

ANNUAL REVIEW 2023



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Managing Director's Review

2023 was a year of several development projects. We constantly develop the systems we use in terms of their functionality and additional features. In the past year, we continued developing VRDB and RDx data hub integrations, among others. The integrations also require continuous development of the Apollon system.

New lines of development can emerge from both on-going projects and entirely novel concepts. In the management of ever-increasing data, development of the required identifiers and transfer formats becomes increasingly important. Therefore, participating in the development of e.g. ISNI and DDEX allows us to prepare for the future.

One major project, impacting the entire organisation, was the complete overhaul of our communications systems. Our goal was to revise our communication means and tools for rightsholders, clients as well as other stakeholders and society at large.



Photo: Tanu Kallio

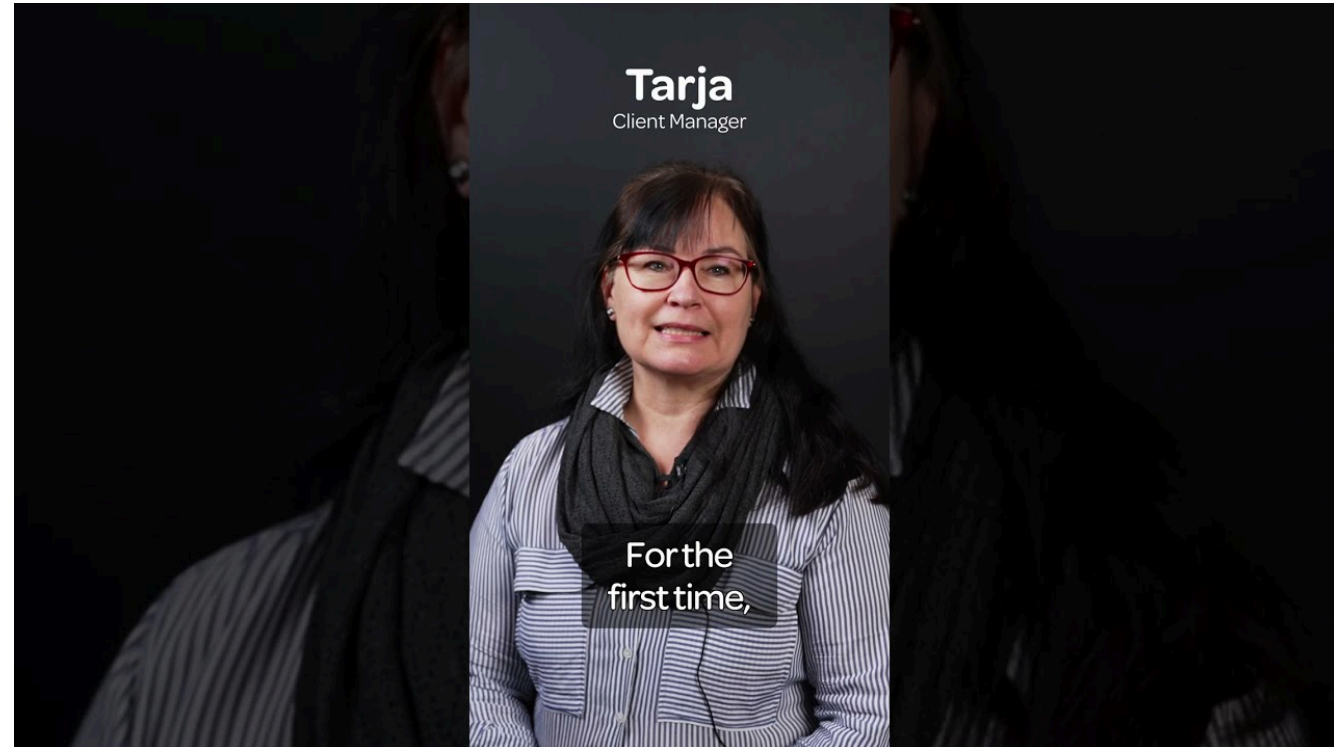




During the year, we built automation-enabled communication systems and converted our printed GramexPress into a fully digital media. This improvement not only transforms our customer service but also all interaction and information sharing with our environment. Our goal is 'more, more often, and for more people,' according to everyone's personal needs.

Progress is not achieved by simply building systems and fine-tuning data. Adoption of best practices and efficient use of tools requires space and time for learning. Another challenge is to simultaneously support the existing processes, develop something new and successfully implement the results of the development work.

New technology also brings cost-related challenges. In addition to development costs, increasingly high-performing systems also increase maintenance costs. This we must accept regardless: development is a prerequisite for keeping our operation meaningful. ●



Video: some of the best moments of Gramex in 2023 told by gramexers.





Gramex – For the Music

Gramex is the copyright society of phonogram music performers and producers in Finland. Gramex helps professionals performing on phonograms and music producers be remunerated for their work and for companies and organisations to use music in a simple and responsible way that produces value.

At the end of 2023, Gramex had a total of 64,164 contracts with music performers and producers. Additionally, music user customers had over 34,000 valid music licences with Gramex.

64 100+

CONTRACTS
with music performers
and producers



At the end of the year, music user customers had

34 000

valid
MUSIC LICENCES





Over 26 Million in Accrued Remuneration

Gramex collected remuneration for the use of phonogram music in media, at events and as background music, among others. In 2023, music user customers had over 34,000 valid music licences with Gramex.

A total of 26.05 million euros in accrued remuneration was collected from music use.

The background music sector (10.15 million), radio and television use (8.05 million) and internet and network use (4.7 million) yielded the highest remuneration.

GT Music Licences, a joint venture founded by Gramex and Teosto, grew by moderately six percent from 2022. Remuneration from background music operators increased from the previous year.





A Year of Progress

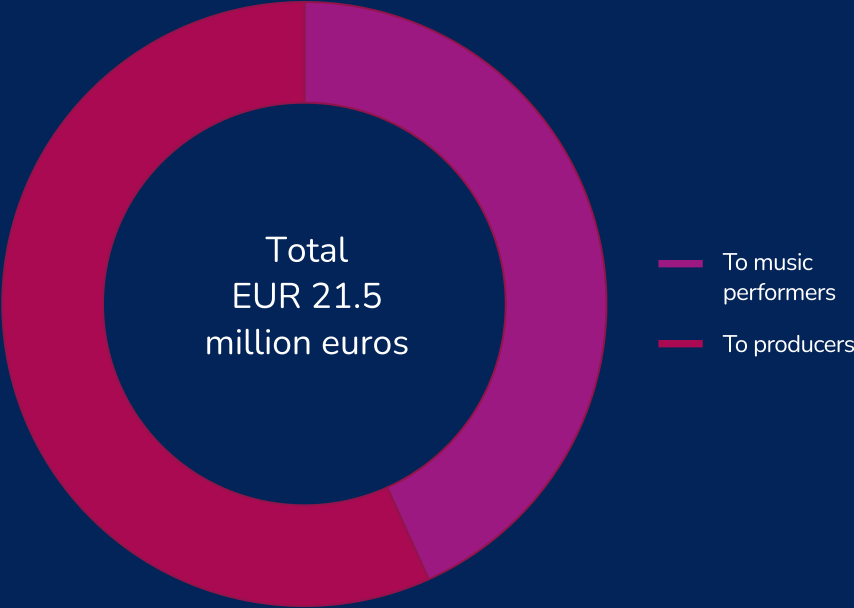
During the year, Gramex continued the development of VRDB and RDx data hub integrations and operational processes as well as implementation of ISNI identifiers while making a complete overhaul of its online services and communications to better leverage automation. The Apollo distribution system, developed by Gramex and BiConcepts, increased its popularity abroad.

Over the course of the year, Gramex and Teosto also launched the new AV Music pilot service that facilitates music licensing by bringing music rightsholders and licence users together.

Thanks to its technological development, Gramex was able to pay out remuneration collected for music use quarterly for the first time in its history. Distributions were made in March, June, October and December.

4

**DISTRIBUTIONS involving
the payment of € 21.5 million**





Efficient and International Partner

Gramex had an effective administrative expense ratio of 15.2% that illustrates the efficiency of its operations. When including the 1.5% return on investment paid out to rightsholders, Gramex's operations had a total expense ratio of 13.7%.

The network of contracts with international sister organisations grew by several contracts during the year.

The share of remuneration collected from abroad was temporarily lower than year before due to the carry-over of some remuneration to 2024.

An effective administrative expense ratio was 15,2% and a total expense ratio 13,7%.



690,000 euros euros in remuneration collected from abroad

2,18 million euros in remuneration paid to societies abroad

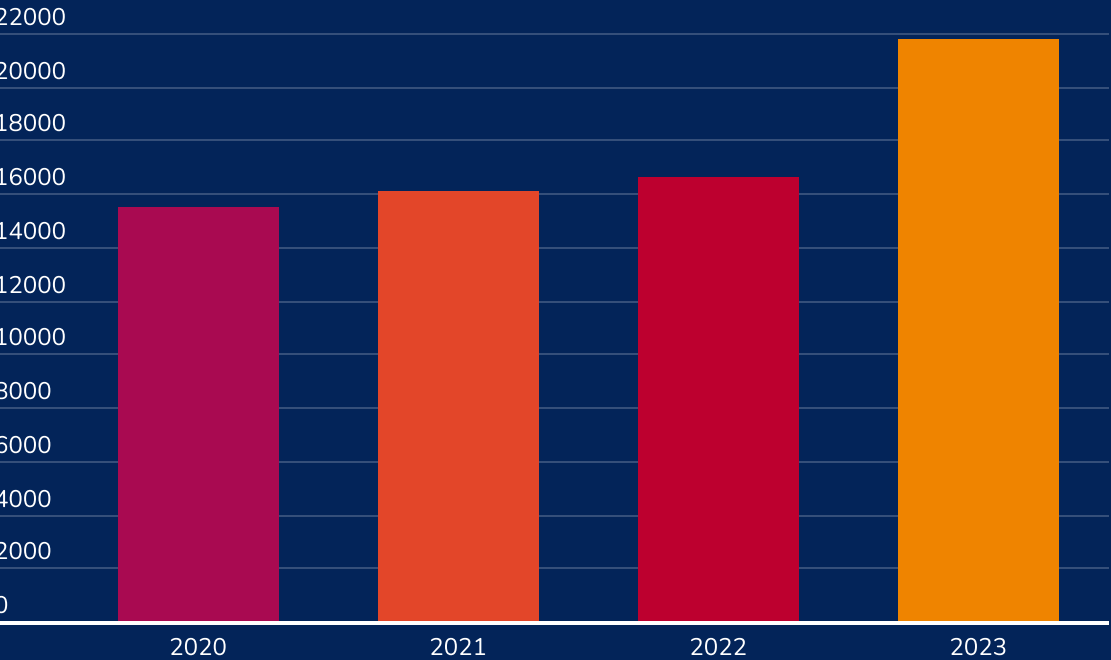
Approx. 60 contracts with international sister organisations





Clients More Productive Than Ever

Gramex's performer and producer clients were highly productive during the year. Recordings were reported to Gramex in record numbers: a total of **21,785 recordings**



The number of recordings with submitted phonogram reports increased by over 30% from 2022.





2000 New Contracts With Performers and Producers

The total number of all Gramex client agreements with performers and producers increased by approximately 2,000 from 2022. One particular increase was the number of combined performer and producer clients.

Year 2023:
64 164 contracts



2020 2021 2022 2023



Music performer clients Combined performer and producer clients
Producer clients Others

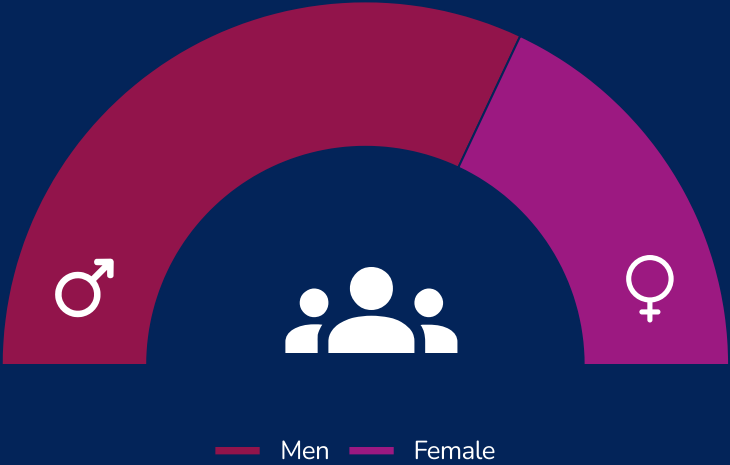




Expert With a Vision

Music is the number one priority for Gramex. Committed personnel can help music succeed and bring more joy, well-being and positive experiences to the world.

For the work community, our main focus was on developing competence. The employee survey was also upgraded to better measure personnel well-being and organisational productivity. Selected as the rating metric, the Quality of Working Life (QWL) index produced an excellent rate of 75.6%.



The average age of our employees was
46,6 years

In 2023, the average number of years
of experience in Gramex was
11.9 years per employee.





New Brand and Newly Upgraded Gramex.fi

During the year, Gramex launched its fully updated website that took our digital customer service and communication to a whole new level.

With the upgrade, the GramexPress magazine turned fully digital. The print version was published three more times during the year. At the same time, Gramex went through a rebranding. Customer service paths were redesigned with a customer-oriented approach.

19 500 MyGramex portal users at the end of the year

Updated Gramex.fi website received a user rating of **4,1 / 5**

65 875 GramexPress newsletter subscribers

Social media reach approx. **one million**

105 000 GramexPress magazines mailed

4 international GramexPress newsletter mailings





For the Music

Gramex engaged in active advocacy for the music industry. The focus areas for 2023 included

- influencing the new government programme and the implementation of the DSM Directive
- demonstrating the value of the creative industries to the economy
- joining to the debate on central government savings and the reform of the unemployment security.

The advocacy work was conducted as part of Luovatuus, an association for the artists and entrepreneurs of the creative industry, as well as through cooperation between music industry organisations.

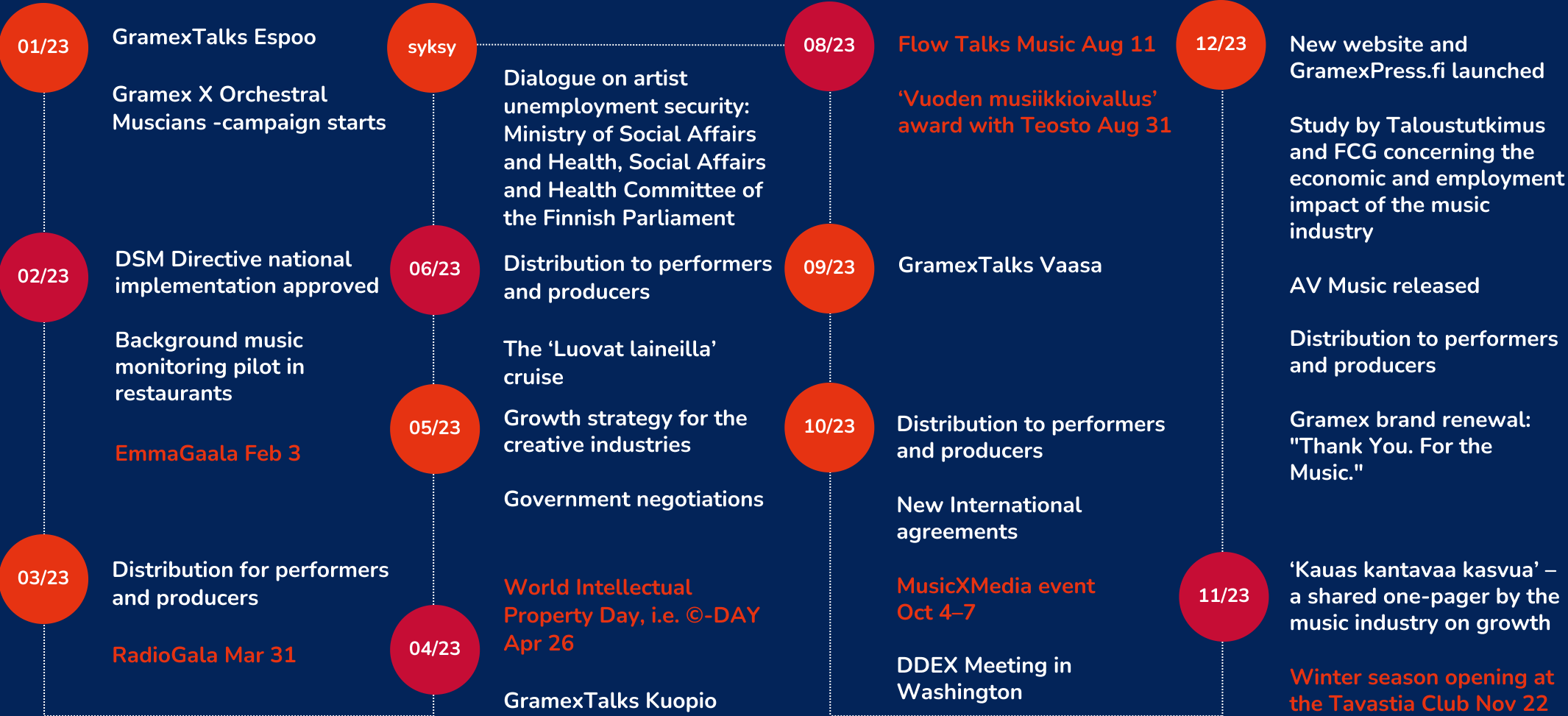


Collaborative lobbying.



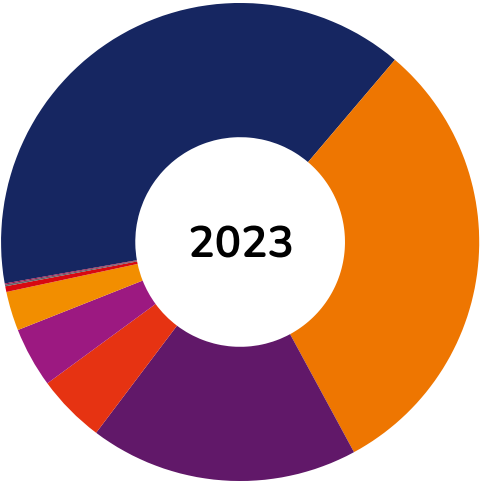


Timeline Highlights



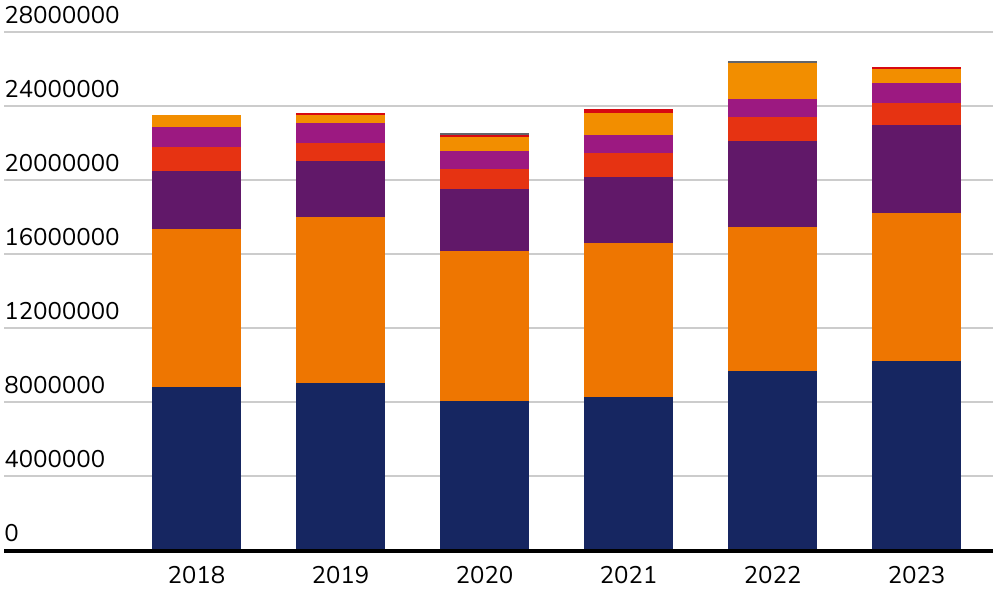


Rights Revenues



Background music	10,16 M€
Radio and television use	8,05 M€
Internet and data network	4,74 M€
Private copying compensation	1,21 M€
Audio and video recordings	1,06 M€
Remuneration from abroad	0,69 M€
Term of protection	0,10 M€
Retransmission	0,03 M€
Music videos	0,02 M€

Remunerations collected 2018–2023



Background music	Radio and television use	Internet and data network
Private copying compensation	Audio and video recordings	
Remuneration from abroad	Term of protection	Retransmission
Music videos		





We want to be among the best music licensing services in the world.

We promote a society in which phonogram music produces well-being, sufficient income and added value for performers, producers and music users.

WAYS TO WIN

Changes are made to laws and rights.

Our distribution is quick, accurate and of the highest quality internationally.

We are a flexible partner that promotes the use of music in different situations and makes it easier.

Technological development brings new competitors.

Competition for resources intensifies.

Music markets change.

Global instability increases.

We adopt data and digital solutions quickly and apply them innovatively.

As an expert and a responsible opinion leader in society, our positive impact is bigger than our size.

We are the best workplace for experts, where people feel good and enjoy their work.

OUR VALUES

We want to be the best partner and an insightful expert.

WE UNITE THE NEEDS OF
MUSICIANS, PRODUCERS AND MUSIC USERS





How the Remunerations are Collected Abroad?

Text: Heikki Jokinen

When phonograms recorded by Finnish artists or producers are played abroad, Gramex collects the relevant remunerations. In the past few years, we have collected more money than ever before.

For money to travel from, say, a Parisian radio station to the bank account of Finnish musicians and producers, a process involving several stages and a lot of work is required.

When a Finnish song is played on the Parisian radio station, French copyright societies get notified. The radio station remunerates these societies for the use of music in accordance with local rates and rules.

The majority of remunerations from abroad are the result of phonograms being played on the radio and performed publicly, as well as private copying levies.

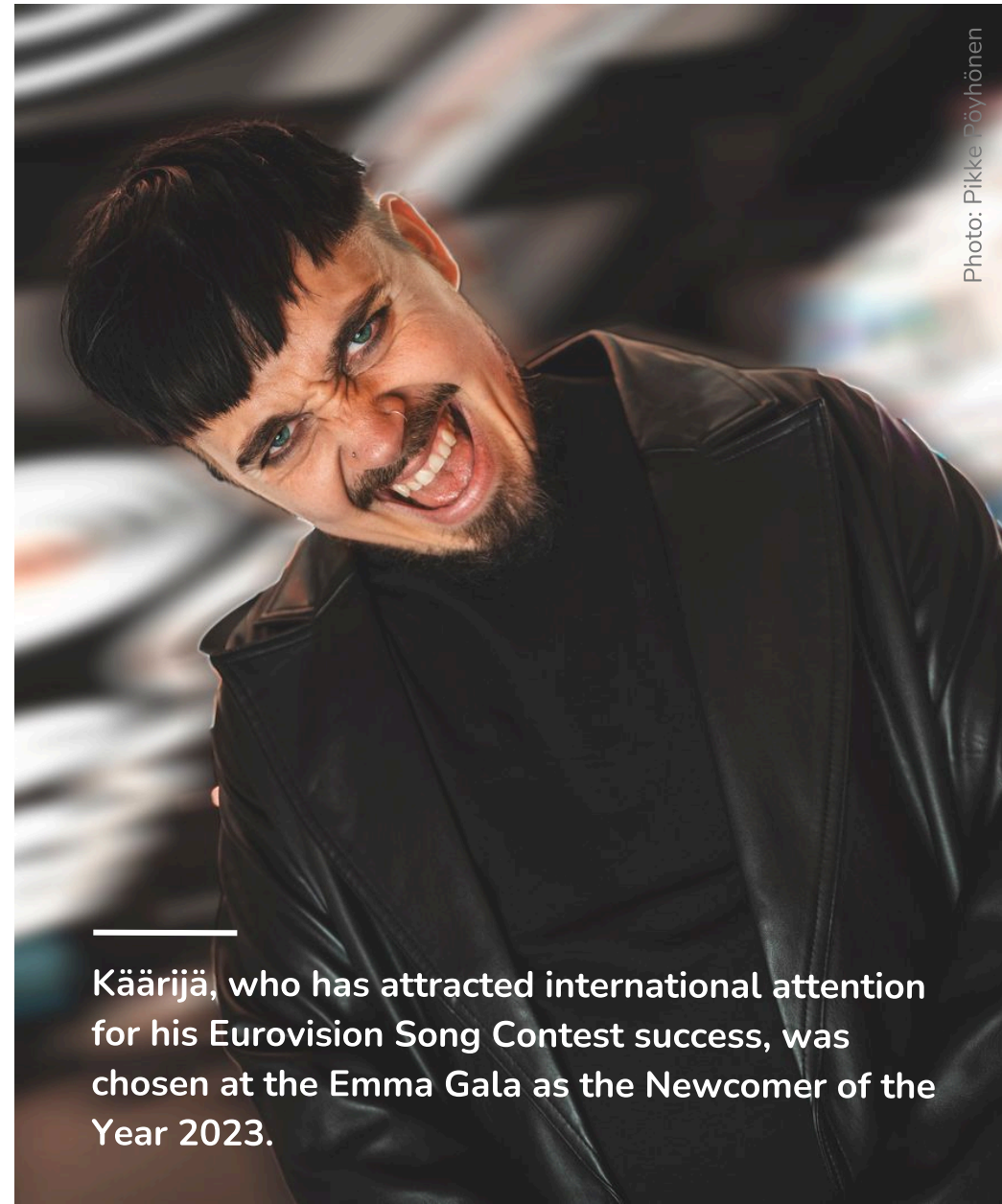


Photo: Pikke Pöyhönen

Käärijä, who has attracted international attention for his Eurovision Song Contest success, was chosen at the Emma Gala as the Newcomer of the Year 2023.



Gramex has a comprehensive network of distribution agreements with neighbouring rights societies representing artists and producers in various countries. Based on these agreements, Gramex receives playlists of phonograms used from other countries for processing.

“We use the playlists to make claims, as it were, and inform the societies of songs in which Gramex has a financial interest,” says Gramex’s Director **Tuomas Talonpoika**. This interest is based on phonogram reports Gramex has received from Finnish music professionals. The reports indicate who has performed on which phonogram and who has produced them.

However, the play and usage data received from abroad are often not explicit or complete. “Finding information and identifying phonograms sometimes requires Gramex to engage in something reminiscent of detective work,” Talonpoika describes.

International monetary transactions are based on mutual agreements by neighbouring rights societies.

Classical and ethno

Approximately 60% of remunerations from abroad are attributed to classical music. There are several world-renowned conductors and orchestras in Finland that record often.

“In the world of Gramex, Finnish music refers to performers, conductors and phonogram producers who are Finnish. When Tapiola Sinfonietta records Brahms, Gramex collect remunerations,” says Talonpoika.

The remaining 40% of the foreign revenue is split evenly among various genres. Finnish ethno is quite popular, as is the music of our accordionists. In Norway, Sami language music is surprisingly popular, and in Sweden, Sveriges Radio Finska favours all kinds of Finnish music. Pop and rock also have their share.

“Finnish metal may be played abroad quite a lot but often on radio stations that do not provide substantial remunerations per unit.”





Alma and the song "Summer really hurt us" was third in the Gramex summer 2023 most radioplayed track chart.

For instance, Great Britain has 400 to 500 radio stations but only a few pay remunerations which amount to anything significant for Finnish artists.

Success in sports can also help. "At some point, there was local radio station in Slovenia that played a **Matti Nykänen** song every Friday at noon."

Everything is based on agreements

International monetary transactions are based on mutual agreements by copyright and neighbouring rights societies. There are two basic models: With 'A' agreements, remunerations are transferred to and from both contracting parties. With 'B' agreements, remunerations are collected but not distributed to another society.

In many countries, artists and producers are represented by different societies whereas in Finland both are under Gramex. In some countries, there are several organisations for artists that we have to come to agreement with regarding remunerations. Countries with agreements in place are available on Gramex's website. The total number is approximately 60.





“Our agreement network is fairly comprehensive,” says Talonpoika. “We’re currently missing Australia, and South Korea is under consideration. Maybe one day we’ll have agreements with these countries as well. We are also missing several South American countries.”

Exact organisation-specific sums are published annually in Gramex’s Transparency Report which is available [on our website](#). In practice, the copyright or neighbouring rights society collecting the money always deducts their administrative costs from any remunerations distributed abroad.

Tuomas Talonpoika states that the number usually varies between 10 to 20 percent. “This is naturally dependent on how much the organisation collects remunerations in total, where the organisation is at historically, what kind of investments the organisation makes at various points in time and so forth.”

“International distribution is one of the reasons for our transformation into more of a data company,” says Tuomas Talonpoika.

Gramex the data company

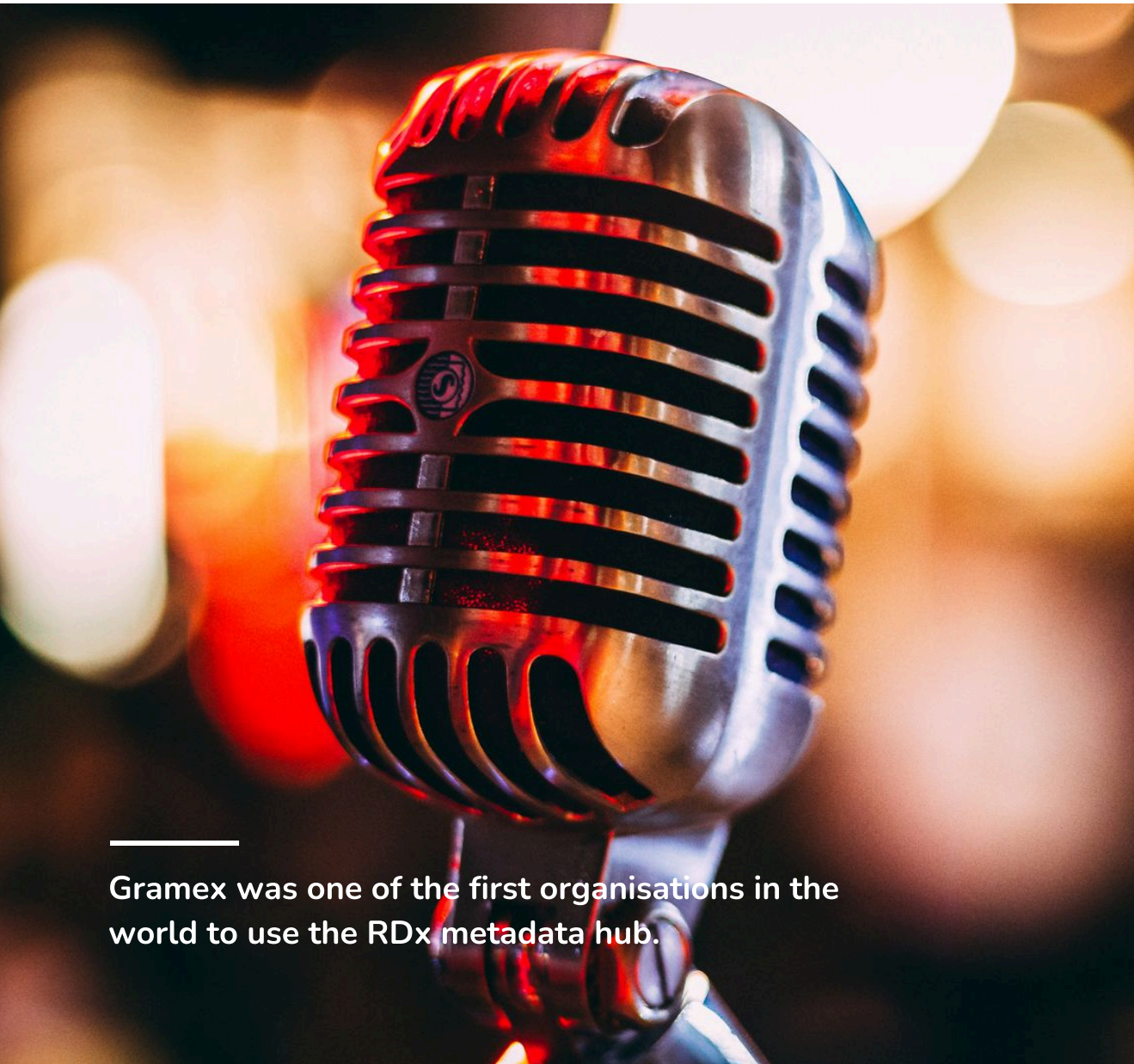
The remuneration operation involves lots of data. Gramex was one of the first societies in the world to start using the global [RDx hub](#). An acronym of the words ‘Repertoire Data Exchange,’ this metadata hub contains phonogram metadata, i.e. identification and rightsholder information on phonograms and their producers.

For artist information, a database and system called VRDB embodies the latest technology and international cooperation.

“International distribution is one of the reasons for our transformation into more of a data company,” says Tuomas Talonpoika.

“It is no longer enough to just collect the money. We also want to know where exactly it’s coming from and when the usage took place. This requires more detailed reporting and analytics. Naturally, money also needs to change hands faster than before. This is necessary, and understandably so, particularly for phonogram producers who work in a commercial capacity.”





Gramex was one of the first organisations in the world to use the RDx metadata hub.

Today, Gramex's customers can see which foreign organisations have remunerated them and for how much – even if the sum was only one cent.

“Our next goal in terms of remunerations from abroad is to provide exact information on which user and which channel the money came from. In practice, this naturally depends on how well and precisely the foreign organisation is able to provide a variety of data to Gramex.”

“Many countries are still taking baby steps compared to Gramex in Finland. In our domestic distribution, we are already able to provide this information with precision: the channel, the song, and the sum.” ●





First to Use ISNI Identifiers

Text: Noora Marttila

Finnish copyright organisations are pioneers in the use of international ISNI identifiers. Gramex was the first in Finland.

In recent years, Finnish copyright and neighbouring rights organisations have focused on improving the quality of metadata, as high-quality metadata is the key to better rights management. The ISNI helps to identify artists and improve data quality.

Gramex was the first Finnish society to introduce ISNI use in Finland. By March, up to 45,000 Gramex clients have received an international ISNI identifier.





"It has been great to have been able to offer our clients the opportunity to have an ISNI through this project. This will improve the accuracy and speed of claims collection in the future.

In practical terms, the ISNI project has been a way of acting on behalf of the music professional: it has eliminated the need for individual artists to apply for an ISNI or to notify us of their ISNI. We take care of things on behalf of the client", says **Katja Pönkkä**, Data and Systems Manager at Gramex.

In the future, Gramex's ISNI cooperation will focus on developing the ongoing ISNI process, such as refining technical interfaces and improving the quality of metadata.

The implementation of the ISNI was launched in the framework of the ISNI project coordinated by the National Library of Finland and with the support of a grant from the Ministry of Education and Culture. Structural support for the development of cultural and creative industries is based on the EU's Next Generation programme. The copyright management organisations involved in the ISNI project are Gramex, Kopiosto, Kuvasto, Sanasto and Teosto.

Read more in the National Library's "When a name is not enough" -study [When the name is not enough: A report on the benefits of the ISNI identifier for copyright management organisations - Doria](#)

Read more about the ISNI project: [The adoption of ISNIs in Copyright Management Organisations | Kansalliskirjasto](#). ●





What's the Future of the Finnish Music Industry?

Text: Lauri Kaira

Loss of Veikkaus-lottery funding and cost-cutting pressures in government spending are forcing the music industry to look for new alternatives.

The cultural sector has been through the wringer over the last few years. First, COVID-19 restrictions took their toll during **Sanna Marin's** government, and then Veikkaus funding was cut. And now, the sector is faced with austerity measures and amendments to unemployment security by **Petteri Orpo's** government.

In the good old days, Veikkaus proceeds were channelled to the Ministry of Education and Culture where they were used to offset the impact of recession to good effect in funding culture, sports and science. Such buffer no longer exists.

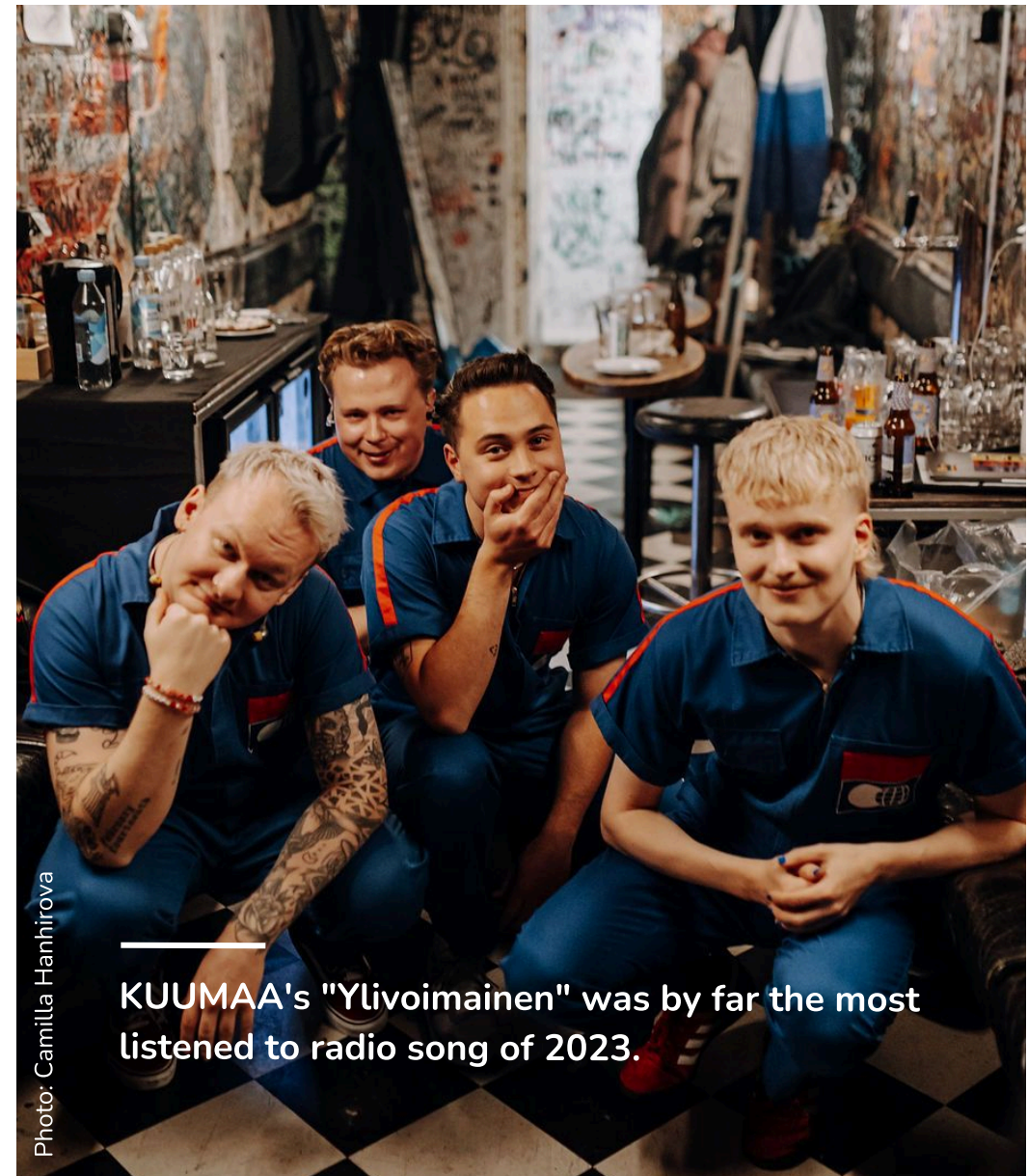


Photo: Camilla Hanhiova

KUUMAA's "Ylivoimainen" was by far the most listened to radio song of 2023.



With the ongoing efforts to reduce government debt this decade, financing for culture faces increasing risks.

New approach

According to **Ahti Vääntinen**, President of the Finnish Musicians Union, the entire cultural sector needs to seriously consider how to reconstruct itself to survive in the new landscape.

“In the face of major cuts, the entire system for financing culture should be re-evaluated to identify how it could better promote an improved degree of self-sufficiency,” Vääntinen says.

If subsidies are no longer available in the same scale as before, there are very few alternatives. “Otherwise, we face an ever-diminishing range of cultural offerings.”

Surprise change in VAT rate

When Petteri Orpo's government was formed on 20 June 2023, the country knew to expect severe adjustments to public spending. After all, it had been a campaign promise for the parties that won the election.

So it did not come as a surprise that, in accordance with the government programme, the Ministry of Education and Culture's grants would be incrementally reduced, with cuts reaching 125 million euros in 2027.

It was, however, a surprise that the lowest reduced VAT rate of 10% would be raised to 14%. This concerns various industries, such as pharmacy, sports and accommodation, and impacts private cultural sectors as well, affecting events and books, among others.

As such, these VAT increases are part of a long-term trend in taxing where consumption is taxed, rather than income. According to the Taxpayers Association of Finland, the government measures will increase the spending power of an average-income taxpayer for under 17 euros a month. Time will tell whether a sufficient share of this will find its way to the music industry.

Because of the current poor economic situation, the government is discussing further adjustments, allocation and scale of which was not known at the time of publication of this article.





Government programme comes with both favourable and unfavourable consequences

The programme of Prime Minister Petteri Orpo's government is something of a double-edged sword for the creative industries. While the sections professing to promote creative industries give a positive impression, adjustments to government spending and amendments to unemployment security are definite setbacks.

The final score will only be evident at the end of the government's term: will the promotion measures for creative industries yield more than the adjustments take away?

The government programme itself discusses culture widely and positively. Some of the entries are quite tangible. For instance, an entry regarding artists' social security elicited an immediate positive response from the Finnish Actors Union.

The government programme contains many concrete references to culture.





On a philosophical level, the programme states that “a diverse arts and cultural scene which people hold in high regard is the hallmark of a civilised nation” and that “the creative industries and the events sector offer significant employment and growth potential” while making an important promise to “ensure that there is freedom of art, that the wellbeing of artists is secured, that there is a sufficient number of artists and that the labour markets function.”

Then comes a list of measures that seem to take into account a number of the wishes of the cultural sector. These include, for example, mentions of the preparation of a cultural policy report and a strategy for the growth of the creative industries, the promotion of the internationalisation of the creative industries, and the role of the creative industries in country branding.

The comprehensive list also includes references to solving the problems of social and unemployment security for artists and to assessing the need for a comprehensive reform of copyright legislation.

”Currently, the principles of EU single market are not realised with regard to copyright enforcement”, says Antti Kotilainen from IFPI Finland.

Integrity of the EU single market must be secured

“The list of measures includes many good and important projects,” says **Antti Kotilainen**, Executive Director of IFPI Finland.

“We have had nine consecutive years of growth in the phonogram industry, with domestic phonograms doing particularly well. Of the last year's top 50 most-streamed songs, 44 are Finnish.”

According to Kotilainen, the growth can be mostly attributed to digital services and the EU single market.

“It is particularly important that Petteri Orpo's government continues to tend to the integrity of the EU single market and proposes no legislation that might compromise this integrity.”

“In the coming EU election, Finland should strive for more efficient enforcement of copyright in the EU. Currently, the principles of EU single market are not realised with regard to copyright enforcement.”





“Online piracy moves efficiently across borders but legal remedies to fight online piracy, such as blocking orders for illegal websites, come to a halt at national borders,” he points out.

“When we look at reform needs of our copyright legislation, it would be important to revise the penal scale in our criminal legislation to reflect that of other Nordic countries. Otherwise, we risk Finland attracting international piracy services.”

Growth strategy on the way

A growth strategy for the creative industries, to be implemented in collaboration between various ministries, was one of the primary objectives for creative industries. The government programme promises such a strategy.

As stated in the programme: “To coordinate measures promoting the vitality of the cultural and arts sectors together with parties and representatives working in the field, the Government will

"Increased cooperation between ministries is both essential and welcome", says Kotilainen.

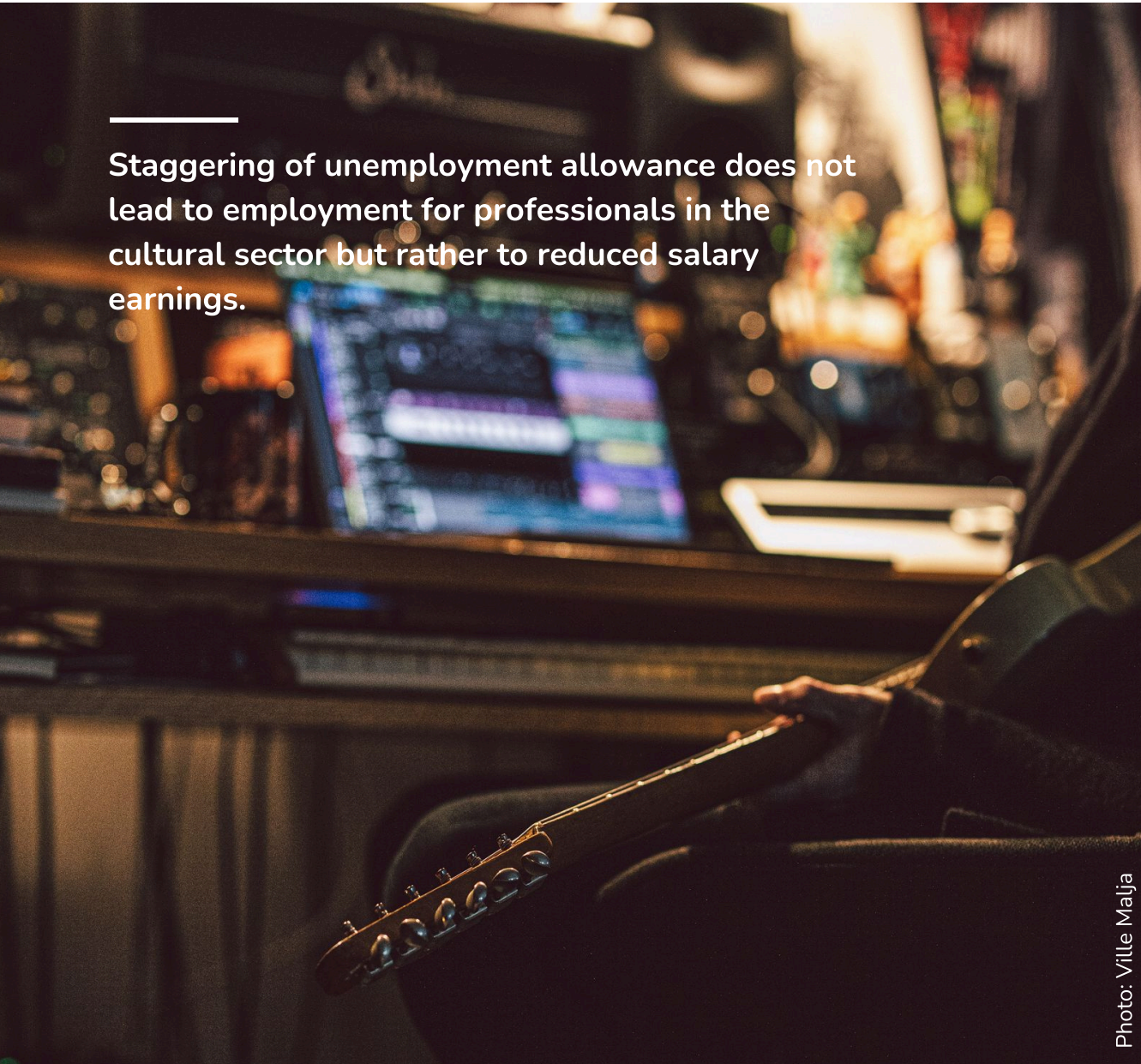
create permanent collaborative practices between the administrative branches of the Ministry of Education and Culture and the Ministry of Economic Affairs and Employment.”

“Increased cooperation between ministries is both essential and welcome. When building a growth strategy for the creative industries, we need the knowledge and expertise on industry and commerce exhibited by the Ministry of Economic Affairs and Employment,” Kotilainen says.

The programme also states that “the Government will enhance cooperation between the Ministry of Education and Culture and the Ministry of Social Affairs and Health. Among other objectives, these collaborative efforts aim to make more extensive use of culture, art and physical activity in preventive healthcare and social welfare services.”

Drafting of the growth strategy had yet to pick up steam in early March 2024, but it is said to start very soon. At the beginning of the government term, it also turned out that the required budget had not been reserved for the production incentives for the AV industry. However, the Ministry of Economic Affairs and Employment managed to find the required financing for this year.





Staggering of unemployment allowance does not lead to employment for professionals in the cultural sector but rather to reduced salary earnings.

Photo: Ville Malja

Problems with unemployment security

The government professes to seek significant growth in employment by reforming unemployment security. The idea seems to be that there is a labour market mismatch between job seekers and jobs available – and the government wants to address this by cutting unemployment benefits.

It appears that amendments in unemployment security have primarily been made with an eye towards industries where monthly wage is the norm. However, labour market in the creative industries is different. Instead of traditional monthly wages, professionals in the cultural sector typically engage in so-called gig or project work, with some working as micro-entrepreneurs. And when no projects or gigs are available, no salary is forthcoming. Periods of unemployment are business as usual in the industry.





And because short-term and gig work is more of a rule than an exception in creative industries and periods of unemployment are common, staggering of unemployment allowance does not lead to employment for professionals in the cultural sector but rather to reduced salary earnings.

And together with the economic adjustment measures, these changes hurt the creative industries. They do not create jobs in the industry but merely reduce annual earnings for the professionals working in the industry and reduce the attractiveness of the industry as a career choice.

“Measures have opposite effect”

According to **Mirkka Kivilehto**, Head of Contracts of the Finnish Musicians’ Union, cuts in unemployment security are in contrast with the government programme.

She highlights two entries in the programme.

"If the sector is on a secure foundation in terms of, for instance, labour and social security, it is safe to seek work", says Mirkka Kivilehto from Musicians' Union.

“This might be the key objective: “We will ensure that there is freedom of art, that the wellbeing of artists is secured, that there is a sufficient number of artists and that the labour markets function.”

“All measures should be directed towards ensuring that this is realised in the cultural sector. If the sector is on a secure foundation in terms of, for instance, labour and social security, it is safe to seek work, and the availability of sufficient number of artists can be ensured,” Kivilehto says.

Another entry in the programme supports this objective: “As part of the social security reform, the Government will solve problems related to social security and unemployment security among those working in the cultural and creative sectors. Particular attention will be paid to the position of freelancers.”

However, according to Kivilehto, the government's amendments to unemployment security have the opposite effect. “Thus far, we have only seen measures with an opposite effect, and the proposed cuts to unemployment and social security have failed to consider their overall impact. This will be felt particularly hard in the cultural sector where a lot of the work is short-term in nature.”





“Advocates have to stay alert and ensure that the government actually implements the promised measures and that any development projects beneficial to the industry are not left unimplemented,” Kivilehto says.

Time to put words into action

According to a recent study, creative industries are valued at 16.8 billion euros. They provide more than 136,000 jobs. These industries play an important role for state economy, growth and employment.

The current government's programme includes issues important to the cultural sector. While adjustment measures hit hard in the cultural sector, still recovering from COVID-19, the programme also includes entries that provide opportunities for success. It is now paramount to put the words into action.

The government must seize these opportunities with determination to ensure that the term of this government ends up net positive. Finland needs growth and jobs, and it cannot afford any other outcome. ●





VIP Guest: Minister of Science and Culture Sari Multala

What is happening to the cultural budget and where else could culture get funding?

And how are the cultural policy report and the strategy for the growth of the creative industries progressing?

These are some of the questions that Science and Culture Minister **Sari Multala** will answer in a video guest appearance. ●





Non-discrimination in Figures: One-fourth of Gramex's Clients are Female

Text: Noora Marttila

Approximately one-fourth of Gramex's 59,103 clients, i.e. performing artists and producers, are female. The share has remained the same for the past six years. Studies show that women are still underrepresented in music.

During the past six years, Gramex's clientele has increased by 11,000 music professionals. The share of women has grown in the same established relation to total growth.



Photo: Ricardo Santos

Singer Anna Inginmaa visited
GramexPress as a guest.



“According to statistics, the share of women in Gramex’s clientele has long remained at 25%. Even though the total number of clients has increased annually, the relative share of women has remained the same. It looks like there was no significant change in our distribution in 2023 either,” says Gramex’s Communications Director **Sari Aalto-Setälä**.

Studies show that women are still underrepresented in music in relation to the gender ratio. According to Statistics Finland, 2.8 million (50.5%) of the Finnish population is female.

“It is obvious that we must work hard for non-discrimination and equality in order to make a change. The work starts with open dialogue and requires a joint effort. We at Gramex are very committed to working for this,” says Aalto-Setälä.



**"A diverse music sector is in everyone's interest",
says Aalto-Setälä.**





Towards a better future

The share of remunerations paid out to women is also small. In 2023, 21.7% of remunerations were paid to our female clients.

However, some glimpses of improvement are showing. The share of remunerations paid out to women has risen moderately in the past few years. In 2018, the share was 20%.

“The good thing is that remunerations are paid to women a bit more than in the past, it seems. This is hopefully a sign of a better future and accelerating improvements regarding non-discrimination. A diverse music industry brings advantages to everyone,” says Aalto-Setälä.

Gramex’s statistics are based on identification data required by the authorities (social security number). For this reason, the review does not include non-binary identities or those who did not report their sexual identity, for instance. The statistics do not include Gramex’s corporate or organisational clients (business ID). ●





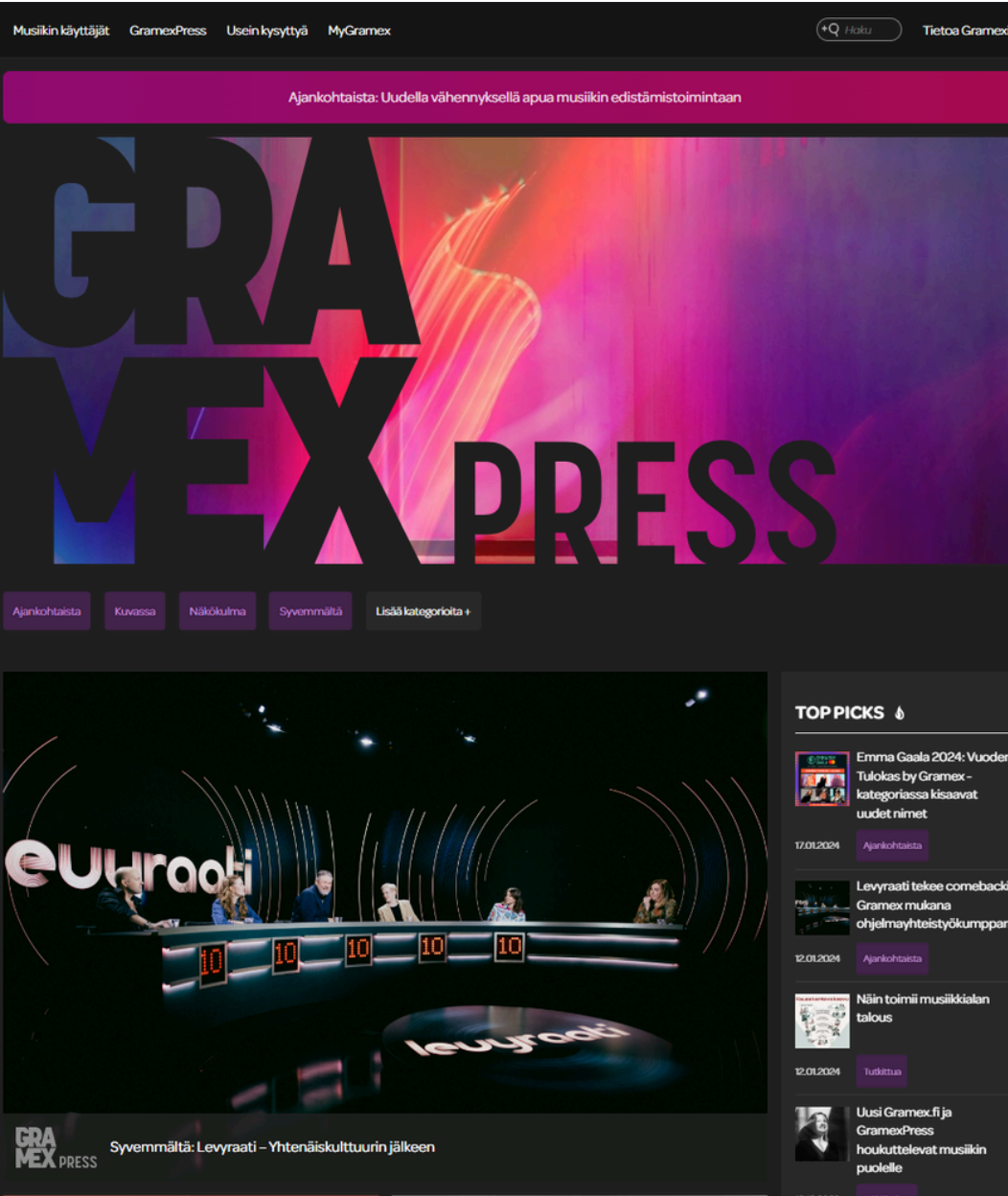
Gramex.fi and GramexPress Bring Music to You

Text: Sari Aalto-Setälä

In 2023, Gramex overhauled its website. The goal was to push our digital customer service and communications to new heights. With the upgrade, GramexPress turned fully digital.

“In 2022, we conducted an extensive survey with our customers and stakeholders. One of the most frequent requests was a more prominent and better digital presence. Also, the customer service on our website needed improvement,” says Gramex’s Communications Director **Sari Aalto-Setälä**.

“These requests were met with the upgrade.”





Customer help

Gramex.fi has a lot of new content. The ‘Frequently asked questions’ section is continuously updated with answers that help our customers, i.e. musicians, producers and music users. The ‘Become a client’ section includes compact info packages on Gramex activities.

The ‘Buy licence’ section is home to a very simple music licence purchase process. Annual reviews and basic information are available under ‘About Gramex’. The powerful search on the home page is an easy way to find relevant content.

Brand that shines brightly

With the website overhaul, Gramex also updated its brand to reflect the new strategy. We now have a new slogan: Thank you. For the music.

“The phrase ‘Thank you’ captures the essence of how Gramex works. We are grateful that we can help music succeed and bring more joy, well-being and positive experiences to the world,” says Aalto-Setälä.

‘For the music’ relates to our mission.

“Our work helps musicians performing on phonograms and their producers be remunerated for their efforts. And companies and organisations to use music in a simple and responsible way that produces value.”

Home for music journalism

At the heart of the upgrade is, however, the new GramexPress.fi. Previously published in print, this media has now become our number one communication channel as an increasingly versatile digital media.

“For us, enabling music journalism is an important act for the good of music. In addition, GramexPress is an entertaining way to keep up to date on the latest in the world of music and music business. We promise to feature topical items related to the music and media industry, as edited by our skilled writers,” says Aalto-Setälä.





Take a sneak preview of our interview with Anssi Kela at GramexPress.fi.

News are updated weekly. Our crown jewels, i.e. our in-depth ‘A Deeper Look’ stories, are published a couple of times a month.

“With social media and the noise it creates, high-quality content is a priority. First and foremost, we believe in a multi-channel solution. Our ‘A Deeper Look’ stories are told with sound and moving pictures. Take a sneak preview of our interviews with Juhani Merimaa and Anssi Kela. All videos are also available on our new YouTube channel,” says Aalto-Setälä.

The reader decides

Giving the decision over to the reader is another significant upgrade.

The new GramexPress lets the reader decide the frequency and the content of news summaries sent to their e-mail. For the enthusiasts, our news are provided weekly. ●



Profit and loss statement



	1 January - 31 December, 2023	1 January - 31 December, 2022
ORDINARY OPERATIONS		
Revenue		
Other revenue	700,121.83	262,040.68
Administration expenses deduction	3,962,791.95	3,763,430.41
Total revenue	4,662,913.78	4,025,471.09
Expenses		
Personnel expenses	-1,922,425.13	-1,777,397.86
Depreciation and amortisation	-157,727.20	-135,999.07
Other expenses	-2,582,761.45	-2,112,074.16
Total expenses	-4,662,913.78	-4,025,471.09
Promotion activities		
Revenue		
Statute-barred remuneration liabilities	3,451,419.29	3,767,591.74
Total revenue	3,451,419.29	3,767,591.74
Expenses		
Other expenses related to promotion activities	-3,572,197.35	-3,599,140.53
Transfer from investments and financing activities	8,944.43	-10,874.53
Total expenses	-3,563,252.92	-3,610,015.06
Total expenses for promotion activities	-111,833.63	157,576.68
Covered by promotion activities reserve	111,833.63	-157,576.68
	0.00	0.00

	1 January - 31 December, 2023	1 January - 31 December, 2022
Investment and financing activities		
Revenue		
Interest revenue	42,835.82	38,144.45
Dividend revenue	15,385.75	15,239.65
Capital gains	220,082.15	454,784.50
Reversals of reductions in value	1,152,627.27	738,648.89
Other revenue	16,556.22	19,061.06
Total revenue	1,447,487.21	1,265,878.55
Expenses		
Loss on disposal	-201,253.24	-123,332.36
Reduction in value	-409,884.00	-2,060,263.68
Other expenses	-81,269.42	-59,953.16
Total expenses	-692,406.66	-2,243,549.20
Investment and financing activities total	755,080.55	-977,670.65
Surplus/deficit	755,080.55	-977,670.65
Transfers		
Transfer to remuneration payments	-488,181.50	591,109.43
Transfer to later conclusion	-257,954.62	375,686.69
Transfer to the promotion activities reserve	-8,944.43	10,874.53
Transfers total	-755,080.55	977,670.65
SURPLUS (DEFICIT) FOR THE FINANCIAL PERIOD	0.00	0.00





Balance sheet

ASSETS	31 December 2023	31 December 2022
NON-CURRENT ASSETS	Eur	Eur
Intangible assets		
IT systems	347,103.77	126,015.80
Major improvements	0.00	0.00
Intangible assets total	347,103.77	126,015.80
Tangible assets		
Machinery and equipment	153,638.63	193,699.27
Other tangible assets	550.00	550.00
Tangible assets total	154,188.63	194,249.27
Investments		
Shares and similar rights of ownership	1,433,100.03	1,433,100.03
Investment portfolios	22,719,546.64	23,898,057.49
Reserves	0.00	102,668.22
Total investments	24,152,646.67	25,433,825.74
TOTAL NON-CURRENT ASSETS	24,653,939.07	25,754,090.81
CURRENT ASSETS		
Non-current receivables		
Loan receivables	0.00	0.00
Other receivables	79,126.00	79,126.00
Total non-current receivables	79,126.00	79,126.00
Current receivables		
Accounts receivable	2,083,083.01	1,705,149.23
Prepayments and accrued income	712,402.22	1,890,244.61
Total current receivables	2,795,485.23	3,595,393.84
Financial securities		
Other securities	0.00	106,699.01
Total financial securities	0.00	106,699.01
Cash at bank and in hand		
Total cash at bank and in hand	3,304,941.52	2,722,514.86
TOTAL CURRENT ASSETS	6,179,552.75	6,503,733.71
TOTAL ASSETS	30,833,491.82	32,257,824.52

EQUITY AND LIABILITIES	31 December 2023	31 December 2022
CAPITAL AND RESERVES	Eur	Eur
Promotion activities reserves		
Promotion activities reserves	413,268.41	525,102.04
Total promotion activities reserves	413,268.41	525,102.04
TOTAL CAPITAL AND RESERVES	413,268.41	525,102.04
LIABILITIES		
Current liabilities		
Remuneration liability (invoiced. investment income)	10,607,850.52	148,367.74
Remuneration liability in payment process	18,264,642.39	15,342,444.69
Accounts payable	148,518.57	102,668.22
Other liabilities	680,440.40	780,015.04
Accrued expenses and liabilities	718,771.53	794,512.38
Total current liabilities	30,420,223.41	31,732,722.48
TOTAL LIABILITIES	30,420,223.41	31,732,722.48
TOTAL EQUITY AND LIABILITIES	30,833,491.82	32,257,824.52





Appendices

NOTES ON THE FINANCIAL STATEMENTS

Principles governing the compilation of the financial statements:

The financial statements have been prepared in accordance with the provisions of the Government Decree (1753/2015) concerning small undertakings and micro-undertakings.

1. Accounting for copyright royalties

By a client agreement, the rightsholders represented by Gramex authorise Gramex to manage the types of use of phonograms and music videos defined therein and the related rights of the performing artist and phonogram producer, and to collect remunerations. Gramex acts as an intermediary for copyright royalties, meaning that any royalties collected during the financial period are entered as an increase of remuneration liability in current liabilities while any royalties distributed to rightsholders are entered as a decrease of remuneration liability.

In the profit and loss statement, revenue from ordinary operations has been presented as an administration expenses deduction from copyright royalties distributed to rightsholders, and as undistributed and statute-barred royalties as stipulated in the Act on the Collective Management of Copyright.

NOTES ON THE FINANCIAL STATEMENTS

2. Valuation of tangible and intangible assets

Fixed assets are capitalised on the balance sheet at direct acquisition cost less planned depreciation. Planned depreciation for tangible assets has been calculated as reducing balance depreciation, and depreciation for intellectual property rights has been calculated as straight-line depreciation using the declining balance method. Planned depreciation has been calculated in accordance with the Act on the Taxation of Business Income.

3. Reserves

The promotion activities reserves are made up of statute-barred remuneration liabilities and the proportion of investment income that has been transferred to the reserves. The use of funds in reserves and their realised yield are allocated to the capital of the reserve. Transfers to reserves and the use of reserves are presented in the financial statements as a separate line item before the line item for surplus/deficit for the financial period.

Notes to the profit and loss statement

The society has adjusted the presentation of the profit and loss statement by presenting the administration expenses deducted from distributed copyright royalties as revenue from ordinary operations. In addition, income and expenses from investment and financing activities have been broken down by group. Comparative data has been adjusted to correspond with new practices.





Appendices

NOTES TO THE FINANCIAL STATEMENTS	2023	2022
Revenue and expenses in profit and loss statement and transfer of funds		
Total revenue	6,110,400.99	5,291,349.64
Total expenditure	-5,467,154.07	-6,111,443.61
Use of the promotion activities reserve	111,833.63	-157,576.68
Transfers of investment income to remuneration payments. reserves and items to be decided at a later stage	-755,080.55 0.00	977,670.65 0.00
Accrued remuneration		
Collected remuneration	26,053,706.03	26,422,293.78
Transfer to remuneration liability	-26,053,706.03 0.00	-26,422,293.78 0.00
Collected copyright royalties by type of remuneration (gross)		
Radio and television use	8,050,989.67	7,848,107.92
Retransmission	30,110.54	77,027.07
Background music	10,157,855.97	9,596,884.26
Internet and data network	4,740,730.77	4,628,650.81
Audio and video recordings	1,061,711.28	994,774.55
Private copying compensation	1,206,723.37	1,286,148.74
Music videos	15,615.33	36,886.67
Annual supplementary remuneration	100,013.05	87,460.71
Remuneration from abroad	689,956.06	1,866,353.06
Total	26,053,706.03	26,422,293.78

NOTES TO THE FINANCIAL STATEMENTS	2023	2022
Copyright royalties distributed to rightsholders by type of remuneration (net)		
Radio and television use	-6,743,616.68	-5,760,735.55
Background music	-7,968,611.01	-6,133,326.86
Internet and data network	-2,790,573.95	-3,235,086.35
Audio and video recordings	-553,070.45	-565,614.60
Private copying compensations	-946,867.24	-1,027,052.63
Music videos	-8,392.65	-5,959.15
Foreign representation agreements	-633,573.42	-1,697,073.09
Other	-76,533.12	-46,894.57
Back to distribution	-1,817,791.48	-2,544,129.28
Total	-21,539,029.99	-21,015,872.06
1. Personnel expenses		
Wages and salaries	1,616,345.48	1,506,626.49
Pension expenses	265,616.28	236,433.72
Other social security expenses	40,463.37	34,337.65
Total	1,922,425.13	1,777,397.86
Average number of employees		
Office	22	21
Total	22	21





Appendices

NOTES TO THE FINANCIAL STATEMENTS	2023	2022
2. Material items in other expenses		
Voluntary personnel expenses	119,650.99	107,477.99
Professional services and other outsourced services	1,478,317.67	1,138,332.30
Travel costs and car expenses	66,779.39	44,669.16
Communication activities	188,423.63	183,359.75
ICT expenses	289,870.36	201,206.85
Rents	326,003.51	302,745.55
Other expenses	113,715.90	134,282.56
Total	2,582,761.45	2,112,074.16
3. Revenue and expenses related to special purpose activities		
3.1 Promotion activities		
Other promotion activities total	-111,833.63	157,576.68
Covered by promotion activities reserve	111,833.63	-157,576.68
	0.00	0.00
4. Investment and financing activities		
Income/expenses	12,337.28	343,944.14
Increase/decrease in value	742,743.27	-1,321,614.79
Transfer to remuneration payments	-488,181.50	591,109.43
Transfer to remuneration payments	-257,954.62	375,686.69
Transfer to promotion activities reserve	-8,944.43	10,874.53
	0.00	0.00

NOTES TO THE FINANCIAL STATEMENTS	2023	2022
Notes to the balance sheet		
5. Intangible and tangible assets		
5.1. Long-term IT expenses		
Straight-line depreciation		
Opening balance 1 January	126,015.80	145,576.85
Increase	337,367.04	64,891.25
Depreciation 31 December	-116,279.07	-84,452.30
Balance sheet value 31 December	347,103.77	126,015.80
5.2. Machinery and equipment		
Reducing balance depreciation 25%		
Opening balance 1 January	193,699.27	226,236.96
Increase	11,152.25	32,028.74
Depreciation 31 December	-51,212.89	-64,566.43
Balance sheet value 31 December	153,638.63	193,699.27
5.3. Other tangible assets		
No depreciation		
Acquisition cost 1 January	550.00	550.00
Increase	0.00	0.00
Acquisition cost 31 December	550.00	550.00
5.4 Depreciation for the financial period		
Equipment	-51,212.89	-64,566.43
Adjustments for depreciation	9,764.76	13,019.66
Major improvements and long-term expenditure	-116,279.07	-84,452.30
	-157,727.20	-135,999.07





Appendices

NOTES TO THE FINANCIAL STATEMENTS	2023	2022
6. Investments		
6.1. Investments in fixed assets		
Shares in real estate companies	433,100.03	433,100.03
Shares in holdings	1,000,000.00	1,000,000.00
Equity funds	3,848,792.35	3,656,413.49
Bond funds	16,230,129.92	16,424,088.63
Alternatives	2,640,624.37	3,920,223.59
	24,152,646.67	25,433,825.74
6.2. Short-term investments		
Short-term investments	0.00	106,699.01
	0.00	106,699.01
6.3. Total investment securities		
Replacement cost	24,088,701.24	24,507,375.00
Book value	22,719,546.64	24,107,424.72
Difference	1,369,154.60	399,950.28
6.4. Other holdings	Share of ownership	Share of ownership
GT Musiikkiluvat Oy	in company 50%	in company 50%
7. Material items in accrued income		
Interest receivables	389.34	1,438.32
Administration expenses deduction	698,385.68	1,488,119.60
Other accrued income	6,670.00	400,686.69
	705,445.02	1,890,244.61

NOTES TO THE FINANCIAL STATEMENTS	2023	2022
8. Promotion activities reserves		
Balance 1 January	525,102.04	367,525.36
Statute-barred remuneration liabilities	3,451,419.29	3,767,591.74
Transfer from investment return credit provisions	0.00	0.00
Transfer to distribution	-1,800,000.00	-2,400,000.00
Transfer from investment income	8,944.43	-10,874.53
Donations to music promotion activities	-1,170,000.00	-1,000,000.00
Other promotion activities	-602,197.35	-199,140.53
	413,268.41	525,102.04
9. Material items in accrued expenses and liabilities		
Holiday pay liabilities	232,413.51	224,095.78
Other accrued expenses and liabilities	486,358.02	570,416.60
	718,771.53	794,512.38
10. Liabilities (Documentation pertaining to the notes to the financial statements 1)		
Rent liabilities		
Payments due the next financial period	375,807.36	349,207.56
Due later	1,221,373.92	1,484,132.13
Total	1,597,181.28	1,833,339.69



