

Table 2: Determination of Mechanical Royalties

Country	Net Royalty	Method of Determination	Reported Phono-Mechanical Royalties (\$Millions)
Argentina	8.19% of published price to dealer (ppd)	collective bargaining	14.44
Australia/N.Z.	7.28% of retail selling price (rsp)	collective bargaining	27.61
Austria	9.306% of ppd	BIEM-IFPI	13.10
Belgium	9.306% of ppd	BIEM-IFPI	29.08
Brazil	8.4% of ppd	BIEM-FLAPF	N/A
Canada	6.47 cents per work; 1.295 cents per minute**	collective bargaining	34.43
Chile	8.29% of ppd	BIEM-FLAPF	.57
China	3.5% of ppd	set by governmental regulations	N/A
Colombia	6.75% of rsp	BIEM-FLAPF	N/A
Czech Republic	N/A	N/A	1.33
Denmark	9.306% of ppd	BIEM-IFPI	13.08
Ecuador	6.75% of rsp	BIEM-FLAPF	N/A
Finland	9.306% of ppd	BIEM-IFPI	6.96
France	9.306% of ppd	BIEM-IFPI	163.42
Germany	9.306% of ppd	BIEM-IFPI	282.60
Greece	9.306% of ppd	BIEM-IFPI	6.72
Hong Kong	6.25% of rsp	set by statute	0.18
Hungary	9.306% of ppd	BIEM-IFPI	1.72
Iceland	9.306% of ppd	BIEM-IFPI	0.29
Indonesia	N.A.	N.A.	0.03
Israel	9.306% of ppd	BIEM-IFPI	2.76
Italy	9.306% of ppd	BIEM-IFPI	57.22
Japan	5.6% of rsp	set by governmental regulations	378.53
Mexico	8% of ppd (cassettes); 6% of ppd (CD)	collective bargaining	2.62
Netherlands	9.306% of ppd	BIEM-IFPI	180.17
Norway	9.306% of ppd	BIEM-IFPI	9.26
Paraguay	6.75% of rsp	BIEM-FLAPF	N/A
Peru	6.75% of rsp	BIEM-FLAPF	N/A
Philippines	N/A	N/A	0.04
Poland	9.306% of ppd	BIEM-IFPI	1.45
Portugal	9.306% of ppd	BIEM-IFPI	7.23
Singapore	5% of rsp	set by statute	N/A
South Africa	6.75% of ppd	collective bargaining	9.87
South Korea	7.0% of rsp; 5.4% of ppd	set by governmental regulations; Regional MOU	N/A
Spain	9.306% of ppd	BIEM-IFPI	50.35
Sweden	9.306% of ppd	BIEM-IFPI	17.74
Switzerland	11% of ppd; 10% of rsp	set by governmental regulations	19.30
Taiwan	2.7% of ppd; 6.25% of rsp	FAI-APAROC; Regional MOU	N/A
Turkey	N/A	N/A	0.29
United Kingdom	8.5% of ppd	set by governmental regulations	170.20
USA	6.60 cents per work; 1.25 cents per minute**	set by statute	471.07
Uruguay	6.08% of rsp	BIEM-FLAPF	N/A
Venezuela	6.75% of rsp	BIEM-FLAPF	N/A

**Effective July 1, 1994