

Article 10. ONLINE KARAOKE FOR COMMERCIAL USE

The fee for the use of works in public transmissions, other than broadcasts and cable broadcasting, and in online karaoke for commercial use made by the following public transmissions (Of online karaoke for commercial use, these provisions are applicable to the use of works at commercial places, such as karaoke facilities and places of entertainment, which are referred to hereinafter) (However, not inclusive of performances and singing at places where transmissions are received), shall be a sum equal to the amount obtained by adding to a sum calculated under the following 1 and 2, the amount equivalent to the consumption tax. In this Article, the fee includes that related to duplication (not inclusive of the case that duplication is made with image) and that related to public transmission.

1. Basic fee

- (1) When a blanket licensing agreement is concluded for basic fee

The fee shall be fixed per month in accordance with the number of access code set by an operator engaged in online karaoke for commercial use. The monthly fee will be calculated in the following formula.

Monthly fee will be ¥100,000 for number of access codes not exceeding 1,000. For each additional 1,000 codes, following fee will be charged.

Number of access codes	Added fee
Not exceeding 50,000	¥100,000
Exceeding 50,000 but not more than 100,000	¥90,000
Exceeding 100,000 but not more than 150,000	¥80,000
Exceeding 150,000	¥70,000

- (2) In the event above (1) does not apply

The fee shall be fixed per month based on the number of works which are ready to be available to operators engaged in karaoke facilities and places of entertainment. The monthly fee is ¥200 per work.

2. Per usage fee

(1) When a blanket licensing agreement is concluded for per usage fee

The fee shall be fixed per month and per server and per terminal, etc. (hereinafter referred to as “receiving apparatus”) and shall be a sum equivalent to 10% of information service charge imposed on each receiving apparatus or ¥950, whichever is greater. However, in the case that the fee equivalent to 14% of information service charge is lower than ¥950, this percentage based fee or ¥650, whichever is greater, shall apply.

(2) In the event above (1) does not apply

The fee shall be fixed each time a work is supplied (regardless of through public transmissions or by means of reproductions) to premises such as karaoke facilities and places of entertainment, etc. by an operator engaged in online karaoke for commercial use through access codes to receiving apparatus set by the premises. The fee is ¥3 for use of a work.

Notes for online karaoke for commercial use

- (i) Access code in this Article means code given to each data to comply with requests for online karaoke for commercial use. The number of “access codes” means the total number of access codes for the works which JASRAC administers.
- (ii) When the provisions 1(1) and 2(1) apply, where a sum equivalent to 25% of the total amount of per usage fee is lower than monthly basic fee and where the number of access codes does not exceed 50,000, 25% of the total amount of per usage fee shall be monthly basic fee regardless of the number of access codes. For each additional 1,000 codes, the fee provided under 1(1) shall be charged.
- (iii) When (ii) applies, and the total amount of monthly basic fee and monthly per usage fee is lower than ¥50,000, ¥50,000 shall be the fee for the month concerned.
- (iv) Information service charge provided for in 2(1) means a sum (not inclusive of the consumption tax and regardless of its name) required entities receiving service of online karaoke to pay in compensation of receipt of service.
- (v) When information service charge is not available, a sum equivalent to 170% of the information service charge income by an operator engaged in online karaoke for commercial use (regardless of its name) for each receiving apparatus may be considered to be service charge.
- (vi) With respect to online karaoke for commercial use, in the event the type of use or some specific circumstances prevent the rates under this Article from being applicable, appropriate rates may be determined within the scope of the rates fixed in accordance with this Article upon negotiation with the user.