unique prestige value for which adequate compensation might not otherwise be received, as determined by Management following guidelines specified by the Board of Directors, in a total amount not to exceed 3% of the Society's total distributable revenues.

2.2.3 To writer members whose works are performed on television and have a unique prestige value for which adequate compensation might not otherwise be received, as determined by Management following guidelines specified by the Board of Directors, in a total amount not to exceed 1% of the Society's total domestic distributable revenues.

**2.3 Publisher Distributions.** Each publisher member shall receive distribution of domestic royalties on a current performance basis as set forth in Section 3.2, "Publisher Distribution Formula."

**2.4 Foreign Distributions.** All members shall receive distributions of royalties remitted to ASCAP by affiliated foreign performing rights societies on the basis of performance data provided to ASCAP by such societies, less ASCAP's operating expenses incurred in processing such distributions. From time to time, affiliated foreign performing rights societies remit royalties to ASCAP for public performances in their respective territories, and the accompanying performance data does not list all of the writers shown in ASCAP's title database for a particular work. In those situations where the performance data can be matched to a particular work in the ASCAP title database, the royalties received for performances of such works will be proportionally divided among all ASCAP writers listed in ASCAP's title database, pursuant to their shares in ASCAP's title database.

**2.5 Credit Amounts.** ASCAP shall not promulgate any rules making distinctions as to the amount of credit given to various works or performances except as set forth in Section 4, "Weighting Formula."

**2.6 Public Domain Works.** ASCAP shall grant no performance credits to any member for performances of compositions occurring after they are in the public domain, provided, however, that ASCAP may grant performance credits to either a publisher member or a writer member, or both, for performances of copyrighted arrangements of public domain works where the recipient of the performance credit holds a valid existing copyright covering said arrangement.

**2.7 Distribution to Certain Non-Member Writers.** ASCAP may make distributions to writers who are not members of the Society with respect to their compositions published by ASCAP members, provided that performing rights in such compositions (1) have not been granted to any other performing rights licensing organization for performance in the United States, or (2) if granted, shall have been released by such organization. Any such distributions shall be computed in accordance with the Current Performance Plan, as described in Section 3.1.3.

**2.8 The Radio Feature Premium.** The Society may make additional payments in a fiscal survey quarter year to works achieving high level of Feature Performances in the Society's radio survey, as such levels shall be determined by the Society; provided, however, that such additional payments shall be based solely on the number of radio Feature Performance credits received by the work in such fiscal survey quarter year.

**2.9 Television Premium.** The Society may make additional payments for Theme, Background, and Feature Performances in highly rated syndicated series in three (3) groupings: (1) series on local television stations, (2) series on primetime network television, and (3) series on daytime network television.

**2.10 Cash Basis of Distributions.** All distributions are made on a "cash," rather than an "accrual," basis. Thus, for example, in each calendar quarter, a domestic distribution is made of the distributable revenue budgeted to be received during that quarter. The amount of each member's distribution in that quarter is based on surveyed performances that occurred two (2) (for publishers) or three (3) (for writers) quarters previously, those prior performances representing a proxy of the performances which have occurred during the quarter for which distributable revenue is being paid. Resigned members receive distributions based only on the distributable revenue received through the date of their resignation, subject to the Society's rules and regulations applicable to resigning members. For purposes of this provision, "distributable revenue" includes monies allocated for distribution pursuant to Section 2.2 or similar awards programs.

**2.11 Timing of Crediting and Payment.** All performances are valued on the basis of the statistical weights, distribution formulas, and credit values ("distribution rules") in effect at the time of the distribution in which they are processed. ASCAP generally credits domestic performances based on a quarterly survey; symphony, recital and educational concerts and certain other live performances are processed annually. As noted in Section 2.10, quarterly distributions are based on performances that occurred two (2) (for publishers) or three (3) (for writers) quarters previously. In some cases, performances may be processed later than expected as, for example, due to late receipt of performance information. In such cases, performances are valued based on the distribution rules in effect at the time the performance information is processed. No interest is paid on distributions for any reason, including delay or late processing and delayed or late payment due to pending disputes with third parties.

**2.12 Adjustments to Crediting and Payment.** In each distribution quarter, adjustments may be required for performances already processed, and for which credits have already been generated, in prior distributions. Such adjustments may result, for example, from newly obtained information about member affiliation, share changes, durations of performances, and new title

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