

**Documentation of statistics for  
Trade with Music Rights 2020**

## 1 Introduction

The purpose of the statistics Trade with music rights is to estimate the sale of recorded music in the form of physical sales, downloads and streaming. In addition, the statistics calculate the extent of payments for the use of music for public play and by reproduction, as well as the property rights income for composers and performers. Statistics Denmark published the statistics for the first time in 2014.

## 2 Statistical presentation

The statistics is an annual statement of sales of recorded music and rights. The statistics are published in News from Statistics Denmark and in the Statistics Bank. Sales are broken down by form of distribution, nationality (Denmark/Abroad), type of rights holders, geography and the gender and age of individual rights holders. Rights holders represented by, for example, a publisher are not included in the gender and age breakdown of the statistics.

### 2.1 Data description

The statistics Trade with music rights include two types of economic activity:

- The sale of music and
- Entitlement payments by public performance and reproduction.

Sales of music are determined as the music companies' total turnover from physical sales, digital downloads and streaming.

Rights Payments consists of payments to the creative artist, i.e. composer or author of royalties, the performing artist when the music is performed and the producers, i.e. record companies and others in charge of the recording of the sound recordings published. The rights to a musical work are, as a general rule, valid for 70 years from the right holder's death. During that period, payment goes to the right holder's heirs. The statistics do not distinguish between the types of property rights.

### 2.2 Classification system

The statistics are not based on standard classifications.

### 2.3 Sector coverage

Not relevant

### 2.4 Statistical concepts and definitions

Music rights: Composers, songwriters and performers receive rights payments every time their musical work is played in public. Composer and songwriter rights must also be paid for when the music is recorded on CDs, tapes, movies, video and other audio media. Finally, there are rights associated with copying notes and selling blank media that can subsequently be used for copying.

Musical work: A musical composition protected by copyright law.

## **2.5 Statistical unit**

The units in the statistics is musical compositions that are protected by copyright law.

## **2.6 Statistical population**

The population of the statistics is musical works created by composers, domiciled in Denmark, as well as musical works sold in Denmark, regardless of whether the composer is domiciled in Denmark.

## **2.7 Reference area**

Denmark.

## **2.8 Time coverage**

The statistics covers 2008 and onwards.

## **2.9 Base period**

Not relevant for this statistic.

## **2.10 Unit of measure**

Financial information is in Danish kroner

## **2.11 Reference period**

The statistics are compiled annually.

## **2.12 Frequency of dissemination**

Annually.

## **2.13 Legal acts and other agreements**

There is an agreement with IFPI, Koda and Gramex annual deliveries of data. The statistics are national.

## **2.14 Cost and burden**

The statistics are based on a voluntary agreement with the data providers. The administrative burdens associated with the statistics has not been estimated.

## **2.15 Comment**

No other information.

## **3 Statistical processing**

Music statistics are based on data from the record companies' trade association (IFPI) and the organizations Koda and Gramex which manages rights payments. Data are provide by voluntary agreement. Statistics Denmark validates data by comparing with last year's data. No further processing than validation and aggregation in the compilation of the statistics is undertaken.

### **3.1 Source data**

The statistics Trade with music rights are based on data from the record companies' trade association (IFPI) and the organizations Koda and Gramex which manages rights payments.

Sales of music works are determined as the music companies' total turnover from physical sales, digital downloads and streaming. The numbers are reported to Statistics Denmark by IFPI. IFPI is the international trade association for record companies. Their statistics are generally given high credibility. The nationality of the works is also part of the report from IFPI. Where the composer is domiciled outside Denmark, these are international repertoire. Is the composer based in Denmark, the repertoire is considered to be Danish. It is a requirement that the recordings mainly are carried out by Danish artists or by artists resident in Denmark for the case of Danish repertoire. An album can be described as Danish if at least 75 per cent of the tracks meet the conditions for being Danish repertoire.

Payment for the rights to composers and songwriters every time their musical work played in public. These rights are handled by Koda. There are also paid for composer and songwriter rights when the music recorded on CDs, tapes, film, video and other sound carriers. These so-called mechanical rights are handled by the NCB. Gramex represents the rights of the performing artists and the record companies when a work of music is played in public. Finally, the copying of music and the sale of blank media that can subsequently be used for copying, an exercise of rights. These rights are handled by Copydan. The rights payments come from central and authoritative sources. KODA has a state concession to manage music rights and collects information on music played publicly in Denmark. Data is used to calculate the remuneration of the right holders and is assessed to be of high quality.

### **3.2 Frequency of data collection**

Data are collected annually.

### **3.3 Data collection**

Data supplied to Statistics Denmark global basis.

### **3.4 Data validation**

The drafting of the statistics validated data based on comparison with data from the previous year.

### **3.5 Data compilation**

Statistics Denmark validates data on receipt and aggregates in connection with tabulation to the Statbank tables.

### **3.6 Adjustment**

There will be no corrections.

## **4 Relevance**

These statistics are used by professionals, researchers, authorities and other users, e.g. journalists interested in the economy in the music industry.

### **4.1 User Needs**

The overall user need is to create more knowledge about the economy in the Danish music industry. Industry organisations, public authorities, researchers and other stakeholders may be interested in having access to the results of the study with a view to identifying relevant, current cultural and cultural policy issues that can be included as a basis for cultural policy and professional considerations.

### **4.2 User Satisfaction**

These statistics are established in collaboration with the Ministry of Culture and with a follow-up group of experts and stakeholders.

### **4.3 Data completeness rate**

Under construction.

## **5 Accuracy and reliability**

There are no uncovered conditions in source data that indicate that the statistics do not provide an accurate and reliable picture of the total volume of sales of music and music rights. Some factors may mean that the scope is underestimated, but there are also factors that lead to an overestimation.

### **5.1 Overall accuracy**

A number of factors mean that the statistics underestimate the sale of musical works: Source data covers record companies that are members of IFPI and rights holders organized in Koda and Gramex. Sales from record companies or rights holders who are not members of said organizations are not covered by the statistics. There may also be a lack of reporting from the use of music in public in Koda data. Illegal downloads are also not included in the data base. Conversely, over-coverage may also occur if the data base includes rights payments from playing music in previous years. Postpostings of deposits and withdrawals after data has been submitted to Statistics Denmark can contribute to time shifts in relation to the time of sale.

## **5.2 Sampling error**

Not relevant for this statistic.

## **5.3 Non-sampling error**

A number of factors mean that the statistics underestimate the sales of musical works: According to its own information, IFPI organizes 95 per cent. of the record companies' turnover, sales of music works from record companies outside IFPI are therefore not included. Some rights holders manage their rights themselves and are thus not part of the data base from Koda and the other rights organizations. There may be a lack of reporting from public use of music in Koda data. Illegal downloads are not included in the data base. Conversely, over-coverage may also occur if the data base includes rights payments from playing music in previous years. Post-postings of deposits and withdrawals after data has been submitted to Statistics Denmark can contribute to time shifts in relation to the time of sale.

## **5.4 Quality management**

Statistics Denmark follows the recommendations on organisation and management of quality given in the Code of Practice for European Statistics (CoP) and the implementation guidelines given in the Quality Assurance Framework of the European Statistical System (QAF). A Working Group on Quality and a central quality assurance function have been established to continuously carry through control of products and processes.

## **5.5 Quality assurance**

Statistics Denmark follows the principles in the Code of Practice for European Statistics (CoP) and uses the Quality Assurance Framework of the European Statistical System (QAF) for the implementation of the principles. This involves continuous decentralized and central control of products and processes based on documentation following international standards. The central quality assurance function reports to the Working Group on Quality. Reports include suggestions for improvement that are assessed, decided and subsequently implemented.

## **5.6 Quality assessment**

The statistics are based on central and known authoritative sources, which help to ensure the quality of the results. The statistics have a number of sources of error, which are described under point. 5.3. No actual quality assessment has been made of the final results of the statistics other than the quality assurance described during data validation.

## **5.7 Data revision - policy**

Statistics Denmark revises published figures in accordance with the [Revision Policy for Statistics Denmark](#). The common procedures and principles of the Revision Policy are for some statistics supplemented by a specific revision practice.

## **5.8 Data revision practice**

There will not be published preliminary figures.

## **6 Timeliness and punctuality**

The statistics are published 6 months after the end of the reference year. The statistics are usually published without delay in relation to the scheduled date.

### **6.1 Timeliness and time lag - final results**

The statistics are published 6 months after the end of the reference year.

### **6.2 Punctuality**

The statistics are usually published without delay in relation to the scheduled date.

## **7 Comparability**

The statistics have been published since 2014, and in its current form comparable from 2008 onwards. The statistic can be compared with the organizations' own statistics. There may be some minor differences if the organizations make post-postings in deposits and withdrawals after data has been submitted to Statistics Denmark.

### **7.1 Comparability - geographical**

There are no international guidelines for compiling this type of statistic and it is therefore not comparable with official statistics from other countries. However, it is possible to find statistics on sales of musical works and rights in other countries from other independent actors.

### **7.2 Comparability over time**

The statistics have been published since 2014, and in its current form comparable from 2008 onwards.

### **7.3 Coherence - cross domain**

The statistics are comparable to the organizations' own statistics. There may be some minor differences if the organizations make post-postings in deposits and withdrawals after data has been submitted to Statistics Denmark.

### **7.4 Coherence - internal**

Not relevant for this statistic.

## **8 Accessibility and clarity**

The statistics are published in [Nyt fra Danmarks Statistik](#) under the topic Musik.

The statistics Trade with music rights are published in Statbank [Musik](#).

For more information, see the statistics' [subject page](#).

### **8.1 Release calendar**

The publication date appears in the release calendar. The date is confirmed in the weeks before.

### **8.2 Release calendar access**

The Release Calendar can be accessed on our English website: [Release Calendar](#).

### **8.3 User access**

Statistics are always published at 8:00 a.m. at the day announced in the release calendar. No one outside of Statistics Denmark can access the statistics before they are published.

### **8.4 News release**

<https://www.dst.dk/en/Statistik/emner/musik-og-scenekunst/musik>

### **8.5 Publications**

Statistics Denmark has not released publications beyond what is published in the statistics bank.

### **8.6 On-line database**

The statistics are published in the StatBank under the subject [Musik](#) in the following tables:

- [MUSIK1](#): Revenue from the sale of recorded music by nationality, form of distribution and time
- [MUSIK2](#): Purchase of rights for recording music by industry (DB07), region and time
- [MUSIK3](#): Income by sale of music by type of owner of rights, region and time
- [MUSIK4](#): Authors income from music rights by sex, age, region and time

MUSIK1 is based on information from IFPI. MUSIK2-4 is based on data from the rightkeepers Koda and Gramex.

### **8.7 Micro-data access**

There is no access to data other than through the Statbank.

### **8.8 Other**

Not relevant for this statistic.

### **8.9 Confidentiality - policy**

The statistic follow Statistics Denmark's common practice for confidentiality.

### **8.10 Confidentiality - data treatment**

The statistics is disseminated at a level of aggregation that does not require further discretion.

### **8.11 Documentation on methodology**

Documentation can be found in the documentation of statistics on <http://www.Statbank.dk>

### **8.12 Quality documentation**

Results from the quality evaluation of products and selected processes are available in detail for each statistics and in summary reports for the Working Group on Quality.

## **9 Contact**

The administrative placement of these statistics are in the division Science, Technology and Culture. The person responsible is Claus Werner Andersen, phone 91 37 64 04, e-mail: [cwa@dst.dk](mailto:cwa@dst.dk)

### **9.1 Contact organisation**

Statistics Denmark

### **9.2 Contact organisation unit**

Science, Technology and Culture, Business Statistics

### **9.3 Contact name**

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Responsible for the statistics

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