

9. PRODUCTION ROYALTIES

9.1 USE OF THE COMMERCIAL/CONTENT IN OTHER TERRITORIES

If the commercial or branded content is used, in whole or in part, in territories beyond those originally agreed upon in the production briefing or the original Production Offer, the independent Production Company is entitled to charge Production Royalties.

9.2 USE OF THE COMMERCIAL/CONTENT IN OTHER FORMATS

If the commercial or branded content is used, in whole or in part, in a format other than that originally agreed upon in the production briefing or the original Production Offer (for example, if a photo is transformed into a video using (AI) technology, or stills are extracted from a video), the independent Production Company is entitled to charge Production Royalties.

9.3 PRODUCTION ROYALTIES IN PRACTICE

For the additional uses described above, Production Royalties are agreed between the independent Production Companies and the Advertiser or its Communication Agency before that use begins.

Broader use can also be agreed when the production is ordered. No additional Production Royalties apply to use already covered by the original agreement.

Production Royalties relate to the Production Companies own rights. They are separate from any additional usage fees for talent, composers, voice-over artists and other rights holders. Any necessary extensions of those rights are arranged separately, as explained in Sections 7 and 8.

Example

An Advertiser commissions a commercial for online use limited to Belgium. After agreeing to the original production budget, the client decides to release the commercial on TV in France.

The Production Company will arrange any necessary extensions of talent, music and other usage rights to cover the planned use in France.

A separate Production Royalty fee will also be agreed for the Production Companies own rights, because use in France was not included in the original Production Offer.

