

Article 8. CABLE BROADCASTING, etc.

The fee for the use of works for broadcasts and recordings for broadcasting purposes (not inclusive of recordings of music for commercials) (hereinafter referred to as “cable broadcasting, etc.”) shall be a sum equal to the amount obtained by adding to the amount calculated hereafter, the amount equivalent to the consumption tax.

1. Cable radio broadcasting, etc.

The fee for cable broadcasting, etc. by means of cable radio broadcasting shall be determined as follows:

(1) When an annual blanket licensing agreement is concluded

The annual fee shall be the total of the amount obtained per channel by multiplying the cable broadcasting operation income of the relevant channel corresponding to the previous fiscal year by the royalty rate in the following table.

However, in the event that the relevant broadcasters cannot sum up cable broadcasting operation income for each channel, the fee shall be obtained by multiplying cable broadcasting operation income for all channels by the rate obtained on a pro-rated basis among the rates applicable to the related classification for each channel.

Category	Fee rate
Channel solely programmed with music	3.0%
Channel featuring music programs	2.25%
General channel	1.5%
News or sports, etc. channel	0.75%

(2) In the event an annual blanket licensing agreement does not apply

The fee for per work per use is shown on the following table.

(i) Cable radio broadcasting

For one cable radio broadcasting of one work	Fees
Not exceeding 5 minutes	¥1,500 for each 1,000 households subscribing to the broadcast
For each additional 5 minutes	¥1,500 for each 1,000 households subscribing to the broadcast

(ii) Recording for cable radio broadcasting

Per copy reproduced	Fees
Not exceeding 5 minutes	¥1,500
For each additional 5 minutes	¥1,500

2. Cable Television (CATV) broadcasting, etc.

The following is the fee for the use of works for cable broadcasting, etc.

(1) When an annual blanket licensing agreement is concluded

- (i) When there is cable broadcasting operation income, the annual fee shall be obtained by multiplying the cable broadcasting operation income in the previous fiscal year by 1/100. However, in the event of the calculated sum not exceeding the amount in table (ii), then the fee in table (ii) shall be applied.
- (ii) The annual fees for the use of works when there are no cable broadcasting operation income are as follows.

Category	Fees
Not exceeding 1,000	¥30,000
Not exceeding 3,000	¥50,000
Not exceeding 5,000	¥80,000
Not exceeding 10,000	¥100,000
Exceeding 10,000 households	The amount obtained by multiplying the number of households subscribing to the broadcast by ¥10

(2) In the event an annual blanket licensing agreement does not apply

The fee for per work per use is shown on the following table.

(i) Cable television broadcasting

Playing time per work and per use in cable television broadcasting	Fees
Not exceeding 5 minutes	¥1,000 for each 1,000 households subscribing to the broadcast
For each additional 5 minutes	¥1,000 for each 1,000 households subscribing to the broadcast

(ii) Recording for cable television broadcasting

Per copy reproduced	Fees
Not exceeding 5 minutes	¥1,000
For each additional 5 minutes	¥1,000

Notes for cable broadcasting, etc.

- (i) In case that an annual blanket licensing agreement is concluded, the fiscal year begins in April and ends in March of the next year.
- (ii) The number of the households subscribing to the broadcast is that subscribing at the end of March every year.
- (iii) The cable broadcasting operation income as provided for in 1 is the total amount of subscription income, income arising from commercial broadcasting, etc., income arising from commissioned broadcasts, program production income and income arising from sales of programs, not inclusive of the consumption tax, from which the following items are deducted:

- Advertising agency commission
- Expenditure directly needed to collect subscription income

The cable broadcasting operation income as provided for in 2 is the total amount of subscription income, income arising from commercial broadcasting etc., income arising from commissioned broadcasts, program production income, not inclusive of the consumption tax, from which the following items are deducted:

- Advertising agency commission
- Expenditure directly needed to collect subscription income
- Amount payable to operators supplying programs for pay channels
- Amount payable to leasing operators when subscription includes amount for leasing home terminal

However, when the cable broadcasting operation income is not available, the amount corresponding to the operation income thereof may be determined within the scope of the total business income thereof with due regard to the circumstances of usage, etc.

- (iv) The fee for a CATV operator who has newly launched its business is determined within the scope of the provisions of 2(1)(ii) with due regard to the circumstances of usage.
- (v) In the previous fiscal year where the usage fees are calculated upon, in the event of the period earning cable broadcasting operation income not exceeding one year, the annual fee shall be calculated by converting the cable broadcasting income into a yearly basis.
- (vi) When calculating the fees for cable radio broadcasting, etc., in the event the specific circumstances, such as where there is no cable broadcasting operation income, prevent the rates under this Article from being applicable, the fee shall be determined within the scope of provision of 1 upon negotiation with the user.
- (vii) When the CATV broadcaster or the cable radio broadcaster concluded a licensing agreement for cable broadcasting, etc., which calculates the fees by provision 2, the fees for cable radio broadcasting, etc. shall also be calculated by provision 2 for the time being.

(viii) With respect to cable television broadcasting, in the event the type of use or some specific circumstances prevent the rates under this Article from being applicable, the fee shall be determined within the scope of this Article upon negotiation with the user.