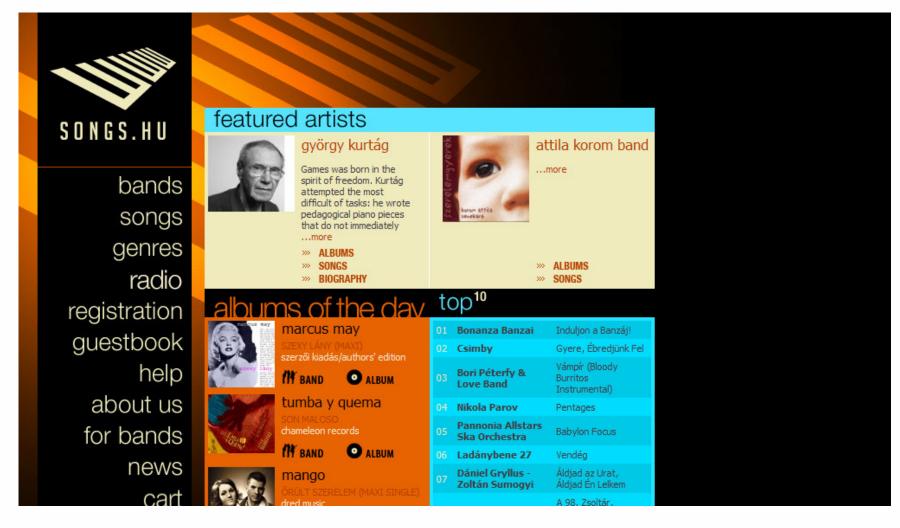


## WWW.SONGS.HU A TOOL TO MAKE ARTISTS AMPHIBIOUS





## https://www.songs.hu/





#### What makes it remarkable?

- Entirely owned and operated by musicians
- Developed by cooperation between the musicians' unions and the performers' collecting society
- Enables artists to test the potentials of online distribution
- Licensed under standard terms of collecting societies
- Goals compatible with the social and cultural responsibilities of a collecting society



#### **Business plan**

- No competition with mainstream online distributors
- Self-sustainability from sales on long term only
- Various external income sources:
  - Contribution from the union & the collecting society
  - Application for support to public & private cultural funds
  - Advertisements
  - Lots of free work



# Main features determined by musicians

- Bilingual operation: <u>Dalok.hu</u> <u>Songs.hu</u>
- All-embracing site, open to all styles and genres
- High quality versatile MP3 file format
- No copy protection / restriction
- DRM digital identifiers of right owners encoded
- TPM files digitally watermarked
- Lossless .flac file format from July 1, 2008



## Hungarian language site



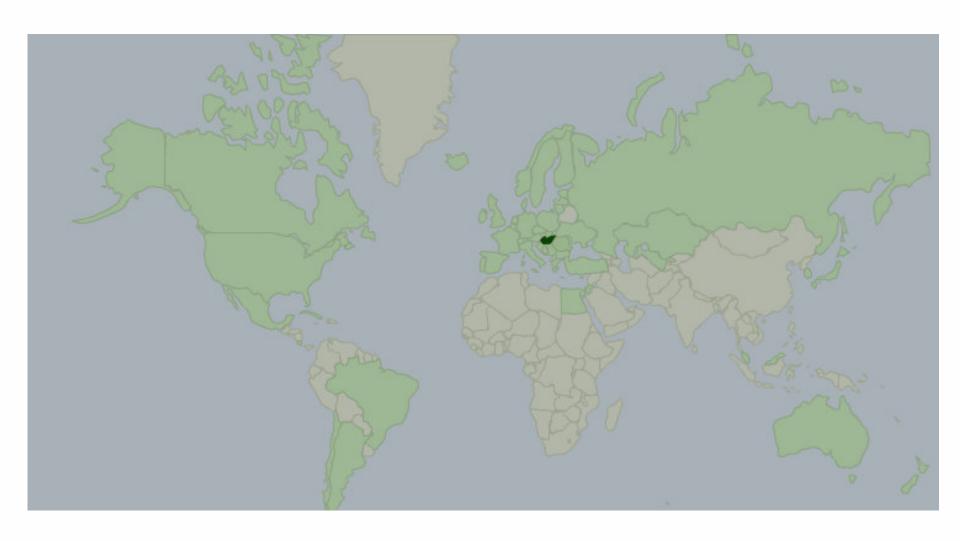


### **English language site**





## Geographical mapping of visitors





### **Sharing of net revenues**

If artists own the record producer's rights

Credit card	SINGLE TRACK PRICE	Mobile phone
100%	Net consumer price	100%
3%	Transaction charge	20%
15%	Operating expenses	15%
28%	Authors' royalty	28%
54%	Performers' royalty	37%
72%	Artists' total	65%



### **Sharing of net revenues**

If revenues shared with record producers

Credit card	SINGLE TRACK PRICE	Mobile phone
100%	Net consumer price	100%
3%	Transaction charge	20%
15%	Operating expenses	15%
28%	Authors' royalty	28%
27%	Performers' royalty	18.5%
72%	Artists' total	65%
27%	Record producer's royalty	18.5%



#### Deals with record labels

- Free to come and sell records on Songs.hu on condition that
  - Agrees to DRM & TPM methods applied
  - Agrees to transfer 50% of revenues to artists
  - Agrees to prove so or tracks removed from site



#### Vital statistics

- 863 soloists or bands featuring in 14.000 tracks & 1.100 albums
- 7.000 downloaded tracks in a variety of 3.000 different songs
- 4.200 downloaded albums in variety of 600 different albums
- 75.000-225.000 single user / month on avg.