



# ANNUAL REPORT 2017-2018

SOCIETY OF COMPOSERS AND PERFORMING RIGHT HOLDERS

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## ADDRESS OF THE MANAGING DIRECTOR

The world of music is constantly changing and collective management organisations must be able to follow up with the changes. As an example, technology, such as artificial intelligence, now enables us to create music in a new way, which triggers demanding questions on copyright. It is very well known that the consumption and transmission of music has changed considerably in the last years. An increasing number of people use streaming services and streaming income has increased quite distinctly in the past semesters, although the income that authors get for streaming is much lower than it was when records ruled the market.

Parallel to the technological advancement and increased web transmission of music, there has been great progress in “marking” music electronically, which makes it easier for those involved to find out where it has been played. A number of technological companies have emerged in this sector which all claim to offer the best solution. STEF has, like many other collective management organisations, studied and considered whether technology, such as “Blockchain” will be of use in information communication and settlements between collective management organisations. Opinions seem to differ on this matter.

One of the greatest problems regarding this issue is that international organisations of authors have not established standards or guidelines concerning this matter and it appears as if people are trying to find the best solution on their own, instead of uniting on one technological solution and working together as a whole with the same system. If this problem is not solved sooner than later, it is not unlikely that the biggest authors and publishers in the world, who are already receiving the bulk of the streaming income, establish their own technological solutions and break away from their collaboration with other authors. Such development would presumably mean that the big will get even bigger; it would reduce collective operations, and it will be more difficult for smaller authors, and those who are beginning their careers, to get paid for their works.

***... At a meeting with colleagues from abroad last fall, where technological progress came under discussion, the question arose whether there would be need for collective management organisations in the future ...***

At a meeting with colleagues from abroad last fall, where technological progress came under discussion, the question arose whether there would be need for collective management organisations in the future, if technology were to offer immediate payments. Members at the meeting believed that it would primarily be in the arena of agreements with users and in the field of politics that such organisations would continue to have unequivocal work to do, in view of joint powers. Collective management organisations and authors, however, have to make a clear policy on whether they want to have collaborative collection or not in the future. In this context, it is worth mentioning that disunion and feuds among collective management organisations and their member societies, undeniably reduce their joint power, and it will not be as attractive for authors to take part in their social activities or become members of such societies.

Thank you for your interest in the issues of STEF. I hope you will enjoy reading about the main projects of the past operating year of STEF and its operating results of which both I and the staff of the society are very proud. Let us continue to work together for the issues of the society in these exciting times of technological progress and changes in the history of music.

Reykjavík, May 29th 2018



Guðrún Björk Bjarnadóttir

# LOOKING BACK ON A SUCCESSFUL YEAR

## Chariman of STEF bids Farewell

The year 2017 proved to be favourable for STEF. Yet another calendar year went by where income and distributions increased considerably between the years, as should be the case. Powerful concerts and music release, both in Iceland and overseas (Icelandic musicians played approximately 1.500 concerts abroad), changes in emphases, operational streamlining, and upgrading of fees lists, to name but a few, currently return more income to STEF's authors than ever before in the 70-year old history of the society. Lately, several things have been accomplished in the fight for a better working environment for authors and musicians in Iceland:

- New Law on 25% repayment of recording expenses, the first of its kind in the world; both an incentive for innovation and an increase in *authors' income*
- A new Recording Fund has also inspired the good work of authors and performers which was, until recently, run by record producers, but is presently run manually by the musicians themselves.
- The same can be said of the State Radio and STEF's *Composers' Fund* which is now, after the merger of the State Radio and Channel 2's *Composers' Fund*, a more powerful incentive for the creation of new works than ever before.

Now, an issue for which STEF has been fighting for many years, has finally found its way into the Icelandic government's agreement; a law stipulating that copyrights shall be equivalent to other ownership rights, and, thus, taxed as such – as capital tax. This involves a considerable benefit for authors, and Icelandic authorities are the first in the world to interpret copyrights in this way. Among other reasons for joy worth mentioning, is the long-awaited solution to the affairs of IHM - the Collecting Society (the old "cassette fee") where we achieved substantial corrections as can be clearly seen in STEF's annual report for 2017.

*... the essence of these changes relates to an increased transparency and justice for all authors, irrespective of taste or style ...*

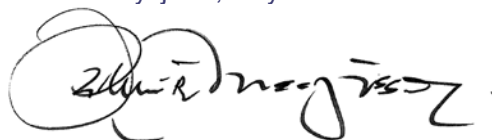
## Message from Europe

The two years of work are soon over of the so-called European Committee, regarding the directive of the European Parliament on the implementation of new rules for collection agencies such as ours. These opportune changes within the inner regulatory environment of STEF have been under considerable discussion by STEF's Representative Body, at the Board meetings of STEF and the member societies TÍ – The Icelandic Composers Society, and FTT - The Icelandic Society of Authors & Composers. The essence of these changes relates to an increased transparency and justice for all authors, irrespective of taste or style. The successful conclusion of the member societies of STEF, the Board of STEF, and its Representative Body, regarding this issue, is very important and will, should it prove favourable, attract more powerful authors to the society and, thus, increase its income.

We have, thus far, been fortunate in our dealings during the past years. The undersigned will soon quit as Chairman of STEF. I would like to take this opportunity to thank the good people employed at STEF for their fine work. We would never have accomplished the great success we are witnessing, had it not been for the ever-watchful eyes and industrious hands of the STEF team.

I wish to give special thanks to my colleagues in the Board for the good times and good work we shared. May STEF continue to develop and prosper in the years to come for the benefit of Icelandic music, its authors, and supporters.

Reykjavík, May 30th 2018



Jakob Frímann Magnússon  
Chairman of STEF

# REVIEW: WORK OF THE BOARD FROM MAY 2017 to MAY 2018

## Members of the Board of STEF in the past operating year:

Jakob Frímann Magnússon, Chairman

Kjartan Ólafsson, Vice Chairman

Þórunn Gréta Sigurðardóttir

Sigurður Flosason

Atli Heimir Sveinsson

Bragi Valdimar Skúlason

Óttarr Ó. Proppé (cancelled his membership when he became government minister. He was replaced by his substitute, Ólafur Arnalds)

- Substitute Board members were Margrét Kristín Sigurðardóttir, Sóley Stefánsdóttir, Gunnar Andreas Kristinsson, Bragi Valdimar Skúlason (both Board member and substitute Board member at the same time) and Þuríður Jónsdóttir.
- A total of 10 Board meetings were held in the operating year.
- An open meeting was held for the members of STEF and other interested people on May 24<sup>th</sup> 2017, where the financial statement and the annual report of the previous operating year were presented.

The general meeting of the Representative Body was held on May 18<sup>th</sup> 2017. The Representative Body also held meetings both on December 18<sup>th</sup> 2017, and on May 8<sup>th</sup> 2018. At both these meetings a draft of changes of STEF's resolutions were presented. The prospective changes partly have their roots in the European directive on CMO's - Collective Management Organisations, which Iceland shall implement as part of the obligations regarding the EEA agreement. The European Committee of STEF, whose members included Aðalsteinn Ásberg Sigurðsson, Hafdís Bjarnadóttir, and Atli Ingólfsson, supervised these changes in close collaboration with the Board of STEF. Atli Ingólfsson replaced Óttarr Proppé in the committee when the latter became a government minister. The committee has held over twenty meetings in the past two years and we express our sincere gratitude to these committee members for their good work.

## Election of Representative Body

Elections of the Representative Body of STEF for the next two years took place in March 2018. There were seventeen candidates and 734 people on the register of voters. A total of 143 right holders took part in the election. Voter turnout was thus 19%.

### The following seven parties were voted:

Aðalsteinn Ásberg Sigurðsson (FTT)

Björgvin Halldórsson (FTT)

Óttarr Proppé (non-club member)

Páll Ragnar Pálsson (TÍ)

Salka Sól Eyfeld (non-club member)

Snorri Helgason (FTT)

Sigurður Rúnar Jónsson (non-club member)



### Nominated for the Representative Body on behalf of FTT for the next two years:

Bragi Valdimar Skúlason  
Jakob Frímann Magnússon  
Sigurður Flosason  
Hafdís Huld Þrastardóttir  
Sóley Stefánsdóttir  
Gunnar Þórðarson  
Þórir Baldursson

### Nominated for the Representative Body on behalf of TÍ for the next two years:

Þórunn Gréta Sigurðardóttir  
Atli Ingólfsson  
Gunnar Andreas Kristinsson  
Hafdís Bjarnadóttir  
Hildigunnur Rúnarsdóttir  
Hjálmar H. Ragnarsson  
Lárus Grímsson

## Number of Members and Works Listed

At the turn of the year 2017/2018, there were **81.550** works listed at STEF. In the year 2017 the number of works increased by **5.612** which is a record increase in one year. At the end of the year 2017 there were **6.939** authors listed. During the year, the number of members increased by **278** which is also a record. It is most satisfying to witness this increase in the membership of STEF and to be able to reach out to new generations of authors.



## Honorary awards of STEF

Two members received the honorary award of STEF. On the one hand, **Ingibjörg Þorbergs** who received the honorary award on her 90<sup>th</sup> birthday, on October 25<sup>th</sup> 2017, and on the other hand, **Atli Heimir Sveinsson** who received it at STEF's 70-year anniversary party which was held on April 18<sup>th</sup> 2018. Atli Heimir Sveinsson's sons accepted the award on behalf of their father who will celebrate his 80<sup>th</sup> birthday later in the year.

## The Langspil – Award of STEF



**Hildur Guðnadóttir** received the Langspil at a ceremony on May 14<sup>th</sup> 2018.

The Langspil is awarded annually to a composer who is considered to have excelled in the field during the previous year. The trophy is an Icelandic string instrument (*langspil*) specially made by Jón Sigurðsson at Þingeyri.

The Langspil was first awarded in the year 2015 to **Ólafur Arnalds**. The following year, **Ásgeir Trausti** received the award and **Barði Jóhannesson** received the Langspil in the year 2017.

Hildur is a composer, cellist and singer. She first aroused attention with the group Múm and has

since had an interesting career as a soloist. She has released four solo records and has been nominated a number of times for the Icelandic Music Awards. Hildur has also been noted for her music for theatre, dance, as well as for films and television. Hildur took part in making music for the films, *Sícarion*, *Soldado*, *Mary Magdalene* and *Strong Island*, which was nominated for the Oscars Awards, as well as for the music for the television series *Handmaid's Tale*. Hildur received the Edda Award for her music in the film *Eiðurinn* in 2017. Last April, Hildur received a special award at the Beijing Film Festival for her music in the British film *Journey's End*.

## Main Projects of the Operating Year

### Construction projects at Laufásvegur 40 and relocation to Ármúli 7

On August 5<sup>th</sup> 2017, STEF relocated its operations to Ármúli 7, as the engineering firm, EFLA, had confirmed in the spring that there was considerable mildew at Laufásvegur 40 which was caused by extensive moisture damage in the building. The next step was to have the engineering firm Verksýn carry out a more thorough condition inspection and analysis which revealed that the moisture damage was caused by the window casings that were obviously quite old and on which minor repair throughout the years had not proved sufficiently successful. An inspection also revealed that it was necessary to change the iron roof plate, rebuild the roof edges and balcony with concrete, as well as attend to other minor concrete damages.

It was therefore decided to relocate the operations to temporary lodgings in the possession of Reitir at Ármúli 7. The move went very quickly and well. All the office equipment which was moved to Ármúli was specially cleansed of mildew, but it was decided to leave behind everything for which the operations did not have urgent need. Shelves, cupboards, and desks were left behind, but smaller and lighter desks, which can be raised and lowered, were bought for the staff.

After having made the cost estimate, bids were called for and the repair process at Laufásvegur started at the beginning of the year. The work has been successful and according to plan. After the Board had made a thorough survey of other options for the office of STEF, both the possible sale of the property as well as rental, it was decided that the operations of STEF would be relocated again to Laufásvegur when the repair process has been completed. It was also decided to use the opportunity to make a few interior changes in order to make the accommodation more convenient for the operations. It is likely that the final cost of the interior and exterior construction process be about 50 million ISK.

## Changes of Resolutions

During the operating year, a great deal of time has been spent on making suggestions for changes of STEF's resolutions. That work has been in the hands of the European Committee of STEF which is occupied by **Hafþís Bjarnadóttir**, **Atli Ingólfsson**, and **Aðalsteinn Ásberg Sigurðsson**. Atli became a member of the committee in the middle of the process, after Óttarr Proppé had cancelled his membership when he became a government minister. The European Committee worked in good cooperation with the Board, which regularly received the suggestions of the committee for inspection.



The committee was appointed after the European Union decided to impose a special Directive on collective management organisations, which was aimed at the administration of such organisations, the rights of the members, and transparency. Initially, the committee kept an eye on the process within the EU and then the implementation of the Directive into the national law of our neighbouring countries. It also watched how our sister societies implemented the Directives into their resolutions. The committee soon decided to reconsider, not only the resolutions in accordance with the demands of EU's Directives, but also to examine whether it would be possible to paraphrase them in order to improve, or modernise them. The basic idea is to emphasise increased transparency and democracy within the organisation. The resolutions of the committee, which have been approved by the Board, allow for the following changes:

- Change in the election of the Board, Article 4 and the Board's election of a Chairman who can come from member societies or be a non-club member.
- The obligation of the nominees for the Board to return information on shared interests with STEF.
- Further explication of the Board's projects.
- Obligation to make a transparency report.
- Clearer and more detailed rules on convening substitute members of the Board.
- Clearer and more detailed rules on the Managing Director and their obligation to inform of shared interests with STEF.
- Changes in the appointment to the Representative Body to the extent that all representatives but two shall be elected in general elections, instead of having their majority nominated by the member societies.
- Changes in the appointment to the Representative Body as regards the number of seats for the member societies.
- Changes in the voting rights at elections which aim at each and every right holder having a minimum of three votes, instead of one vote, and the one who has the majority of the votes has 15 votes instead of the previous 6. Thus, each and everyone can vote for more candidates who run for the election.
- A new provision which allows for electronic elections to the Representative Body.
- A new article on the need for the Representative Body to be appointed by a minimum of 15 people to be fit for making resolutions. Clearer provisions on the right to vote within the Representative Body.
- A clearer provision on the projects of the general meeting of the Representative Body.
- Clearer and more detailed provisions on the projects of the Representative Body in other aspects, which would increase considerably the number of projects of the Representative Board, as compared to before.
- Clearer provisions on the Chairman of the Representative Body and how they shall be elected.
- The way in which issues are placed on the agenda of the Representative Body meetings.
- A new article on convening substitute members of the Representative Body, to the effect that full members be responsible for convening their substitutes.
- A new provision on enabling the dismissal of members from the society who are working against its interests.
- A clearer article on the usage of money as regards the Culture Fund of STEF.
- New articles on the membership of STEF and what it involves and how to resign from the society.



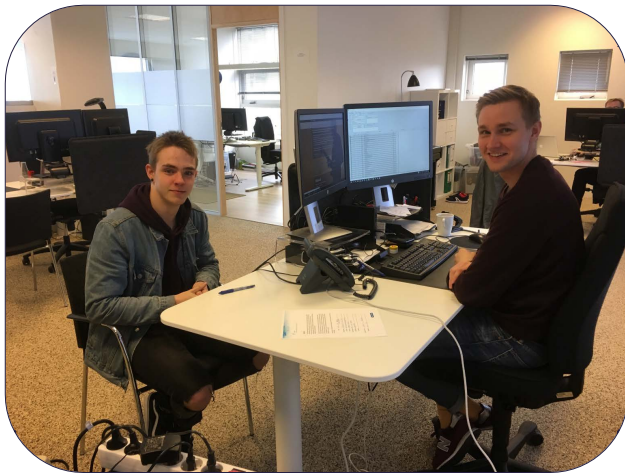
There were special discussions within the European Committee and the Board on the advantages and disadvantages of having a Representative Body instead of the general meeting of the members. It was considered most beneficial to continue having a Representative Body in order to guarantee that at least 21 member would be active within the society, as experience reveals that the attendance at general meetings is very poor in most societies. Often, only the Board attends which means that it is very easy for a group of few members to make a *coup d'état*.

## Easier Recording of Works and Announcements

A few changes have been made and are also under way on the STEF website, as regards both announcements made by concert promoters, and announcements made by songwriters. The changes are intended to make it easier for both the sales unit of STEF to make invoices to concert promoters, as well as making it easier for songwriters to send playlists and to use the same playlist for more than one concert. There are also ideas on how to make it even more convenient, e.g. by enabling songwriters to save submitted playlists on My Sites so they can access them and make changes on them for resubmission. It has also been examined how My Sites can be developed by adding information for authors and facilitate information processing by e.g. transmitting them from the system to an Excel-document. These are hopefully all projects that we will be able to tackle soon.



## Service Poll



A service poll was conducted among the members of STEF in cooperation with graduate students at Reykjavik University. The objective was to repeat to a great extent a similar poll which the company RoadMap conducted for STEF in the year 2015. After having filtered out the answers of those who are not members of STEF, there were a total of 486 answers. The main conclusions are that there is generally great satisfaction with the services of the office (although the satisfaction is a little less than in 2015). The poll also shows that more members are now in higher income levels than in 2015 and it appears as if the income they receive from STEF is now generally a bigger part of their total income. It was also a point of interest that only about 20% appear to visit

the Facebook site of STEF. Those who do, are, however, very satisfied with the information that it provides. The use of the website has also increased considerably as against fewer visits to the office and fewer phone calls. The image of STEF in the eyes of its members is also quite better than it was two years ago. The general knowledge that the members have of the operations has also increased considerably.

## Economic Statistics for Icelandic Music

STEF participated in a survey on economic statistics for Icelandic music and the conclusions were presented in the presence of the media in the Petersen-Suite on March 23<sup>rd</sup> 2018. The survey was conducted by the Research Institute for Creative Subjects (Rannsóknarsetur skapandi greina), by **Dr. Margrét Sigrún**

**Sigurðardóttir** and **Erla Rún Guðmundsdóttir**, for Samtónn – the Icelandic Music Association (STEF and SFH) and ÚTÓN - Iceland Music Export, with the support of the Ministry of Industry and Innovation. The main conclusions are that the total income of the music industry amounts to around 3.5 billion ISK a year and that concerts are by far the most important item of income of musicians. The survey also reveals that in Iceland there is a big group of music amateurs (whose total income is 40% or less from music) and that there is a big step from amateurism to professionalism. Resultantly, there was a fine media coverage on the survey.

## The Various Events

### Culture Night

STEF held a concert on Culture Night 2017 in glorious weather in the backyard of Laufásvegur 40. The attendance was good and those who performed were **Jón Ólafsson**, **Hildur Kristín**, **Ragnhildur Gísladóttir**, and **Valdimar**. This was the fourth time this concert is held. It will, unfortunately, not be possible to hold a similar concert in August 2018, because of the construction project at Laufásvegur 40, but the aim is to continue this tradition in the year 2019.



### Are You Your Own Manager?

On May 23<sup>rd</sup> 2017, STEF, in collaboration with ÚTÓN, held an event at Kex, entitled “Are you your own Manager?” The main lecturer was Andy Inglis from Scotland. Other lecturers were **Anna Ásthildur** from ÚTÓN and **Sindri Ástmarsson** from Mid Atlantic. The event was well attended and was considered a great success.

### Good Experience – the Future of Business

On May 24<sup>th</sup> 2017, SENA held an event, to which STEF invited its clients, that was entitled “Good Experience – the Future of Business” and covered the use of music in stores. The main lecturer was **Valentina Candeloro**, International Marketing Manager of Mood Media. Other lecturers were, **Aðalsteinn Pálsson**, Managing Director of ATMO Select, **Einar Baldvin Arason**, Music Manager of Aurora Stream, and **Margeir Steinar Ingólfsson**. The conference was well attended and very informative.

### Copyright Policy - Symposium

A well-attended symposium on copyright policy was held in cooperation with BÍL – Federation of Icelandic Artists, and other collective management organisations, in the Nordic House on September 22<sup>nd</sup> 2017. The symposium was considered a success and it was attended by a number of government ministers, as well as ministry staff. As a result, a good basis for a copyright policy was provided and hopefully, the issue will be followed up by the Ministry of Education, Science and Culture. Among the issues, on which the members of the meeting agreed and were eager to pursue, was the importance of rightly classifying copyright income as capital gain. It was noted, that in the government agreement of the administration of **Katrín Jakobsdóttir** two months later, this change is specially stipulated. This provision will hopefully be fulfilled as this has been a great issue for authors for a number of years.

### Music Sheet Publication and Management

Our work-shop on music sheet publication and management was held in cooperation with TÍ and Iceland Music Information Centre in Hannesarholt on October 5<sup>th</sup> 2017. The work-shop was well attended and its special guest was Susanna Eastburn from Sounds & Music in the UK.

## Work-Shops with Music Consultants

The work-shops of STEF and ÚTÓN were held in connection with the Airwaves Festival on November 2<sup>nd</sup> 2017. This provided the members of STEF with an opportunity to meet a number of music supervisors/consultants from abroad who concentrate on finding music for so-called “sync” purposes, that is for films, television series, and commercials etc. Fewer could attend the work-shop than wanted to. These work-shops have been very fruitful in the past years and the attendants have been very satisfied with them.

## The Day of Icelandic Music

STEF participated in a festivity program in Harpa on the Day of Icelandic Music on December 8<sup>th</sup> 2017 and which was held by Samtónn – the Icelandic Music Association. Those who attended sang together three Icelandic songs (“*Ef engill ég væri með vængi*”, “*Líttu sérhvert sólarlag*”, and “*Gefðu allt sem þú átt*”) and the singing was broadcast live on all the biggest radio stations in the country. “Little Bird”, the honorary award, was presented on this occasion and the recipient this year was **Jón Ólafsson**.



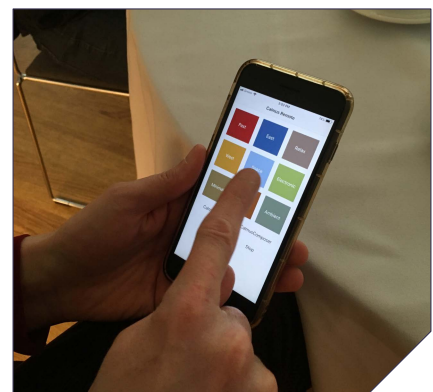
## The Icelandic Music Awards



STEF participates in presenting the Icelandic Music Awards, in collaboration with SFH – the Association of Performers and Record Producers, in the name of Samtónn. They were ceremoniously presented in Harpa on March 14<sup>th</sup> 2018. It is fair to say that the star of the night was **Daníel Bjarnason** who was the first to receive the special recognition of Samtónn and ÍTA – Icelandic Music Awards, for his contribution to Icelandic music. “The band of the entire Icelandic population”, **Stuðmenn**, received the honorary award of Samtónn. In the category of pop and rock music, **Nýdönsk** and **Mammút** came, saw and conquered.

## Conference on Copyright and Artificial Intelligence

STEF held a conference on copyright and artificial intelligence on March 22<sup>nd</sup> 2018. Keynote speakers were **David Sidebottom** from *Futuresource* in the UK, **Lára Herborg Ólafsdóttir**, solicitor, **Baldur Baldursson** from CCP, **WimVan Limpt**, Managing Director of *Buma Stemra* (sister society of STEF in Holland), and **Kjartan Ólafsson** who presented *Calmus*. Towards the end of the conference, the attendants participated in making music with the help of artificial intelligence and the work was performed simultaneously by two musicians. This is a most interesting issue which will undoubtedly carry a great impact on the way music is made and enjoyed, and this technology will, without doubt, also give rise to questions on copyright.





## The Anniversary of STEF

The **70<sup>th</sup>** anniversary of STEF was celebrated in Iðnó on April 18<sup>th</sup> 2018. Master of ceremonies was **Jakob Frímann Magnússon**. The band, *Eva*, performed two songs; the film *Refrain (Stef) of STEF* was shown which was produced on the 50<sup>th</sup> anniversary of STEF in 1998. The Managing Director made a short speech. **Dísella Lárusdóttir** and **Steinunn Birna Ragnarsdóttir** performed the song *Ave María* by **Sigvaldi Kaldalóns**, which is work No. 1 in the database of STEF. **Atli Heimir Sveinsson** was presented with the honorary award of STEF. Finally, **Guðmundur Óskar's** band performed a medley of seven songs, one for each decade of STEF's operations, with the singers **Sigurður Guðmundsson** and **Sigríður Thorlacius**.



## Information Night with ÚTÓN on Negotiations in the Music Sector

On May 22<sup>nd</sup> 2018, STEF, in cooperation with ÚTÓN, held an information night in the Petersen-Suite on negotiations in the music sector. The attendance was very good and the event was streamed on Facebook. The Managing Director of STEF held a lecture, in addition to *Sindri Ástmarsson* from *Mid Atlantic*.

## Private Copying – IHM

Income from IHM - the Collecting Society, has, throughout the years, been an important source of income for STEF. The income is, on the one hand, from private copying and, on the other, from television broadcasting. The last day of Althingi (Icelandic Parliament) in 2017 proved successful as the Budget Committee accepted the outstanding demand of IHM against the State, regarding a payment for private copying for the year 2016. The Ministry of Finance had interpreted law which was passed in 2016 - and offered fair compensation to right holders, about 250 million ISK a year - in such a way that payments should only be made for the period October to December. The payment was delivered just in time for the distribution of STEF in December 2017 and, thus, the amount from STEF to its members was a bit higher this year than in the previous ones.

The Board of IHM decided to distribute the payment from the State to the member societies, by using the average of distributions in four years (every second year in an eight-year period). Then it was decided to hold back 20% of the money temporarily, because of an uncertainty regarding the demands of individual member societies, and for the operations of the society. STEF received 20% of the money distributed, about 38 million ISK. The Board of STEF then decided that this money would be distributed by calculating the average of the distributions to authors during the last three years, and, thus, the 38 million ISK were distributed proportionally in accordance with that.

During the year, the Board of IHM decided to enter a collaboration with Gallup in making a big survey on public copying, which would be possible to take into consideration in the future distribution of income between the member societies of IHM. It is obvious that the member societies do not accept using the older distribution percentage in the future. During the year, an agreement was also signed with RÚV – the State Radio, stating that RÚV will assign its collection and interest monitoring to IHM, as regards linear as well as non-linear television broadcasting in agreements with the telecommunications companies. In this connection, IHM applied to the Ministry of Education, Science, and Culture for the acknowledgement of making provisional licensing agreements, both regarding non-linear broadcasting as well as the reuse of older material in the collection of radio- and television stations.

## Fjölís

Fjölís has reached an agreement with Landsamband blandaðra kóra (LBK) – the National Federation of Mixed Choirs and Gígjan - the National Federation of Female Choirs, on making one contract with each association. Contracts will be signed at the end of their general meetings next autumn. This means that the national federations will collect contractual payments from their member choirs. The contracts are based on the propositions that Fjölís made to the national federations in 2017. The contracts include the authority to copy digitally and distribute digitally within closed systems. They do not specify number of pages, but instead a fixed fee and the aim is still only to copy material that is “further reading”, unavailable, etc. When the national federations implement this, Fjölís will be able to reach all choirs, not just some, and thus gain an increased momentum. The federations also handle all information on the number of choirs, choir members, etc. The LBK choirs are also a pure addition, as they have been without a contract. An effort has been made to reach a similar agreement with the National Federation of Male Choirs, but there have been no answers as the management appears to be inactive.



# Disposal of STEF's Cultural Contribution on Behalf of the Member Societies in 2017

## Report from TÍ - the Icelandic Composers Society

STEF's cultural contribution to the Icelandic Composers Society is for the most part disposed to daily operations of TÍ, e.g. expenses for housing a website, expenses for bookkeeping and making financial statements, general office expenses, expenses for having a Board and paying directors' fees to the Chairman. All that is left, and all the contributions from STEF, in addition to the monthly current transfer, goes to the operation of the music festival, *Dark Music Days*. It should also be mentioned that the Chairman's director work consists to a great extent of work effort relating to *Dark Music Days*. Every five years, there is additional festival work as that is when the *Nordic Music Days* are held here in Iceland. The Icelandic Composers Society is responsible for their operation and finances the festival completely. In the year 2016, the *Nordic Music Days* were indeed held in Iceland which made the operations of the Icelandic Composers Society considerably more difficult, because STEF's cultural contribution is the only regular influx of cash to the society. There was considerable operating loss from the festival, but the society is successfully working its way out of it.

### On *Dark Music Days*

The *Dark Music Days* festival is one of the most important arenas for progressive modern music in Iceland. The festival has long ago made a place of honour for itself in the Icelandic music scene and raises interest far beyond the country's borders. The role of the festival is to create a platform for the presentation and performance of contemporary music, with an emphasis on new Icelandic music and performers, in conjunction with foreign works and performers. There are a number of different music events on offer every year which reflect the variety of music in our present time. An emphasis is placed on original creation and experimentation and first performances of compositions are prominent on the agenda. For 36 years, the festival has shed light onto the cultural life of Icelanders during the times of the greatest winter darkness.

Porkell Sigurbjörnsson and Atli Heimir Sveinsson established the festival in 1980 in the name of The Icelandic Composers Society which has held the festival right from the beginning. The objective of *Dark Music Days* was to cultivate Icelandic music, premiere new Icelandic works, in addition to performing foreign contemporary music which was considered of importance. The festival has taken on the various forms throughout the years, but parallel to a diverse concert schedule, the various music related events have been on offer, such as an exhibition of the manuscripts of composers, lectures on composers and contemporary music, etc. New compositions have also been made-to-order by composers and cooperation on concerts with societies and establishments taken up. The agenda and ensemble of the festival has developed in diverse ways, although it is still based on the foundation which was laid in the year 1980 and special traditions have been formed.

### The Festival Today

The festival is held at the end of January every year and normally starts on the last Thursday in the month. The objective of holding a festival in January is to develop an agenda of events when there is not much going on in the cultural life of the country. The festival gives priority to being an arena for original creation and experimentation, as it has done from the beginning. Therefore, the premiere of progressive music carries the greatest weight on the agenda every year. Repeat performances of younger Icelandic and foreign works have also been prominent.

The various experiments have been made to bring about a more active conversation with the audience in the form of instruction and presentation of contemporary music, e.g. with the exhibition of manuscripts, mentioned above, but also with lectures, panel discussions, pre-concert talks, and in the last years, in the form of direct, information related events, a special example of which is the cooperation of the festival with *Magic Door (Töfrahurð)*, a concert series for children. Two events at the festival each year are organized by the *Magic Door*. On the one hand, there is a special event where select composers of the concert agenda introduce their works to the children and then get them to ask the composers and performers questions. In addition, a children's opera is also premiered where all the composers are Icelandic.

Events that do not fall within the traditional concert frame frequently have their place at the festival, e.g. installations in open spaces where everyone can walk in and out and enjoy in their own way.

The role of *Dark Music Days* in presenting Icelandic music is unequivocal. Every year, representatives of foreign media attend the festival, in addition to publishers and artistic managers, orchestras, bands, and chamber music groups. Thus, it also provides an arena for international networking, which is very important for Icelandic musicians, both composers and performers. Iceland Music Information Centre, ÚTÓN, and Promote Iceland have given considerable support to this part of the festival. The Iceland Academy of the Arts – IAA, has also regularly taken part in this international collaboration, and foreign composers, who visit the IAA as guest professors at this time of year, have also been invited to the festival and, in return, the foreign guests of the festival have visited the IAA and given lectures, or held work-shops there. This has led to coverage in a number of well-known foreign media such as *The Guardian*, and *Neue Zeitschrift für Musik*.

The Icelandic media, which have covered the festival every year, should not be forgotten. *Morgunblaðið* and *Fréttablaðið* have published interviews, criticism, and general coverage. News announcements and articles are usually published in *Grapevine* and other media. The biggest part is, undeniably, that of the State Radio which has been in cooperation with the festival right from the beginning and selected concerts from the agenda to record and broadcast on Channel 1, along with coverage. *Hátalarinn* – the *Loudspeaker*, *Menningin/Kastljós* – and other scheduled programs, emphasising cultural coverage, have also reported on the festival, in addition to the occasional visits that the newsroom has made. The orders of compositions at the festival have often been financed by the State Radio Composers Fund.

*Dark Music Days* are opened every year by the Icelandic Symphony Orchestra with a splendid concert in Eldborg where Icelandic orchestrations are performed. The Symphony Orchestra has been a steady colleague ever since the beginning.

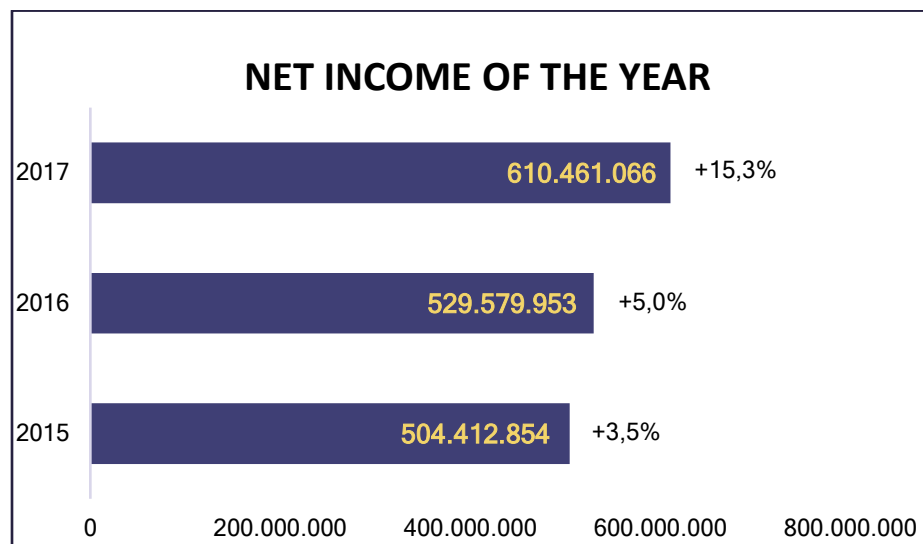
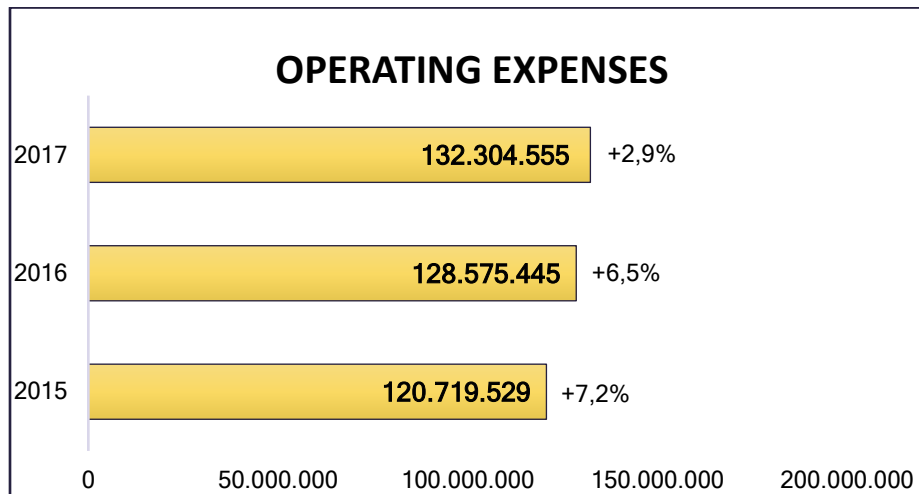
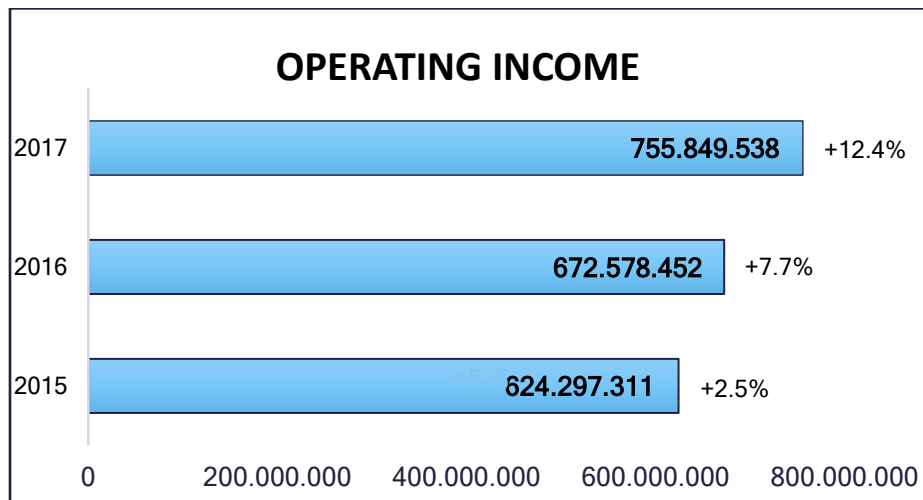
## Operations Structure

The *Dark Music Days* festival has been operated by the Icelandic Composers Society from the very beginning. In order to increase both independence and transparency, it was decided to establish a private limited company, owned by the ICS, to operate the festival. The establishment of the company is in process at the Commissioner of the Inland Revenue when this is being written. Incident to this alteration, it was decided to change the arrangement regarding the artistic management of the festival which has until now been in the hands of the Chairman of the ICS. In order to increase the independence of the festival and guarantee fairness in the selection of projects for the festival, it was decided to advertise for an artistic manager for the year 2017. The advertisement for applications was on the website of ICS, as well as on the social media of *Dark Music Days*. Gunnar Karel Mátsson, composer, was employed as the artistic manager of the festival, and now his employment contract has been prolonged.

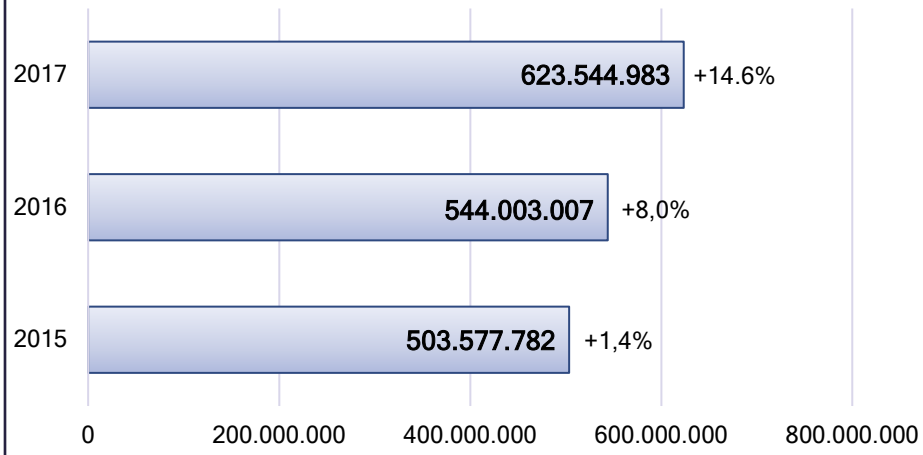
## Report from the Icelandic Society of Authors & Composers (FTT)

STEF's Cultural Contribution:	8.520.525	Expenses:	
		Wages and related expenses	4.803.039
		Operation of common property	689.351
		Telephone & music service	142.896
		Maintenance of tools & equipm.	174.881
		Paper, printing & design	475.906
		Computer system	246.986
		Advertisements & postage	59.926
		Audit, bookkeeping	490.420
		Membership fees, annual fees	144.040
		Entertainment, gifts	417.709
		Travel expenses & allowance	136.703
		Expenses for events	1.332.531
		Total:	9.114.388

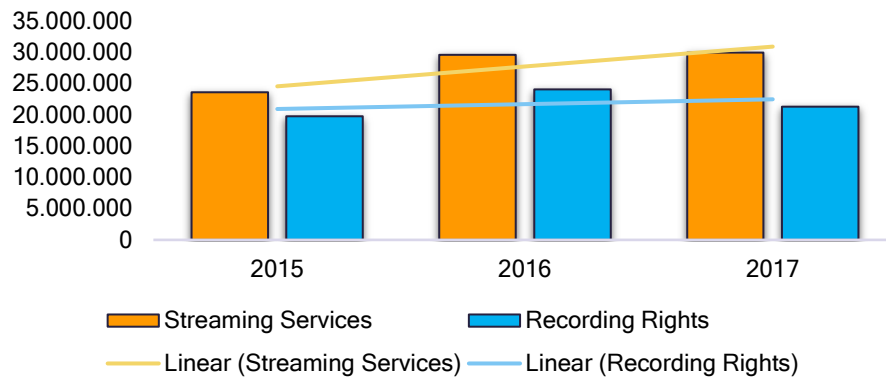
## A Few Key Figures from the Financial Statement 2017



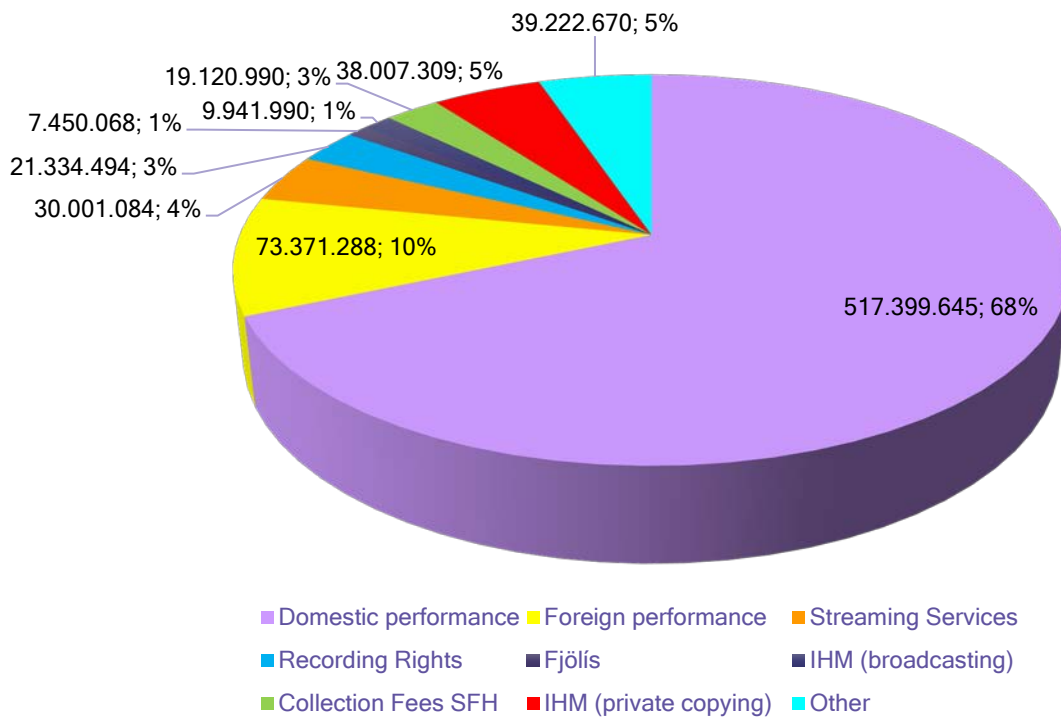
### NET INCOME AFTER OPERATING EXPENSES



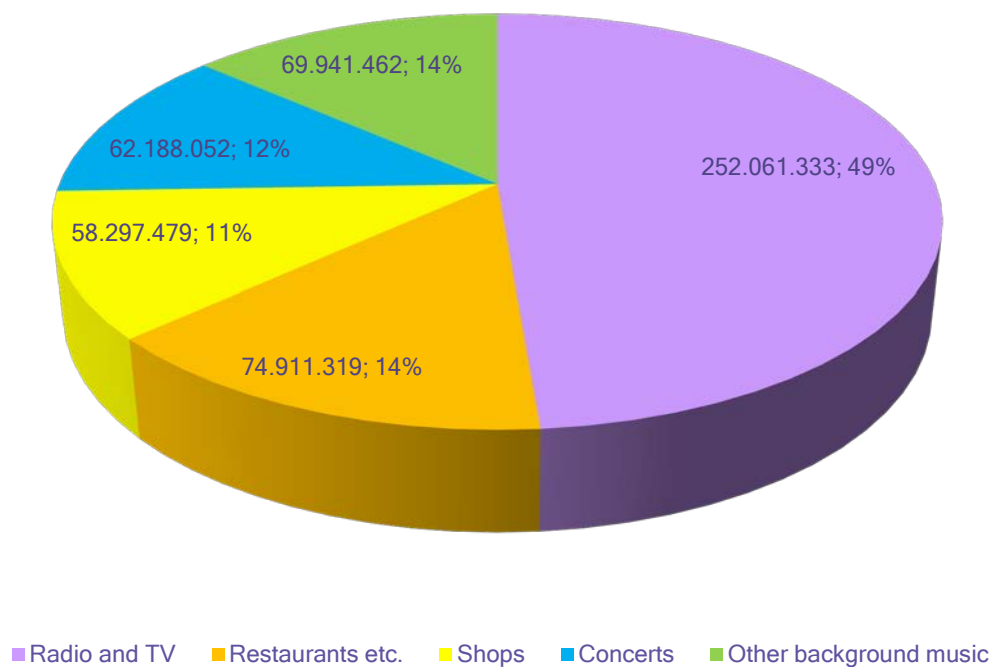
### DEVELOPMENT OF INCOME FROM STREAMING SERVICES/RECORDING RIGHTS



## DIVISION OF OPERATING INCOME 2017 TOTAL 755.849.538 ISK



## DIVISION OF DOMESTIC PERFORMANCE INCOME 2017 TOTAL 517.399.645 ISK





## TOTAL DISTRIBUTION 2017

