

2023

Annual report
Summary

SUISA
100

Genossenschaft der Urheber und Verleger von Musik
Coopérative des auteurs et éditeurs de musique
Cooperativa degli autori ed editori di musica
Cooperative Society of Music Authors and Publishers

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CHF **206.6** mn

turnover

In 2023, SUISA's turnover consisted of revenues from the authors' rights and secondary income.

CHF **173.5** mn

for authors and publishers

In 2023, SUISA reported revenues of CHF 173.5 mn which were passed on to publishers, lyricists and composers.

CHF **2.9** mn

for the music promotion

In 2023, SUISA promoted Swiss music, allocating CHF 2.9 mn for this purpose to the FONDATION SUISA. From this, composers and lyricists profited.

223

employees

SUISA serves the needs of its members and clients with a staff of 223 employees, corresponding to 186.3 fulltime jobs.

3,478,789

declarations of works

SUISA has received 3,478,789 declarations of works in 2023. This demonstrates how active composers are.

CHF 87 per CHF 100

for the artists

For each CHF 100 in revenues, SUISA distributes CHF 87 to rightsholders.

>100

sister societies

In Switzerland, SUISA represents the world repertoire of music, and clears authors' rights with over 100 sister societies worldwide.

CHF 8.6 mn

for social security

7.5% of the revenues from performance and broadcasting rights in Switzerland and Liechtenstein are contributed to the social security of our members. In 2023, this represented CHF 8.6 mn.

13.1 mn

broadcasts

In 2023, SUISA licensed around 13.1 mn radio and television broadcasts. More than 450,000 works were broadcast in total.

CHF 42.4 mn

administration expenses

Secondary income (CHF 18.0 mn) covers a portion of the expenses. The rest is financed by deducting a contribution from the settlements distributed to beneficiaries. This cost-coverage deduction was 12.8% on average.

Shaping change together



“The only constant is change”. This quote from the Greek philosopher Heraclitus could be the motto of music professionals. More than almost any other sector, the music industry has had to adapt to change, time and time again. Be it with the advent of radio broadcasting, the invention of music cassettes, MP3 or streaming – the music industry has constantly had to devise ways to deal with innovations, even making them its own.

We are once again in the midst of a technological revolution: artificial intelligence is progressing at a lightning speed. New and better applications are appearing at a dizzying pace, enabling us to create texts, photos, videos and music ever more simply.

Like most technological innovations, artificial intelligence is both a curse and a blessing for music professionals. On the one hand, it helps us create music and texts; many musicians are already using these applications in their creative work. On the other, however, AI is a threat for creative artists. AI algorithms are trained on existing, human-made, works – and so far the authors of these works are not being paid for their use by AI. Consequently, in March this year, SUISA demanded that AI providers remunerate composers and lyricists for the use of their works for training purposes. And in April, 200 well-known musicians signed an open letter demanding fair play from tech companies.

We artists are therefore once again confronted with the challenge of adapting to new developments. SUISA is doing its utmost to safeguard our rights and demand fair compensation. Obviously, this also requires an appropriate legal framework. Here too, SUISA – together with the other Swiss collective management organisations and cultural institutions – is lobbying policymakers for such framework conditions.

Thus SUISA is pursuing its 100-year commitment to music creators. And successfully so, as this annual report shows: 2023 was a new record year for SUISA.

**“Together, not only
can we succeed in
adapting to these changes,
we can also actively
shape them for the benefit
of music creators.”**

With an operating result of CHF 207 million and distributable funds of CHF 174 million, SUISA has once again demonstrated how steadfastly and seriously it performs its mission of managing and safeguarding the entitlement of music creators to fair remuneration for their works.

On behalf of the musicians, I sincerely thank SUISA, its employees and management for their dedicated commitment and outstanding work. A big thank you also goes to my colleagues on the SUISA Board. We live in exciting and challenging times: I am convinced that, together, not only can we succeed in adapting to these changes, we can also actively shape them for the benefit of music creators.



Xavier Dayer
President

General informations & statistics

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Yet another successful year for authors and publishers of music

Last year was another record year for SUISA. Performance rights were the main contributor: two years after the end of the pandemic, SUISA realised the highest revenues in its history in the concert area. Online rights remained on their satisfactory trend with continued growth in 2023. The biggest challenges in coming years will be artificial intelligence and political developments relating to radio and TV reception fees.

Andreas Wegelin

One year ago, on this very page, we had already reported that 2022 was a record year for SUISA. And now, the year 2023 has broken that record. Consolidated revenues from the management of authors' rights – our core business – in Switzerland and abroad grew 9.8% compared with the prior year, reaching CHF 198.1 million for the SUISA group as a whole. As a result, the distributable amount also increased, by a satisfactory 9.8%, to CHF 176 million.

For the first time in its history, SUISA's consolidated operating income overstepped the CHF 200 million mark, reaching CHF 206.6 million.

Growing revenues from concerts and parties

Barely two years after the end of the pandemic, licensing revenues from performance rights – both for concerts and parties – rose sharply again in 2023. This was also the case for background music in shops, restaurants, and bars (see p. 36 for breakdown).



Yet another successful year for authors and publishers of music

Revenues from the online dissemination of music in Switzerland and abroad were up last year to a satisfactory CHF 47.3 million (13.2%). This includes revenues from video-on-demand offers in Switzerland, as well as the revenues of SUISA's subsidiary SUISA Digital Licensing. SUISA thus managed to make up for the dwindling revenues from sound recording sales and broadcasting rights which have been declining steadily year after year.

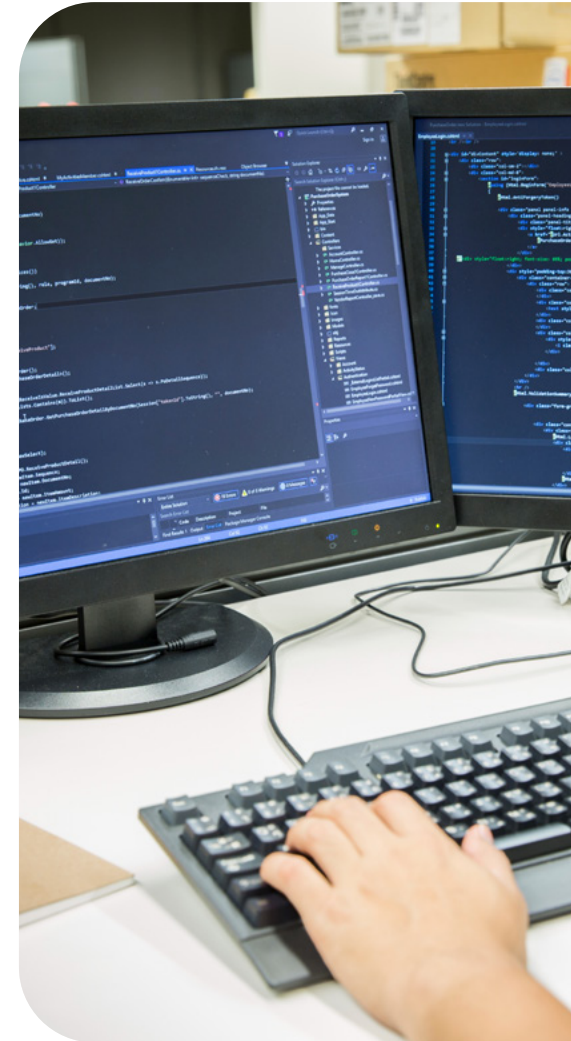
While in the past broadcasting revenues largely profited from the growth in commercials, advertising is now shifting increasingly online where target groups are easier to reach.

This, alongside even better market coverage, will be our next challenge in safeguarding the rights of our members and beneficiaries in the face of shifting usage.

Artificial Intelligence: fair remuneration for authors

Music produced by generative AI (artificial intelligence) is posing new and growing challenges. On the one hand, it competes with the repertoire represented by SUISA; on the other, as part of their data mining, the providers of AI software use existing works protected by copyright to train their algorithms – so far without remunerating the authors of such works. This is why, in March 2024, SUISA announced that AI providers may not avail themselves of the rights of use in the SUISA repertoire for such training purposes.

It remains to be seen how the debate relating to public service broadcasting, funded primarily by the State, will develop. The popular initiative “200 francs is enough!” seeks to obtain a reduction in household television and radio fees. The Federal Council has decided to stagger the reduction of TV and radio reception fees to CHF 300 per household by 2029. In addition, smaller businesses with



Yet another successful year for authors and publishers of music



sales of less than CHF 1.2 million are to be exempt from paying the fee. For its part, SUISA is contrary to any weakening of the media Service Public.

Investments lead to higher costs

The costs incurred to reach the gratifying year-end result also increased. As related to consolidated group turnover, costs attained 19.7% (prior year 17.8%). In this context, the higher IT investments in further process automation and the associated depreciation were particularly noteworthy. Moreover, following the necessary cost-saving period in the aftermath of the pandemic, more expenditure is now required to secure the quality of our services. We believe it makes more sense to spend CHF 7.4 million more this year than in 2022 if it ultimately means having CHF 15.7 million more to distribute to authors and publishers this year. It is certainly legitimate to seek ways to minimise the ratio of costs to revenue. But the lower the ratio, the lower the distributable amount is likely to be: market tracking, precise accounting and accurate royalty settlements are not free of charge, and ongoing investment is needed if we are to keep pace with market changes and technological development.

The average cost-coverage deduction on settlements was 12.85% (prior year 12.97%). Considering the supplemental distribution of 1.75% on all settlements to members and sister societies, it still amounts to 11.60% (prior year 11.85%) of distributed funds.

“Future Sounds”: looking ahead the next 100 years

The co-operative society SUISA celebrated its 100th anniversary in the reporting year. A multitude of successful events were organised to celebrate the centenary: from the anniversary General Meeting with the following party and concert, to our

Yet another successful year for authors and publishers of music

amusing film series "Louis gets it!" about music licensing and the jubilee stamp issued by the Swiss Post Office. Some of that may continue to resonate for a good while, but the "Future Sounds" project is guaranteed to do so: a competition in which composers of today write music for SUISA's bicentenary in the year 2123, in other words, a musical greeting from the present to a future, as-yet-unborn audience 100 years hence.

Record results for SUISA

Consolidated operating income for the SUISA group was up 8.7% compared with the prior year, overstepping the CHF 200 million mark for the first time in SUISA's history. Growth came especially from performance rights, which increased 22% compared with 2022 to reach CHF 57.6 million for 2023.

Domestic and international online revenues were also up again last year, to CHF 47.3 million, corresponding to a 13.2% increase over the 2022. Broadcasting rights, which were more or less stable at CHF 62.7 million (-0.3% compared with 2022), continue to account for the lion's share of revenues. In 2023, fair compensation revenues were slightly below prior year levels at CHF 14.8 million (-1.9% compared with 2022).

Turnover of the SUISA Group

in CHF 1,000

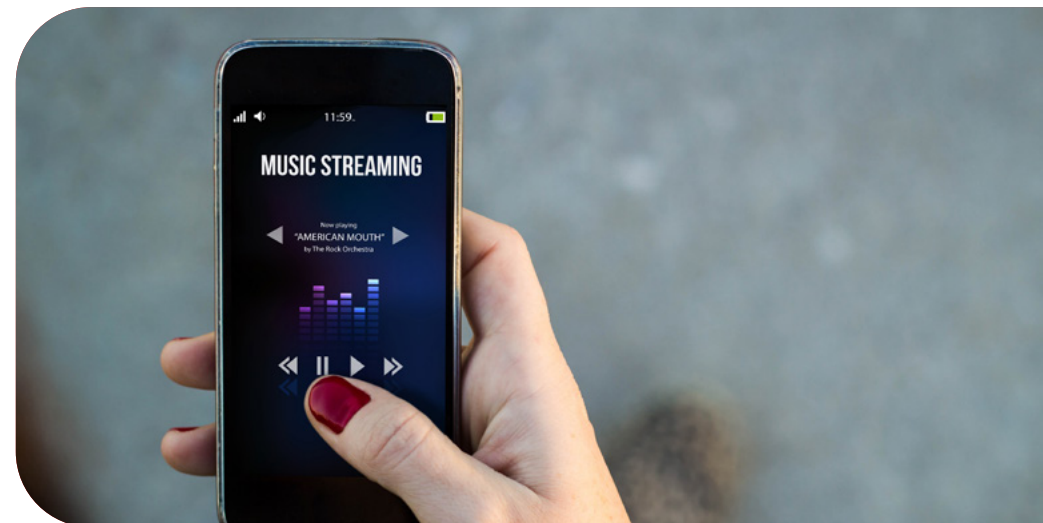
Revenues	2023 compared with 2022			2023 compared with 2019	
	2023	2022	Variation in %	2019	Variation in %
Broadcasting rights	62,699	62,862	-0.3	63,582	-1.4
Performance rights	57,599	47,195	22.0	52,127	10.5
Mechanical rights	3,781	3,558	6.3	4,383	-13.7
Fair compensation revenues	14,835	15,116	-1.9	13,898	6.7
Online	14,052	8,917	57.6	5,511	155.0
Total domestic revenues	152,966	137,648	11.1	139,500	9.7
International performance and broadcasting rights	9,319	7,463	24.9	9,149	1.9
International mechanical rights	2,557	2,453	4.2	3,196	-20.0
Total international revenues	11,875	9,916	19.8	12,345	-3.8
Online revenues multi-territorial	33,279	32,889	1.2	9,034	268.4
Total revenue from collective management	198,121	180,452	9.8	160,879	23.1
Secondary income	8,490	9,652	-12.0	8,347	1.7
Total turnover of the SUISA Group	206,610	190,104	8.7	169,226	22.1

SUISA can carry out the distributions from Q3 2024 to Q2 2025 with an average cost deduction of 12.85%. If the supplementary distribution of 1.75% for the period from Q3 2024 to Q2 2025 is added to the amounts to be paid out to rightsholders (except online from SUISA Digital Licensing), the cost deduction decreases by 1.25% in purely mathematical terms and amounts to 11.60% of the distributed money.

Tariff negotiations: the relentless search for equity

Die SUISA ist gesetzlich verpflichtet, ihre Tarife mit den stellvertretenden Verbänden der Musiknutzerinnen und -nutzer auszuhandeln. Nach Abschluss dieser Verhandlungen müssen die Tarife der Eidgenössischen Schiedskommission für die Verwertung von Urheberrechten und verwandten Schutzrechten (für die Schweiz) sowie dem liechtensteinischen Amt für Wirtschaft zur Genehmigung vorgelegt werden. Diese Behörden haben die Aufgabe, die Angemessenheit der Tarife zu überwachen.

Vincent Salvadé



Important tariff negotiations were also conducted in 2023.

Concerts

Through these negotiations, which started in 2022, SUISA was hoping to simplify Common Tariff K (CT K) in order to reduce costs and facilitate automation. The user associations agreed on the principle of simplification, however, they also wanted to reduce the tariff level by 30 % or 35 % at least and were calling into question certain well-established rules of tariff law. As was to be expected, consensus could not be reached and SUISA was obliged to file a contentious request with the Federal Arbitration Commission for the Exploitation of Copyrights and Related Rights (Arbitration Commission) on 23 May 2023.

After the proceedings, the Arbitration Commission decided in early 2024 that, although the existing tariff had been terminated, it would be extended until 31 December 2024. The Arbitration Commission also indicated the changes

Tariff negotiations: the relentless search for equity

which would apply from 2025 with respect to the current tariff. Contrary to the wishes of the user associations, the Arbitration Commission deemed that ticketing service commissions could no longer be deducted from the remuneration calculation basis. In exchange, however, it reduced tariff levels by 0.5 % (for authors' rights) and by 0.15 % (for neighbouring rights). Moreover, it altered one of the parameters in the definition of small concerts so that a greater number of events would have to be accounted as such in future. A few other minor changes having no significant effect were also made. SUISA is satisfied that remuneration levels under the existing tariff have not been reduced and that a number of simplifications facilitating implementation have even been made. It is especially gratifying that the Arbitration Commission upheld the legal principles underpinning fair remuneration for authors and creators.

The decision was therefore positive, but it may be appealed by the user associations. We do not know yet whether any such appeals will be lodged.

Tariff A with SSR-SRG

The tariff agreed with SSR-SRG (the Swiss broadcasting corporation) was due to expire at the end of 2023 and had to be renegotiated. Two major factors are currently driving our talks with the SSR-SRG: on the one hand, political developments which may impact the broadcaster's revenues in coming years, and on the other, technological progress which is producing a degree of media convergence. Regarding the latter, we can but note that it is growing increasingly difficult to draw a clear line between radio and television. Content is becoming "transmedial", in other words, it is created to be used by radio, television and on the internet. This will probably lead us to reconsider the structure of Tariff A in the short or medium term.



Tariff negotiations: the relentless search for equity

Under the circumstances, with the SSR-SRG we agreed on a new tariff updated on certain points but on the same level as the last one. The new tariff is valid for a short two-year period (2024 and 2025), and can be extended from year to year until the end of 2027. Moreover, we agreed to renegotiate the tariff in the event of adverse political developments impacting the broadcaster's income. The Arbitration Commission approved the new tariff by a decision dated 3 November 2023. At the same time, in 2024 we shall be continuing talks with the SSR-SRG on the future tariff system.

Private copying

SUISA and the other Swiss collective management organisations are conducting ongoing talks with the producers and importers of electronic devices with regard to tariffs for private copying. The collective management organisations would like to introduce a fee for copying on the cloud, i.e. on remote servers (Dropbox, Google Drive, and the like). This form of private copying is becoming increasingly widespread.

The existing tariff (Common Tariff 4i, or CT 4i) is valid until the end of 2024. We therefore discussed an early revision with the industry in order to cover the “cloud” area. However, these negotiations were unsuccessful since the industry was looking to make additional changes in the tariff. In the end, we agreed to resume discussions in 2024 with a view to regulation from 2025. In the meantime, we have mandated GFS-Zurich, a polling organisation, to conduct a new survey on the population's private copying habits, including on the cloud. At the same time, we have prepared legal arguments justifying the extension of CT 4i to cover this copying practice.

Challenges: Artificial intelligence and copyright law

Artificial intelligence is undeniably a source of innovative opportunities. Technology is progressing at lightning speed, raising issues specifically for copyright law, primarily with regard to the use in AI systems of works that are protected by copyright. At the same time, the legal notion of AI-generated output must be clarified.

Noah Martin

The products of creative work are not merely societal decorations, they are of great (economic) importance. Music, for example, does not simply happen – it has to be made or created. And it is common knowledge that neither makers nor creators are prepared to work for free.

Copyright law is one of the few available instruments for monetising the creative process. It protects literary and artistic works – including music. The Copyright Act does not only regulate how works are protected, it also regulates accessibility to works and the exceptions to protection. Prohibiting access to works entirely would hinder both science and the creative process by making it difficult to engage with what is passed down. As a result, copyright issues are always caught in the tension between the need for protection and the need for freedom.

Artificial intelligence (AI) is the latest challenge in this tug-of-war. From the copyright law perspective, there are two especially significant aspects when considering generative AI systems. Firstly, input: In order to train AI, works protected by copyright are imported into a database. Secondly, output: AI produces new immaterial goods.



There is a need to clarify copyright law issues with regard to AI.

Photo: faithie / Shutterstock.com

Challenges: Artificial intelligence and copyright law**Input – feeding the AI database**

Artificial intelligence can certainly produce something new, but it cannot do so from nothing. It needs “raw materials” which it sources from its database. The database contains works, including works protected by copyright.

Under Swiss law, the author alone has the right to decide whether, when and how their works are used and, especially, whether, when and how they are copied (reproduced). Therefore, the providers of AI systems basically need permission, i.e. a licence, from the rightholders to copy their works into the databases for the purpose of training the AI algorithms.

Using a work to feed the AI database is lawful where it is covered by a statutory limitation clause. An example of which is the exception covering the use of works for purposes of scientific research (Article 24d CopA): there is no reason in principle to disallow the use of AI for scientific research. But normal AI models are not designed for this purpose. Therefore, the scientific exception, as we call it, does not apply in most cases. Accordingly, permission has to be obtained from the rightholders for the corresponding reproductions.

How to proceed with the country-specific legal differences is not clear. Under European law, the limitation clause for text and data mining is more permissive than the Swiss scientific limitation clause, and also applies to AI database feeding. Rightholders do however have an opting-out option. In other words, an author may nonetheless decide whether, when and how the AI provider may use their works by opting out.



Challenges: Artificial intelligence and copyright law

The European model seems questionable, on the one hand, given the lack of transparency (the AI black box) which makes it difficult to check whether the works being used are covered by an opt-out. On the other hand, however, the model can bring the players in this growing industry to the negotiating table – to negotiate remuneration or a licence fee for the creatives.

Output – artificial or artistic creation?

It is not for copyright law to decide what is and what is not art. But it is its task to determine how and under which premises art is *protected*. And this question is especially interesting in connection with AI-generated creation, or output as it is known.

The Copyright Act defines protected works as literary and artistic *intellectual creations* with *individual character*. To qualify for protection, a work must be *intellectual* in the sense that it must be *immaterial* but also that it must be the product of an *intellectual effort*. At the same time, the intellectual effort must be a *creative effort*, in other words, the result must be new insofar as it must originate in the mind of the author.

To qualify as an intellectual creation, the premise is that the work must be an *immaterial creation of the mind*. Although AI does generate immaterial output, it is not a creation of the mind – which is the sole preserve of the human being. Nor does such output originate in the mind of a natural person (the author), it proceeds instead from an – admittedly complex – algorithm. For this reason, purely AI-generated output is not protected by copyright.

Challenges: Artificial intelligence and copyright law

It is a different matter, however, when AI does not produce a finished end-product but merely serves as a tool and the creative process is controlled by a human being. This would be the case, for example, where AI simply supplies an idea which then serves as the starting point for the creation of a new work. One would then have to verify on a case-by-case basis whether the new work is a literary and artistic intellectual creation with individual character. If the premises for copyright protection are satisfied, the work qualifies for protection even if it is an AI-assisted creation.

Outlook

Individual rights management is already complex enough as it is, and the complexity is aggravated in connection with AI reproductions. SUISA has collectively managed copyrights on behalf of its members and principals for a hundred years. Conversely to individual rights management, collective administration offers the advantage that individual rights can be bundled together and exploited collectively.

SUISA will not break with this tradition when dealing with the use of works for AI. SUISA will do everything in its power to ensure that authors, publishers and lyricists of musical works are lawfully remunerated as soon as possible. However, before protected musical works can be duly licensed for use in AI systems, several points of legal uncertainty will have to be resolved, be it through court rulings, scientific research, the enactment of legislation, or by benchmarking laws and exchanging information internationally.

Challenges: Artificial intelligence and copyright law**Artificial Intelligence: SUISA is committed to securing fair remuneration for its members**

On 11 March 2024, SUISA announced that it will only permit AI platforms to use the musical works of its members with a licence. To this end, SUISA is withdrawing the right of AI platforms to use their members' works for the training of AI algorithms through text and data mining. The providers of AI platforms should remunerate authors and publishers of music fairly for the use of copyright-protected works for training purposes.

As with other collective management organisations, the providers should negotiate the remuneration for this use with SUISA. In Europe, several collecting societies have already applied the opt-out right.

You can find the entire press release at: www.suisa.ch/en/News-und-Agenda

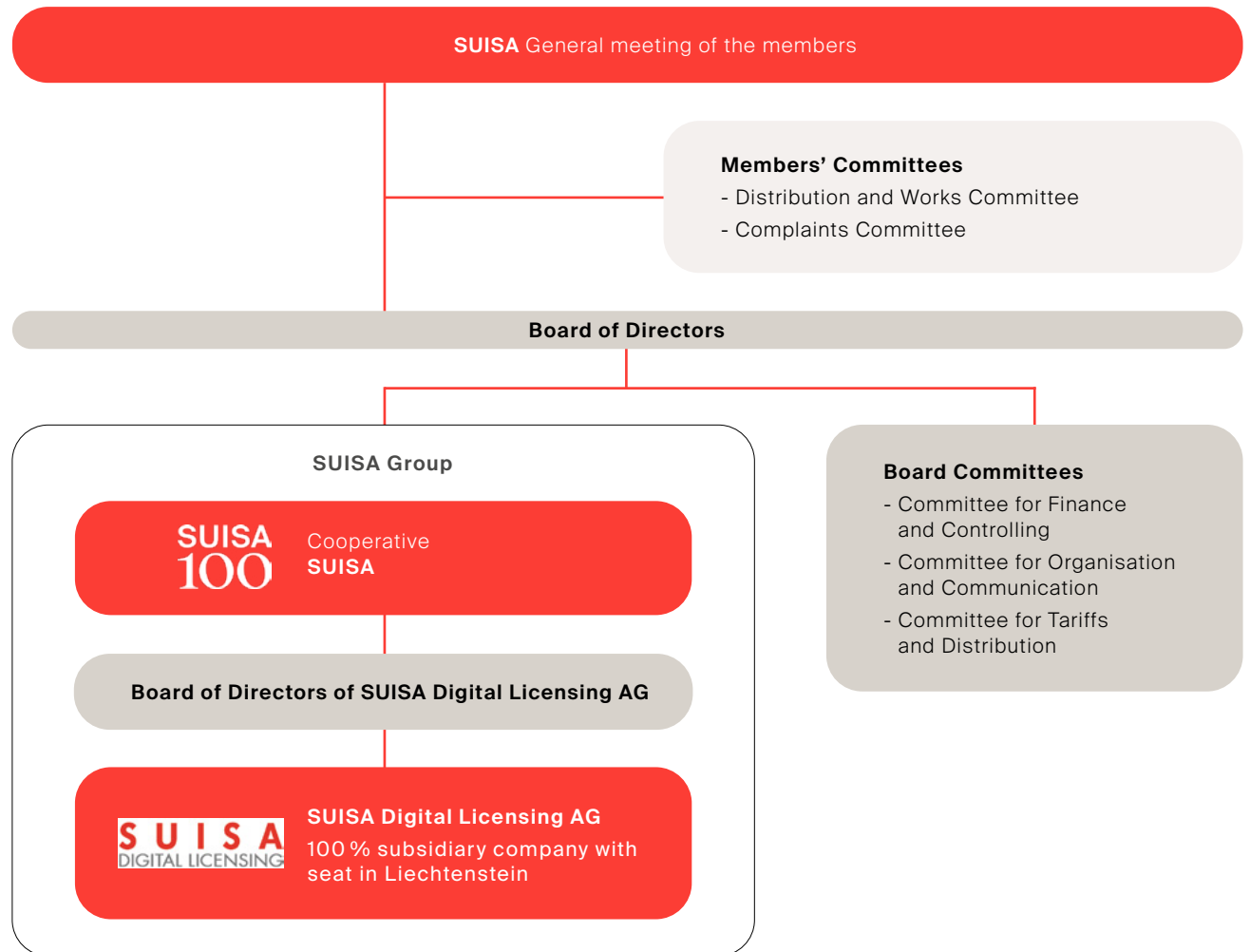
So far SUISA has actively engaged in this discourse and will continue to do so. By actively contributing its expertise to the legal and political debates, cultivating and strengthening its international relations within umbrella organisations and with foreign sister societies directly, participating in domestic stakeholder associations, and thereby constantly developing its AI strategy, SUISA is confident that it will also master this new challenge in the interests and on the behalf of its members and principals.

This article first appeared in the SUISAblog on 14 March 2024.

Structure and governance of the SUIA Group

The SUIA Group consists of the SUIA Cooperative and its subsidiary SUIA Digital Licensing. The latter is based in Liechtenstein and is responsible for the licensing of SUIA's repertoire and that of some 12 foreign collecting societies and more than 80 music publishers worldwide.

SUIA's supreme organ is the General Assembly. It also elects the SUIA Board of Directors and the two Members' Committees: the Distribution and Works Committee and the Complaints Committee.



The financial year of the SUISA Group

Revenue 2023 of the SUISA Group in brief

in CHF 1,000

Revenue	2023	2022	+ / - %
Net proceeds from collective administration (domestic and international)	198,121	180,452	9.8%
Other operating income	8,490	9,652	-12.0%
Total operating income	206,610	190,104	8.7%
Profit from associated companies, financial and real estate income (excluding book profits)	1,267	1,711	-26.0%
less change in del credere / losses on receivables	2,617	410	537.9%
Total income without book profits	210,494	192,225	9.5%
Book profits on securities	5,656	414	1,266.7%
Total revenue	216,150	192,639	12.2 %

The financial year of the SUISA Group**Expenses 2022 of the SUISA Group in brief**

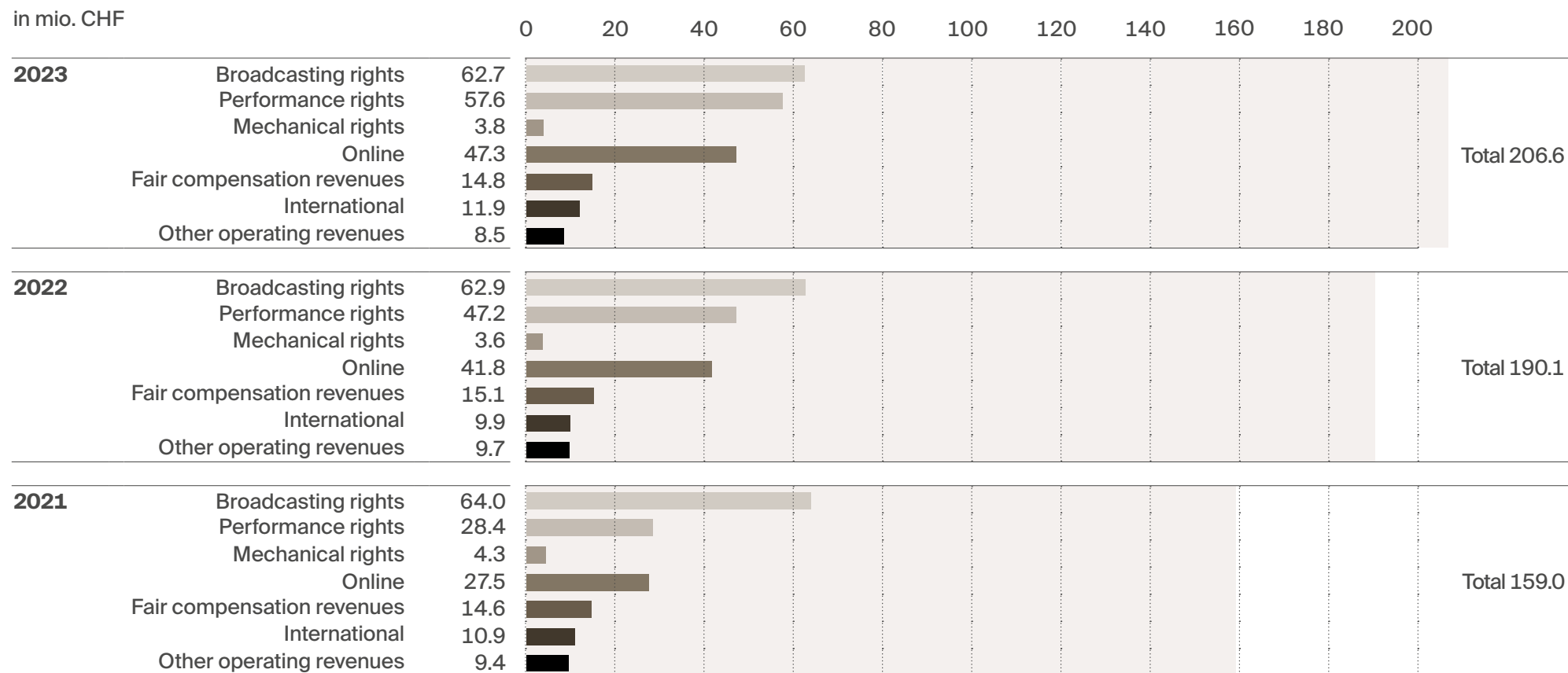
in CHF 1,000

Expenses	2023	2022	+ / - %
Total operating expenses	211,881	178,654	18.6%
less distribution of royalties	-173,514	-145,004	19.7%
Loss from associated companies, financial and real estate expenses (excluding book losses)	430	464	-7.4%
plus change in del credere / loss on receivables	2,617	410	537.9%
Total expenses without book losses	41,413	34,525	20.0%
in % of total income (without book profits)	19.7%	18.0%	9.5%
Book losses on securities	986	12,798	-92.3%
Total expenses	42,400	47,322	-10.4%
in % of total revenue	19.6%	24.6%	-20.1%

The financial year of the SUISA Group

Development of consolidated revenues since 2021

SUISA's consolidated online revenues comprise the online revenues of the Cooperative Society SUISA and SUISA Digital Licensing AG.



Membership statistics for 2023

Irène Philipp Ziebold

Authors and publishers first join SUISA as principals or associate members. Persons who have been registered with SUISA for at least one year and have collected at least CHF 3,000 in royalties are then admitted to full membership with voting and election rights. If a member's royalties amount to less than CHF 3,000 over a ten-year period, the member transits back to the status of principal or associate.

In the reporting year, the number of members and principals increased by 1,476, which is within the usual range. The number of work registrations submitted by members was also similar to the previous year. After last year's high, sub-publishing agreement registrations have also stabilised at the level of previous years.

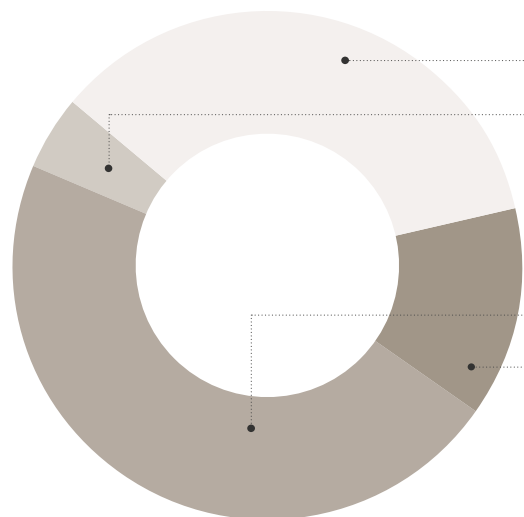
Authors and publishers in figures	Authors		Publishers		Total	
	2023	2022	2023	2022	2023	2022
Total members	7,426	7,109	475	445	7,901	7,554
of which from Liechtenstein	7	8	5	5	12	13
Total principals	32,716	31,622	2,122	2,087	34,838	33,709
of which from Liechtenstein	95	91	33	33	128	124
Total	40,142	38,731	2,597	2,532	42,739	41,263
Total Liechtenstein	102	99	38	38	140	137
Work registrations by members	51,047	46,371	3,427,742	3,732,558	3,478,789	3,778,929
Sub-publishing agreement registrations	-	-	57,174	102,900	57,174	102,900

Membership statistics for 2023

Breakdown of settlements by member groups

The settlements to publishers far exceed those made to authors. This is due to the fact that the major international publishers are direct members of SUISA, whereby SUISA manages and licenses their repertoire worldwide. This also explains the high proportion of settlements for publisher principals. Since 2015, SUISA has made quarterly settlements to its members.

in CHF



Author members	24,194,399
Author principals	3,087,468
Total authors	27,281,867
<hr/>	
Publisher members	31,858,018
Publisher principals	9,131,570
Total publishers	40,989,588
<hr/>	
Total	68,271,455

These figures comprise all settlements made in 2023, including back payments.

International settlements

Thanks to reciprocity agreements signed with about 100 sister societies worldwide, SUISA represents what is known as the world repertoire of music. Switzerland is a net importer of music: much more foreign music is played in Switzerland than Swiss music is played abroad. The largest payment flows into Switzerland and Liechtenstein come from the neighbouring countries Germany, France, as well as from USA and Great Britain.



For a detailed list of SUISA's international settlements with its sister societies, see: www.suisa.ch/international

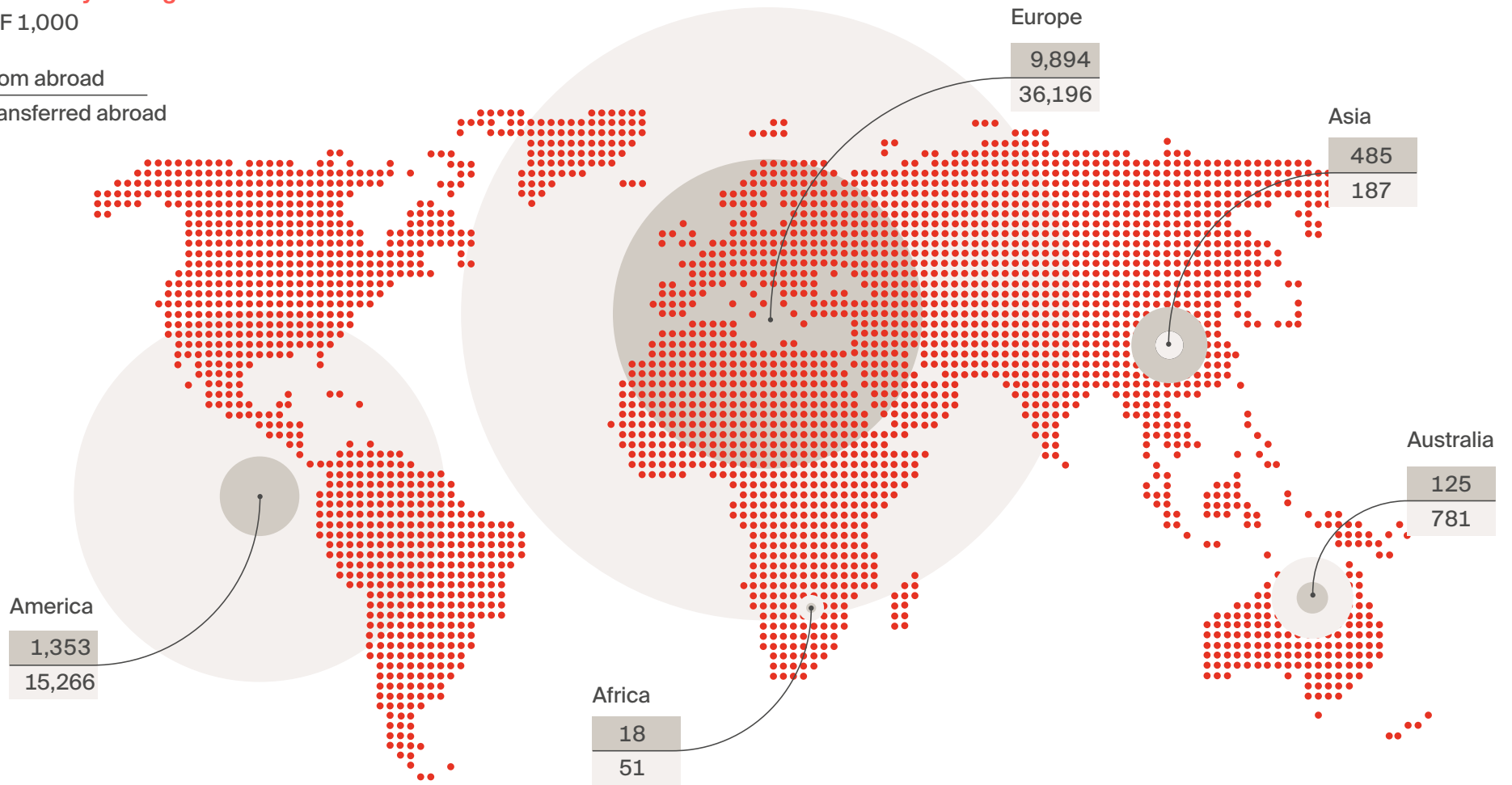
Top ten trading partners 2023 in CHF

Rank	Country	Societies	From abroad	Transferred abroad
1	Germany	GEMA, VG Musikedition	3,578,019	10,120,617
2	France	SACEM, SDRM	2,444,492	7,033,908
3	USA	AMRA, ASCAP, BMI, HARRY FOX AGENCY, LATINAUTOR USA LLC, MLC, MUSIC REPORTS, SESAC	1,070,905,	13,831,229
4	Great Britain	MCPS, PRS	849,418	9,284,783
5	Italy	SIAE, SOUNDREEF LTD	711,623	3,765,929
6	Austria	AKM, AUME	582,703	1,495,022
7	Japan	JASRAC	363,303	94,600
8	Sweden	STIM	333,546	966,091
9	The Netherlands	BUMA, STEMRA	247,790	737,179
10	Belgium	SABAM	247,327	298,721

Where do royalties go?

in CHF 1,000

- From abroad
- Transferred abroad



Amendments to Distribution Rules

The Distribution Rules (DR) are fundamental in the relations between SUISA and its members since they determine how the remuneration collected by SUISA is distributed to authors and publishers. Amendments to these Rules are first reviewed by the Distribution and Works Committee (DWC) which consists of 22 members elected by the General Meeting. The Committee submits a recommendation to SUISA’s Board, responsible for deciding on the amendment. The amendments must then be approved by the regulatory authorities, namely the Swiss Federal Institute of Intellectual Property (IPI) and the Liechtenstein Office of Economy, before they can enter into force.

Vincent Salvadé

Significant developments in 2023:

Approval of previously decided amendments

At the beginning of 2023, the regulatory authorities approved two amendments to the DR which had been decided by the DWC and the Board in 2021 and 2022 respectively. The first concerned the introduction of new rules to allow a special distribution for “Play Suisse”, the VoD platform of the Swiss Broadcasting Corporation (SSR-SRG); based on this amendment, SUISA sent the first settlements for “Play Suisse” to its members in September 2023. The regulatory authorities also approved a full editorial revision of the DR designed to improve transparency and introduce gender-neutral language.



Amendments to Distribution Rules**Distribution of revenues from Common Tariff 8 (CT 8)**

CT 8 regulates the reproduction of works in the workplace, for in-house information or documentation purposes. The tariff is managed by ProLitteris which relays the music portion to SUISA. Until the end of 2022, CT 8 only covered hard copy reproductions. Digital copies made in the workplace, for example when a company uploads works onto its intranet, were covered by Common Tariff 9 (CT 9), which was also managed by ProLitteris (on behalf of SUISA for music). To simplify processing, CT 9 was incorporated into CT 8, effective 1 January 2023. This tariff amendment required a corresponding amendment to the DR, meaning that the TC 9 distribution rules had to be cancelled and incorporated into the TC 8 rules, without thereby affecting the rightholders. Both the DWC and SUISA's Board approved this revision in spring 2023; the regulatory authorities gave their approval on 12 October 2023 (IPI) and 6 November 2023 (Liechtenstein Office of Economy) respectively.

Allocation of revenues from Common Tariff 3c (CT 3c)

CT 3c applies to the reception of television broadcasts on large screens, in other words to “public viewing”. This generally involves the retransmission of sports events, more often than not football matches. SUISA does not receive reports on the broadcasted musical works for this type of use, so it allocates CT 3c revenues to other distribution categories where it is likely that the same type of works are used. Accordingly, checks have to be conducted periodically to verify that these allocations are still relevant. These checks led us to reconsider two allocations: one of 0.5% in favour of distribution category 5 (church performances), and the other of 20% in favour of distribution category 9D (performance of audiovisual recordings (cinemas excluded)). Management proposed to replace these

Amendments to Distribution Rules

with a new allocation of 20.5% to distribution category 12B (entertainment events with music from sound recordings) in order to equitably remunerate the music played for entertainment before and after public viewing, and during the breaks. This amendment was accepted by the DWC and SUISA's Board at the end of 2023. It still needs to be approved by the regulatory authorities in 2024.

In 2024, checks will be conducted to verify the relevance of allocations from other tariffs, notably Common Tariff 3a (background music).

Consolidated balance sheet of the SUISA companies

in CHF 1,000

	31.12.2023	31.12.2022
Assets		
Cash and time deposits up to 90 days	51,819	39,288
Securities	122,699	120,340
Receivables from services	11,354	10,840
Other short-term receivables	1,748	2,378
Prepayments and accrued income	2,598	1,082
Current assets	190,219	173,930
Movable assets	899	663
Real estate (operating)	8,658	8,714
Real estate (non-operating)	2,201	2,264
Investments	156	155
Book value of investment in associated company	2,841	2,847
Value adjustment associated company	-2,841	-2,847
Securities Swiss Life	156	155
Intangible assets	1,482	1,128
Non-current assets	13,396	12,924
Total assets	203,615	186,854
Liabilities and equity		
Copyright liabilities	5,793	6,445
Payables from goods and services	1,417	1,288
Other short-term liabilities	13,274	14,198
Short-term provisions	112,986	102,609
Accrued liabilities and deferred income	14,615	11,356
Current liabilities	148,086	135,896
Non-current provisions	55,353	51,017
Non-current liabilities	55,353	51,017
Dept capital	203,438	186,913
Share capital and reserves	177	-59
Equity capital	177	-59
Total liabilities and equity	203,615	186,854

Consolidated statement of operations of the SUISA companies

in CHF 1,000

	2023	2022
Tariff revenues performance rights	57,599	47,195
Tariff revenues broadcasting rights	62,699	62,862
Tariff revenues mechanical rights	3,781	3,558
Tariff fair compensation revenues	14,835	15,116
Tariff revenues online rights	47,331	41,805
Tariff revenues international	11,875	9,916
Net income from collective administration	198,121	180,452
Other operating income	11,106	10,062
Changes in del credere/loss on receivables	-2,617	-410
Total operating income	206,610	190,104
Distribution authors' rights	-173,514	-145,004
Personnel	-22,935	-21,277
Governing bodies and committees	-577	-518
Depreciation on movable assets	-620	-604
Depreciation on fixed assets	-236	-234
Depreciation / revaluation of financial assets	5	91
Depreciation on immovable assets	-1,010	-763
Other operating expense	-12,994	-10,345
Total operating expense	-211,881	-178,654
Operating result	-5,271	11,450
Result from associated companies	-22	458
Financial income	6,480	1,197
Financial expense	-1,289	-13,143
Financial result	5,169	-11,489
Ordinary result	-102	-39
Income from real estate	443	471
Real estate expense	-105	-118
Non-operating result	338	353
Profit/loss for the year	236	314

Domestic and international royalty collections of the SUISA companies

in CHF 1,000		2023	2022
Broadcasting rights			
A	SRG broadcasts	32,850	32,850
CT 1	Cable networks (retransmission of broadcasts)	16,742	16,888
CT 2b	Internet / mobile phones (retransmission of broadcasts)	173	88
	Advertising window	1,085	1,481
CT S	Broadcasters (SRG excluded)	10,488	10,489
CT Y	Pay radio/TV	1,361	1,066
	Total broadcasting rights	62,699	62,862
Performance rights			
B	Music and orchestra associations	756	765
CT C	Churches	485	581
D	Concert institutes	1,225	845
CT E	Cinemas	2,270	1,878
CT 3a	General background music	18,849	18,249
CT 3b	Airplanes, coaches, ships, carneys, advertising vehicles	230	180
CT 3c	Giant screens	4	7
CT H	Hospitality industry	3,202	3,087
CT Hb	Music performances for dancing and entertainments (hospitality industry excluded)	2,629	1,942
CT HV	Hotel videos	6	7
CT K	Concerts (concert institutes excluded)	26,975	18,771
CT L	Dance schools	873	736
CT MA	Jukeboxes	39	38
CT Z	Circus	56	109
	Total performance rights	57,599	47,195
	Total broadcasting and performance rights	120,298	110,057

		2023	2022
Mechanical Rights			
PA	Music boxes	6	7
PI V	Sound recordings intended for the public	234	190
PI EG	Sound recordings intended for the public	353	542
PI	Sound recordings intended for the public: foreign licensing	572	656
PN	Sound recordings not intended for the public	42	38
VI	Audiovisual recordings intended for the public	344	345
VN	Audiovisual recordings not intended for the public	2,224	1,779
VM	Music video – foreign licensing	6	1
Total mechanical rights		3,781	3,558
Fair compensation revenues			
CT 4	Blank media levy video	57	28
CT 4	Blank media levy audio	65	111
CT 4	Blank media levy multifunctional	9,468	9,450
CT 5	Rental of work copies	51	49
CT 7	Use in schools / reprography	803	822
CT 8	Use in organisations	259	0
CT 9	Business internal networks	0	238
CT 10	Works for persons with disabilities	3	3
CT 12	Rental of set-top boxes	4,129	4,413
Total fair compensation revenues		14,835	15,116
Total mechanical rights and fair compensation revenues		18,616	18,674
Online			
	Streaming	12,964	8,083
	Upload and download	1,087	833
Total online		14,052	8,917
Total domestic collections		152,966	137,648
International			
	International performance and broadcasting rights	9,319	7,463
	International mechanical rights	2,557	2,453
Total international collections		11,875	9,916
Online revenues multi-territorial		33,279	32,889
Total revenues from authors' rights		198,121	180,452

Financial statement Cooperative Society SUISA

Balance sheet

in CHF 1,000

	31.12.2023	31.12.2022
Assets		
Cash and time deposits up to 90 days	51,089	38,806
Securities	122,699	120,340
Receivables from services	11,094	10,609
Other short-term receivables	1,748	2,378
Prepayments and accrued income	2,598	1,082
Current assets	189,229	173,215
Movable assets	899	663
Real estate (operating)	8,658	8,714
Real estate (non-operating)	2,201	2,264
Investments	156	155
Intangible assets	1,482	1,128
Non-current assets	13,396	12,924
Total assets	202,626	186,140
Liabilities and equity		
Copyright liabilities	5,793	6,445
Payables from goods and services	1,367	1,230
Other short-term liabilities	13,274	14,198
Short-term provisions	112,986	102,609
Accrued liabilities and deferred income	14,551	11,339
Current liabilities	147,971	135,821
Non-current provisions	54,655	50,319
Non-current liabilities	54,655	50,319
Dept capital	202,626	186,140
Share capital and reserves	0	0
Equity capital	0	0
Total liabilities and equity	202,626	186,140

Statement of operations of the Cooperative Society SUI SA

in CHF 1,000

	2023	2022
Tariff revenues performance rights	57,599	47,195
Tariff revenues broadcasting rights	62,699	62,862
Tariff revenues mechanical rights	3,781	3,558
Tariff fair compensation revenues	14,835	15,116
Tariff revenues online rights	14,052	8,917
Online revenues multi-territorial	8,569	9,973
Tariff revenues international	11,875	9,916
Net income from collective administration	173,411	157,536
Other operating income	7,897	6,853
Changes in del credere/loss on receivables	-2,635	143
Total operating income	178,672	164,533
Distribution authors' rights	-148,788	-122,078
Personnel	-22,884	-21,237
Governing bodies and committees	-569	-511
Depreciation on movable assets	-620	-604
Depreciation on fixed assets	-236	-234
Depreciation / revaluation of financial assets	-1,010	-763
Depreciation on immovable assets	-10,106	-7,527
Total operating expense	-184,214	-152,955
Operating result	-5,542	11,578
Financial income	6,480	1,194
Financial expense	-1,276	-13,124
Financial result	5,204	-11,931
Ordinary result	-338	-353
Income from real estate	443	471
Real estate expense	-105	-118
Non-operating result	338	353
Profit / loss for the year	0	0

Domestic and international royalty collections of the Cooperative Society SUISA

in CHF 1,000		2023	2022
Broadcasting rights			
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Total revenues from authors' rights		173,411	157,536

SUISA is a cooperative society which belongs to its members. At the end of 2023, SUISA represented the rights of 42,739 full and associate members, of which 40,142 authors and 2,597 publishers.

Zürich

Bellariastrasse 82
CH-8038 Zürich
Tel +41 44 485 66 66

Lausanne

Avenue du Grammont 11bis
CH-1007 Lausanne
tél +41 21 614 32 32

Lugano

Via Cattedrale 4
CH-6900 Lugano
tel +41 91 950 08 28

www.suisa.ch
www.suisablog.ch
suisa@suisa.ch

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