



# Austrian Music Export Handbook

## Table of Contents

Imprint.....	5
Introduction.....	6
PART 1 - GENERAL INFORMATION.....	7
Geographical Data and Transport Infrastructure.....	7
General Information .....	7
Towns and Cities .....	8
Administrative Divisions.....	9
Transport (Touring in Austria).....	9
Important Contacts, Related Links .....	10
Demographic Information.....	11
General Information .....	11
Population Distribution.....	11
Population in Age Groups.....	11
Population Growth from 1951 to 2001 .....	12
Demographic Change .....	13
Migrant Population .....	13
Language.....	14
Language in Music.....	14
Important Contacts, Related Links .....	14
Education and Music Schools.....	15
General Information.....	15
Educational Attainment in Austria.....	15
Art and Music Education in Austria .....	16
Important Contacts, Related Links .....	17
Cultural Politics.....	18
General Information.....	18
Federal Structure.....	18
Subsidiarity Principle .....	18
LIKUS System.....	18
Public Expenditure for Culture and Music in Accordance with LIKUS.....	19
Development of the Federal Expenditure on Culture from 2000-2011.....	19
Music Promotion.....	20
International Cultural Policy.....	20
Embassies and Consulates.....	20
Important Contacts, Related Links.....	21
Legal Framework.....	22

General Information.....	22
Austria and the EU.....	22
Freedom to Travel and Work.....	22
Entry Requirements .....	23
Labor Law, Work Permits: EU Citizens.....	23
Labor Law, Work Permits: Citizens from Non-EU Countries .....	23
Customs Regulations .....	24
Copyright and Exploitation Rights.....	24
Important Contacts, Related Links.....	25
Fiscal Framework.....	26
General Information.....	26
Tax, Tax Refund.....	26
Tax and Foreign Artists - Reverse Charge.....	27
Refund of Austrian Sales Tax.....	27
Income Tax.....	27
Double Taxation Agreement.....	28
Artists and Athletes Breakthrough Rule .....	28
Special Income Tax for Artists .....	28
Payroll Tax.....	29
Foreign Tax.....	29
Important Contacts, Related Links.....	29
Economic Overview.....	29
General Information.....	29
Sectors of the Economy.....	30
Creative Industries.....	31
Structure of the Creative Industries by Sector in 2010 .....	32
Social Partnership.....	32
Income of Austrians.....	33
Purchasing Power of the Austrians.....	33
Trade Balance (Total Economy, Music).....	33
Consumption and Leisure Behaviour.....	34
Budgetary Expenditure in Austria .....	35
Internet Penetration and Usage in Austria.....	36
Mobile Market.....	36
Important Contacts, Related Links.....	37
PART 2 – MUSIC COUNTRY AUSTRIA.....	37
Tradition and Modernity.....	37
General Information.....	37
Classical and Contemporary Music.....	38
Schlager/Folkloric Music.....	39
Jazz, Blues, World Music .....	39
Electronic Music .....	40
Rock, Pop, Alternative .....	40
Repertoire Distribution.....	41
Music Events in Austria.....	42
Important Contacts, Related Links.....	42
Reception of Music in Austria.....	43
General Information.....	43
How often is music listened to in leisure time?.....	43
Preferences and Opinions of Austrians on Music.....	44
What Is Music Heard With?.....	45
On Which Radio Stations Is Music Listened To.....	45
In which social contexts is music heard .....	46
Structure of the music user groups.....	46

Possession of Music.....	47
Role of the Internet in the Reception of Music.....	47
Reasons for Buying Music Online .....	49
Music Taste of Austrians.....	49
Attending Concerts.....	50
Important Contacts, Related Links.....	51
PART 3 - MUSIC INDUSTRY IN AUSTRIA.....	51
General Information.....	51
Companies in the Music Industry.....	52
Share of the Music Industry in Austria's Economic Performance.....	53
Music Industry Sector Shares of the Gross Value Added .....	53
Economic Effects of the Music Industry .....	54
Development of the Austrian Music Industry in Terms of its Added Value .....	55
Creators, Performers and Publishers in Austria .....	56
Average Expenditure on Music - Who Buys What and How Much? .....	56
Average Per Capita Expenditure on Music .....	57
The Austrian Music Market in 2012.....	58
Market Development in Austria 2010 - 2012.....	58
Physical Market.....	58
Online Music Market .....	59
Important Contacts, Related Links.....	59
Value Chain – The Players.....	60
Members of the Austrian Chamber of Commerce.....	60
Members of the IFPI.....	60
Members of the VTMÖ.....	61
Organizers and Booking Agencies .....	61
Promotion Agencies.....	61
Concert locations.....	62
Festivals .....	62
Labels and Publishers.....	66
Ticketing .....	66
Distributors.....	67
Retailers.....	67
Download Platforms.....	67
Streaming providers.....	69
Overview of streaming providers in Austria .....	69
Charts.....	70
General Information.....	70
Gold and Platinum.....	70
The Charts 2012.....	71
Important Contacts, Related Links .....	72
PART 4 – GRANTS, PRIZES, COMPETITIONS .....	72
General information on the promotion of culture.....	72
Art Promotion vs. Economic Promotion .....	73
Overview of Funding Opportunities for Creative Industries .....	73
Overview of Funding Opportunities for Art and Culture .....	73
Residencies for Musicians .....	75
Competitions and Prizes.....	75
Amadeus Music Award.....	76
Crowdfunding and Crowdfunding in Austria.....	77
Important Contacts, Related Links.....	77
PART 5 - INTEREST GROUPS, ASSOCIATIONS, SERVICE CENTERS.....	78
Collecting Societies.....	81
PART 6 – MEDIA, FAIRS, MULTIPLIERS.....	82

Media landscape in Austria.....	82
General Information.....	82
TV .....	83
Radio.....	83
Print (daily and weekly newspapers, magazines).....	84
Music magazines .....	85
Web.....	85
Fairs, Showcases, Conferences.....	85
Conferences.....	85
Music markets.....	86
Appendix.....	88
References and Further Reading .....	88

# Imprint

**Publisher:**

Austrian Music Export

**Media Owner:**

mica – music information center austria

Stiftgasse 29

A-1070 Wien

Tel.: +43 (0)1 52104 0

Fax.: +43 (0)1 52 104 59

Email: [office@musicaustria.at](mailto:office@musicaustria.at)

[www.musicaustria.at](http://www.musicaustria.at)

[www.musicexport.at](http://www.musicexport.at)

**Coordination & Organization:**

Franz Hergovich

**Author:**

Mag. Stefan Parnreiter-Mathys, MA

**Translation:**

Doris Brady

**Published:**

September 2013

## Introduction

Currently everyone is talking about Austrian music and the world beyond Austrian borders is finally taking notice: demonstrated impressively by the successes of the Popfest Wien, a festival dedicated exclusively to local music, or the Waves Vienna, which uses Austria's key position as a mediator between East and West in music - but also internationally, which is reflected by the focus on Austrian music at the Eurosonic Noorderslag in 2014, the most important showcase festival in Europe.

Reason enough to completely revise the *Music Export Handbook Austria*.

The *Music Export Handbook Austria* is aimed at music business representatives, copyright owners, performers and other interested parties who wish to gain an overview of the music country Austria.

Starting from basic information on geography, sociography, politics and economy, the *Music Export Handbook Austria* introduces the protagonists of the Austrian market, the economic performance of the music industry, the most important import and export markets and where to find additional information and contact partners of the Austrian market.

As far as possible, the *Music Export Handbook Austria* refers to current facts and figures of the years 2012 and 2013. In the case of unavailable primary data on specific topics, the handbook had to access secondary sources. In particular, the statements about the digital music industry and the entire online field are thus always to be viewed in the context of the listed dates.

To ensure the most direct and "unfiltered" view of the author on the music industry and its players, many passages of this handbook, especially self-portrayals, were taken from the exact wording of the original sources (respectively listed in the footnotes).

With this *Music Export Handbook Austria*, the Austrian Music Export hopes to offer a practical and useful introduction and overview and is always available for further information, consultations and assistance.

Franz Hergovich (Austrian Music Export)

Vienna, September 2013

## PART 1 - GENERAL INFORMATION

### Geographical Data and Transport Infrastructure

#### General Information

Capital City	Vienna
Form of Government	Democratic Republic
Area	83.879 Square kilometers <sup>1</sup>
Population	8.424 Millionen (as of 2011) <sup>2</sup>
Currency	EUR
GDP / Inhabitant	34.656 (as of 2014, second highest EU-27 <sup>3</sup> value behind Luxembourg) <sup>4</sup>
GDP in EU Comparison	124 (EU-27 average 100) <sup>5</sup>
Time Zone	CET (GMT+1)
International Calling Code	(00)43

Source: refer to footnotes

The **Republic of Austria** is located in Central Europe, bordered by the Federal Republic of Germany and the Czech Republic in the North, Hungary and Slovakia in the East, Slovenia and Italy in the South, and Switzerland and Liechtenstein in the West.

Austria extends in the West-East direction over a maximum of 575 km, in the North-South direction over a maximum of 294 km.



Source: Wikipedia<sup>6</sup>

<sup>1</sup> Source: [wikipedia.org](http://wikipedia.org) → deutsch → Österreich

<sup>2</sup> Source: [www.worldbank.org](http://www.worldbank.org) → Data → Population

<sup>3</sup> This and the following refers to the EU-27, since all the data used here refers to the 27 member states. However, this data is no longer correct as of 1 July 2013, since the accession of Croatia to the European Union comprises 28 countries!

<sup>4</sup> Source: [www.WKO.at](http://www.WKO.at) → Zahlen, Daten Fakten → Daten Österreich → Statistik von A bis Z

<sup>5</sup> Source: [www.WKO.at](http://www.WKO.at) → Zahlen, Daten Fakten → Daten Österreich → Statistik von A bis Z

<sup>6</sup> Quelle: [wikipedia.org](http://wikipedia.org) → deutsch → Österreich

Austria has always been a focal point and important traffic point between the developed countries of Western Europe and other markets in Central and Eastern Europe. Especially since the fall of the „Iron Curtain“ in 1989, Austria plays an increasingly important role in Central and Eastern Europe. Austria has been able to establish itself as a significant and attractive business location and residence for many international companies.

**Approximately 300 international companies, including 28 Fortune 500 companies, have chosen Austria as a location for their European headquarters** and located their European production in Austria. The region of **Centropa** is of particular relevance for almost all industries, including the music industry. In this context, the (showcase) festival **Waves Vienna**<sup>7</sup> takes up a special position and intensively devotes itself in conferences and concert lineups to the region of Centropa and will also be held in Bratislava for the first time in 2013. As part of the project „**Twin-Cities**“<sup>8</sup>, Bratislava is an important partner city for Vienna and a gateway to the region.

Austria's position as a gateway to Eastern markets is otherwise rarely reflected in the music industry: the country's still active major labels **Universal** and **Sony** are controlled from Germany, **Warner** is hardly active on the Austrian market any more, after the label took a leading role for many years in the development of new markets in Eastern Europe, particularly under its former CEO **Manfred Lappe**<sup>9</sup>.

The Western federal states, especially Tyrol and Vorarlberg, have traditionally less (economic) relations towards Centropa, but are more oriented to **Germany, Switzerland and Italy**, which is not least proven by the visitor flows at local live concerts.

An important hub for some Austrian products, especially in the genres „folk“ and „Schlager“, but also „alternative“, is the Southern German region around Munich. Besides the geographical and cultural proximity, which also facilitates the linguistic access to dialect music (e.g. **Attwenger**<sup>10</sup>, representatives of „new folk music“, who have been releasing dialect singing on the German label **Trikont**<sup>11</sup> for over two decades), this region is still (terrestrial) gathering ground for Austrian radio stations, particularly the alternative radio station **FM4**<sup>12</sup>, which has no direct competitors in the region and is thus very popular.

## ***Towns and Cities***

Based on the census in 2011, a little more than three-quarters of the Austrians live in 34 of the urban areas defined by the **Statistics Austria**<sup>13</sup>. 3.81 million inhabitants are located in the core zones of the city regions, approximately 1.35 million people live in the urban fringe and outer zones. Divided by population of the core areas of the city regions, with Vienna being by far the largest city region, three additional size classes can be distinguished:

- **Eight metropolitan areas** with more than 100,000 inhabitants in the core zone: Vienna, Graz, Linz, Salzburg, Innsbruck, Bregenz, Klagenfurt, Feldkirch.

<sup>7</sup> Vgl.: [www.wavesvienna.com](http://www.wavesvienna.com)

<sup>8</sup> Vgl.: [www.twin-city.net](http://www.twin-city.net)

<sup>9</sup> Vgl.: [http://www.departure.at/de/expertinnenpool/expertinnensuche/manfred\\_lappe](http://www.departure.at/de/expertinnenpool/expertinnensuche/manfred_lappe)

<sup>10</sup> See: <http://attwenger.at>

<sup>11</sup> See: <http://trikont.de>

<sup>12</sup> See: <http://fm4.orf.at>

<sup>13</sup> See: [www.statistik.at](http://www.statistik.at)



- **Nine medium-sized town regions** with 40,000 to 100,000 inhabitants in the core zone: Wels, Leoben, Villach, Wiener Neustadt, Steyr, Knittelfeld, St. Pölten, Vöcklabruck, Gmunden.

- **18 small town regions** with less than 40,000 inhabitants in the core zone.<sup>14</sup>

The musical life, especially trade and live performances, focuses on the urban centers, especially the capital city Vienna. With regard to music, Vienna is the biggest touristic focal point, due to its classical tradition and the large representative buildings of old music theaters such as the **State Opera**, **Volksooper** and the **Burgtheater**.

However, the relevance of Vienna is not limited to classical music. Around 30% of Austria's market activities in all genres and elements of the value chain are allocated in Vienna<sup>15</sup>.

Festivals of all genres, as well as highly specialized event organizers, for example in the genres of free jazz (**Nickelsdorf**, **Ulrichsberg**) or contemporary music (**Mittersill**) are also located in some relatively remote rural areas. A glance beyond the Austrian city centers is definitely worthwhile!

### **Administrative Divisions**

The Republic of Austria is divided into nine federal states, Vienna as the federal capital is one of them. The states are divided into 80 districts, which are subdivided into municipalities. Altogether there are 2,354 municipalities, 15 of which are statutory cities that exercise the district administration itself (as of the 1st of January 2013). Especially worth mentioning is the administrative structure and the related distribution of competences, for example in the live sector and the question of jurisdiction to issue event permits. In the mentioned example, the responsibility depends on the venue's capacity and is carried by the municipality (up to 2,000 people), above that by the respective district administration authority. Information on the requirements of cultural and/or economic activities are provided by the respective municipal offices and **economic chamber representatives**<sup>16</sup>.

### **Transport (Touring in Austria)**

Thanks to its convenient, central location in Europe, Austria is easily accessible by plane, train and car. Austria is well connected by **rail** to all major European cities and offers excellent rail connections to the inland, as well as a well developed highway network. Due to six international **airports** (Vienna, Linz, Salzburg, Graz, Innsbruck, Klagenfurt), all regions of the country can be reached directly and quickly. Many low-cost-carriers fly to the **Bratislava** airport in Slovakia, which is reachable from Vienna within an hour.

**Highways** have a compulsory vignette toll for cars. Vignettes are available at home and abroad, for example via automobile clubs, petrol stations or at many border crossings. (Warning: Austria is a **Schengen State**, thus there are no fixed border controls to all neighboring Schengen countries anymore. The border to Switzerland is regarded as an external EU border!<sup>17</sup>)

Missing vignettes are punishable with a fine of EUR 240 (plus the immediate cost of the vignette in the amount of EUR 80.60 [as of 2013]).

**Vehicles over 3.5 tons**, ie. trucks and buses (nightliners!) are subject to electronic toll. Information on this is provided by the **ASFiNAG**, the operating company of the Austrian highways<sup>18</sup>.

<sup>14</sup> Statistics Austria, data based on the census in 2001.

See: [www.statistik.at](http://www.statistik.at) → Klassifikationen → Regionale Gliederungen → Stadtregionen

<sup>15</sup> mica – music austria database analysis, November 2003

<sup>16</sup> [www.wko.at](http://www.wko.at)

<sup>17</sup> Please refer to entry information of the Ministry of Interior: [www.bmi.gv.at](http://www.bmi.gv.at) → Aufgabengebiete → Fremdenpolizei und Grenzkontrollwesen

<sup>18</sup> [www.asfinag.at](http://www.asfinag.at) → Maut → Maut für LKW und Buss

The **speed limit** on the highway is **130 km/h**, on country roads **100**, in urban areas **50**.

**Trucks over 7.5 tons** are **not allowed to drive at night** (between 22:00 to 05:00), on **weekends** (Saturday 15:00 to Sunday 22:00) and on **public holidays** (all day). Buses (tour buses, nightliners) are not affected by this restriction.

Austria can be toured by any means of transport, including public. Optimal routes are between West-East or East-West. Every point of the country is reachable within a day.

**Note that import requirements might apply for instruments, blackline and merchandising articles. For further information, see the chapter on customs regulations.**

#### ***Important Contacts, Related Links***

<b>General</b>	<a href="http://de.wikipedia.org">http://de.wikipedia.org</a> → Österreich
<b>ARBÖ (Automobile, Motorcycle and Bicycle Club of Austria)</b>	<a href="http://www.arboe.at">www.arboe.at</a>
<b>Electronic Tolls for Vehicles over 3,5 t</b>	<a href="http://www.go-maut.at">www.go-maut.at</a>
<b>Airports</b>	<a href="http://de.wikipedia.org">http://de.wikipedia.org</a> → Liste der Verkehrsflughäfen in Österreich
<b>ÖAMTC (Austrian Automobile, Motorcycle and Touring Club)</b>	<a href="http://www.oeamtc.at">www.oeamtc.at</a>
<b>Austrian Information Site of the Embassy in the United States</b>	<a href="http://www.austria.org">www.austria.org</a>
<b>Statistical Data on Austria</b>	<a href="http://www.statistik.at">www.statistik.at</a>
<b>Road Traffic Laws, Driving Restrictions</b>	<a href="http://www.wko.at">www.wko.at</a> → Service → Verkehr → Strassenverkehrsrecht
<b>Twin Cities Vienna-Bratislava</b>	<a href="http://www.twin-city.net">www.twin-city.net</a>
<b>Transport Routes</b>	<a href="http://www.locationaustria.at">www.locationaustria.at</a>
<b>Rail Connections</b>	<a href="http://www.oebb.at">www.oebb.at</a> , <a href="http://www.westbahn.at">www.westbahn.at</a>

## Demographic Information

### General Information

The **population in Austria** is continuously growing, from the current 8.42 million in 2011 will grow to 9.05 million in 2030 and is thereafter expected to continue to 9.47 in 2050<sup>19</sup>.

Traditionally, Austria is a country of immigration, historically reaches back to the time of the monarchy and then accelerated since the 1960s with the incipient labor migration, particularly from the countries of former Yugoslavia and Turkey.

### Population Distribution

Federal State	Capital	Population	Capital Population	Population / km <sup>2</sup>
Burgenland	Eisenstadt	286.215	13.165	72
Carinthia	Klagenfurt	557.773	94.796	58
Lower Austria	St. Pölten	1.617.455	52.048	84
Upper Austria	Linz	1.416.772	191.107	118
Salzburg	Salzburg	534.122	148.521	75
Styria	Graz	1.213.255	265.318	74
Tyrol	Innsbruck	714.449	121.329	56
Vorarlberg	Bregenz	374.179	28.203	144
Vienna	--	1.757.353	1.757.353	4236
Vienna including the suburbs		2.419.00		

Source: Wikipedia<sup>20</sup>

### Population in Age Groups

Age	Total 2011	Men	Women
In Total	8.420.900	4.105.493	4.315.407
0 to 4 years	393.533	201.780	191.753
5 to 9 years	405.318	207.620	197.698
10 to 14 years	430.557	220.655	209.902
15 to 19 years	492.093	252.643	239.450

<sup>19</sup> See: [www.WKO.at](http://www.WKO.at) → Zahlen, Daten, Fakten → Wirtschaftsbarometer → Demographischer Wandel prägt die Welt von morgen

<sup>20</sup> See: [wikipedia.org](http://wikipedia.org) → deutsch → Österreich, as of 01.01.2012

20 to 24 years	526.801	266.848	259.953
25 to 29 years	555.882	278.925	276.957
30 to 34 years	538.129	270.511	267.618
35 to 39 years	575.458	285.673	289.785
40 to 44 years	685.568	344.444	341.124
45 to 49 years	712.845	359.923	352.922
50 to 54 years	623.529	311.664	311.865
55 to 59 years	513.329	251.271	262.058
60 to 64 years	481.417	232.572	248.845
65 to 69 years	410.087	192.570	217.517
70 to 74 years	398.963	182.685	216.278
75 to 79 years	263.278	111.260	152.018
80 to 84 years	218.354	82.574	135.780
85 to 89 years	141.102	39.405	101.697
90 to 94 years	43.833	10.409	33.424
95 years and older	10.824	2.061	8.763

Source: Statistics Austria<sup>21</sup>

#### ***Population Growth from 1951 to 2001***

	1951	1961	1971	1981	1991	2001
Overall Population	6.933.905	7.073.807	7.491.526	7.555.338	7.795.786	8.032.926
Men	3.217.240	3.296.400	3.533.694	3.572.426	3.753.989	3.889.189
Women	3.716.665	3.777.407	3.957.832	3.982.912	4.041.797	4.143.737
Age Groups						
0 to 14 years	1.587.804	1.584.629	1.822.332	1.510.564	1.356.806	1.353.482
15 to 59 years	4.262.843	4.189.200	4.160.599	4.591.116	4.874.252	4.986.708
15 to 29 years	1.444.707	1.443.012	1.536.520	1.782.462	1.849.727	1.495.765
30 to 44 years	1.372.914	1.300.418	1.385.851	1.518.559	1.683.090	1.998.936
45 to 59 years	1.445.222	1.445.770	1.238.228	1.290.095	1.341.435	1.492.007
60 years and older	1.083.258	1.299.978	1.508.595	1.453.658	1.564.728	1.692.736
60 to 74 years	862.282	1.005.841	1.154.720	996.553	1.039.959	1.110.974
75 years and older	220.976	294.137	353.875	457.105	524.769	581.762
Austrian Citizenship	6.611.307	6.971.648	7.279.630	7.263.890	7.278.096	7.322.000
Foreign Citizenship	322.598	102.159	211.896	291.448	517.690	710.926

<sup>21</sup> Source: [www.statistik.at](http://www.statistik.at) → Statistiken → Bevölkerung

Country of Birth Austria	.	.	.	.	.	7.029.527
Foreign Country of Birth	.	.	.	.	.	1.003.399

Source: Statistics Austria<sup>22</sup>

### Demographic Change

Austria is currently experiencing a clearly noticeable demographic shift. Increasing life expectancy and declining birth rates are continuously moving the age structure. The population group aged under 19 years will be reduced from a 20.4% share of the total population to 18.4% in 2050. The core group of citizens aged between 20 and 65 years will decline from the current 61.9% to 53.4%. However, the current 17.7% proportion of seniors will rise to 28.2% of the total population<sup>23</sup>.

Combined with the increasing purchasing power of the elderly citizens and the background of musical socialization of the future senior population, this will certainly be a very interesting target group for the music industry.

### Migrant Population

As mentioned before, Austria has a long tradition as an immigration country, traditionally strongly represented are citizens of the former crown lands<sup>24</sup>, in the recent past Turkish citizens and members of the former Yugoslavian and Germany have become the largest immigrant group.

Currently living in Austria are approximately 547,000 people with an immigrant background (first and second generation) from an EU country and 1.03 million migrants from non-EU countries, including about 512,00 from former Yugoslavia and 275,000 from Turkey<sup>25</sup>. In 2002 the proportion of citizens with a migrant background was about 14% and has risen to around 17% by 2012.

Currently living in the capital city of Vienna are an estimated number of 205,000-250,000 citizens with a former Yugoslavian origin, making them the second largest group of immigrants after the Germans<sup>26</sup>.

Although culture and music events of immigrants are held in public, the events are often exclusively visited by a particular (ethnic) group.

In general, ethno and world music is a relatively strong market segment in Austria (exact sales and market share figures are not available, for an overview of market shares by genres, see the chapter "Repertoire Distribution"), and is also apparent with a wide range of corresponding music festivals such as the established and popular events **Balkan Fever**, **Akkordeon Festival**, **Wean Hean**, **Salam Orient**, **KlezMORE** and **Glatt und Verkehrt**<sup>27</sup>.

The existence of private media and program niches in independent radio stations such as the Viennese **Radio Orange 94.0**<sup>28</sup> and a variety of ethnically oriented clubs, bars and events indicate that there are emerging markets for niches in Austria, with an existing target group for ethno marketing activities in

<sup>22</sup> Source: Statistics Austria, see: [www.statistik.at](http://www.statistik.at) → Statistiken → Bevölkerung → Volkszählung → Bevölkerung nach demographischen Merkmalen

<sup>23</sup> Source: Statistics Austria, see: [www.statistik.at](http://www.statistik.at) → Statistiken → Bevölkerung → Demographische Prognosen → Bevölkerungsprognosen

<sup>24</sup> See: [wikipedia.org](http://wikipedia.org) → Deutsch → Kronland (Österreich)

<sup>25</sup> See: [www.statistik.at](http://www.statistik.at) → Statistiken → Bevölkerung → Bevölkerungsstruktur → Bevölkerung nach Migrationshintergrund

<sup>26</sup> See: [musikwirtschaftsforschung.wordpress.com](http://musikwirtschaftsforschung.wordpress.com) → Archiv → September 2009 → Ökonomie der Balkanmusik

<sup>27</sup> [www.balkanfever.at](http://www.balkanfever.at), [www.akkordeonfestival.at](http://www.akkordeonfestival.at), [www.weanhean.at](http://www.weanhean.at), [www.salam-orient.at](http://www.salam-orient.at), [www.klezmore-vienna.at](http://www.klezmore-vienna.at), [www.glattundverkehrt.at](http://www.glattundverkehrt.at)

<sup>28</sup> <http://o94.at>

music and culture.

For more in-depth information, please refer to Ivona Dermanociv's work on "Ökonomie der Balkanmusik" (Economy of Balkan Music)<sup>29</sup>.

## Language

German is the official state language of the Republic of Austria. The Austrian German, which is different in vocabulary and pronunciation, but also in grammatical peculiarities from the High German in Germany, is the first language of approximately 98% of Austrian citizens.

The autochthonal ethnic groups of the Croats in Burgenland, the Slovenians and Hungarians in Austria are entitled to school education and government correspondence in their native language. Burgenland-Croatian and Slovenian are additional official languages in the administrative and judicial districts of Styria, Burgenland and Carinthia with Croatian, Slovene or mixed populations. Furthermore, in some municipalities of Burgenland, Hungarian is accepted as the equally official language next to German.<sup>30</sup>

Minority languages are negligible for both business and musical production. The level of education in Austria is generally good, including English-language skills. **In the music business English is the common language in international business relationships.**

## Language in Music

Purely in German are the genres of folk music, Schlager, and also the mostly young and popular genre of the **Neue Volksmusik** (new folk music).

In pop and rock music the dominant language is English, however there are no available figure on the shares of German or English language in music compared to the total repertoire and respective market shares.

Aspirations for a quota for Austrian music<sup>31</sup> are based on the production and economic value location Austria, and not on German as the used language.

## Important Contacts, Related Links

Initiative for a Quota on the Radio	<a href="http://www.sos-musikland.at">www.sos-musikland.at</a>
Newspaper Report about World Music in Vienna	<a href="http://www.falter.at">www.falter.at</a> → Top Stories → Suche → Weltmusikwunder Wien

<sup>29</sup> See: [www.google.com](http://www.google.com) → Books → Ökonomie der Balkanmusik\_

<sup>30</sup> See: [wikipedia.org](http://wikipedia.org) → Deutsch → Österreich

<sup>31</sup> See for example the initiative [www.sos-musikland.at](http://www.sos-musikland.at)

## Education and Music Schools

### General Information

Austria's education system is regulated by the federal government with nine years of compulsory education and is provided free of charge in public schools. All school types and curricula are nationally standardized and subject to the supervision of the Federal Ministry for Education, Arts and Culture ([bm:ukk](#)).

Compared to the development of the total population, the total number of students in Austria has slightly decreased and amounts to 1.136 million (compared to 1.186 million in 2000).<sup>32</sup>

Admission to university degree courses is usually available to every native Austrian who meets the educational requirements with the so-called "**Matura**" (the Austrian word for a high school diploma). Art universities and conservatories usually do not require such a diploma, however, a qualifying entrance examination has to be passed.

In the past 30 years, the proportion of university graduates in Austria has tripled, which is mainly due to the strongly increasing proportion of female academics. Depending on the method of calculation, Austria's share of academics at 19.3% in EU comparison is nevertheless around 10 percentage points below the average of European OECD countries (27.6%). According to an EU definition, if graduates of vocational secondary schools are allocated to the academics, their share doubles to 36.8%.

In 2012, approximately 272,000 people were enrolled in the public universities of the country, nearly one-third (28%) of them in humanistic studies.<sup>33</sup>

### Educational Attainment in Austria

#### Educational Attainment of the Population aged 25 to 64 Years (as of 2008)

Educational Attainment	2008, in %		
	Total	Male	Female
<b>Tertiary Education</b>	<b>13,8</b>	<b>13,2</b>	<b>14,5</b>
University	10,7	11,5	9,8
Academy	2,7	1,3	4
College	0,5	0,3	0,6
<b>Secondary Education</b>	<b>68,8</b>	<b>74,3</b>	<b>63,3</b>
Vocational Secondary School	8,5	8,9	8,1
Secondary School	5,6	5,1	6,1
Apprenticeship	40,8	51,4	30,4
Vocational Middle School	13,8	8,9	18,7
<b>Compulsory School</b>	<b>17,4</b>	<b>12,5</b>	<b>22,3</b>

Source: Statistics Austria<sup>34</sup>

<sup>32</sup> Huber/Leitich, Austrian Report on Musical Diversity, 2012

<sup>33</sup> All the above data (except previous footnote) from education in figures, see: [www.statistik.at](http://www.statistik.at) → Publikationen & Services → Publikationskatalog → Bildung & Kultur → Bildung in Zahlen 2009/10 - Schlüsselindikatoren und Analysen

<sup>34</sup> Source: Statistics Austria, see: [www.statistik.at](http://www.statistik.at) → Presse → Bildung in Zahlen

## Art and Music Education in Austria

Austria refers to itself as the music country, especially in its external representation and tourism advertising. **Music is an essential part of the society**, it not only entertains, but also affects the identity and thus has an important educational function. It is a great concern of the federal government and the federal states to create the best possible conditions for music education in Austria. According to this political mission statement, a lot of substantial financial resources are invested in music education.

In Austria, the music education is primarily the responsibility of the individual states, for the most part however, the music schools are subject to the supervision by the federal government.

Music lessons, usually 1-2 lessons per week, are offered at all general schools, except vocational schools. In addition to classical music, pop and rock music is slowly being integrated into teaching practices<sup>35</sup>.

**School music education in Austria is divided into the following sectors:**<sup>36</sup>

- Music education in kindergartens and early learning facilities
- Educational emphasis in regular schools with a special curriculum (about 130 elementary music schools, 100 secondary music schools, around 28 high schools specialized in the arts)
- Music academies and master classes
- Music schools (more specifically) and conservatories

Six Austrian universities specialize in the teaching of arts, three of them in music and drama. In the winter semester 2008/09, 9,642 students were enrolled in these universities, which is an increase of 2.6% compared to 2008.

**The most frequently visited study group was music with 52.1%. About half of the students enrolled in Diploma Studies in Music were foreign students.** Certain subjects revealed a clear dominance of foreign students: for example, the share of 91.5% in the diploma study program "Conducting".

With 2,717 enrolled students, the **University of Music and Performing Arts in Vienna**<sup>37</sup> was the largest of the art universities in Austria, followed by the **University of Music and Performing Arts in Graz**<sup>38</sup> (1,812) and the **Mozarteum**<sup>39</sup> in Salzburg (1,550).

The University of Music and Performing Arts in Graz (54.5%), the Mozarteum in Salzburg (51.7%) and the University of Music and Performing Arts in Vienna (46.7%) had the biggest appeal on foreign regular students in the winter semester 2008/09. **At these three universities the share of foreigners was above the average of 41.9% - a figure that speaks for the good international reputation of Austrian art universities.**

**The number of Austrian public music schools** (not counting private offers), **supported by the federal states and municipalities, is currently roughly at 1,910**, which include approximately 430 main educational institutions and 1,480 other teaching locations. At these locations currently around **200,000 enrolled students (compared to 150,000 in 2000) are taught by about 7,000 teachers**. This corresponds to a **density of approximately 102 music students of 1,000 of the population** aged 5 to 24. Proportionally most music students were located in Lower Austria (148) and Vorarlberg (147), followed by Carinthia (140) and Tyrol (139).<sup>40</sup>

<sup>35</sup> See: Huber/Leitich, Austrian Report on Musical Diversity, 2012

<sup>36</sup> See: [www.musikbildung.at](http://www.musikbildung.at) as well as Huber/Leitich, Austrian Report on Musical Diversity, 2012

<sup>37</sup> [www.mdw.ac.at](http://www.mdw.ac.at)

<sup>38</sup> [www.kug.ac.at](http://www.kug.ac.at)

<sup>39</sup> [www.moz.ac.at](http://www.moz.ac.at)

<sup>40</sup> Statistics Austria, Cultural Statistics 2008/2009, <http://tinyurl.com/nvdmem3> as well as [www.musikbildung.at](http://www.musikbildung.at)



Over 200,000 lesson units at the music schools were allocated to the following single instruments/subjects:

25,000 for piano, 22,000 for each guitar and musical education, 50,000 cumulated on the classic instruments brass instruments, clarinet, saxophone, flute and percussion. Offers from the genre of folk music absorbed approximately 10,000 hours, jazz, pop and rock accumulated approximately 20,000 hours.<sup>41</sup>

Popular music education is primarily offered by private insitutions, see for example the Viennese **Popakademie**<sup>42</sup>, a music school founded in 2013 with a focus on popular music education.

Music business and culture management courses have been booming for several years, although the overall focus of musical and artistic training still lies on artistic quality. Besides cultural management courses at universities and colleges, e.g. at the **Danube University Krems** or the **University of Music and Performing Arts Vienna**<sup>43</sup>, a variety of private institutions offer relevant training courses, including the **Deutsche Pop\_Ebam** or the **Institut für Kulturkonzepte**<sup>44</sup>.

Comprehensive information on music education and help regarding access to musical training is provided by the Federal Ministry for Education, Arts and Culture (**bm:ukk**) on the webseite [www.musikbildung.at](http://www.musikbildung.at), which gives a comprehensive picture of the diversity of Austrian musical life, and also lists information on the manifold musical education offers in Austria, starting from primary schools, secondary music schools and conservatories to music colleges and universities. In addition, [www.musikbildung.at](http://www.musikbildung.at) informs about ongoing projects, important service facilities and competitions.

#### **Important Contacts, Related Links**

<b>Federal Ministry for Education, Arts and Culture</b>	<a href="http://www.bmukk.gv.at">www.bmukk.gv.at</a>
<b>Education Overview of the bm:ukk (Federal Ministry for Education, Arts and Culture)</b>	<a href="http://www.bmukk.gv.at">www.bmukk.gv.at</a> → <a href="#">Bildung und Schulen</a> → <a href="#">Bildungswesen in Österreich</a>
<b>Music Education Facilities, Information by mica - music austria</b>	<a href="http://www.musicaustria.at">www.musicaustria.at</a> → <a href="#">Praxiswissen</a> → <a href="#">Ausbildung</a>
<b>Music Education Facilities, Information by bm:ukk</b>	<a href="http://www.musikbildung.at">www.musikbildung.at</a>
<b>Music Management Courses, Overview by Kulturmanagement.net</b>	<a href="http://www.kulturmanagement.net">www.kulturmanagement.net</a> → <a href="#">Ausbildung</a>

<sup>41</sup> See: Huber/Leitich, Austrian Report on Musical Diversity, 2012

<sup>42</sup> [www.popak.at](http://www.popak.at)

<sup>43</sup> [www.donau-uni.ac.at](http://www.donau-uni.ac.at), [www.mdw.ac.at](http://www.mdw.ac.at)

<sup>44</sup> [www.deutsche-pop.com](http://www.deutsche-pop.com), [www.ebam.de](http://www.ebam.de), [www.kulturkonzepte.at](http://www.kulturkonzepte.at)

## Cultural Politics

### **General Information**<sup>45</sup>

**According to the Constitution of the years 1920 and 1929, and again put into effect in 1945, Austria is set up as a semi-presidential parliamentary republic.**

Head of the State is the President, who is directly elected by the people for six years, with one possible re-election. The legislative authority is the Federal Government that is formed by the parties represented in parliament on behalf of the Federal President and remains in office for four years.

In the 1980s the heretofore extremely rigid party system collapsed, consisting of the two major parties **SPÖ** and **ÖVP** and the so-called "third camp", the **FPÖ**. On one hand, by the development of the **Green Party** on the left side of the political spectrum, on the other hand by the repositioning of the right-wing populist party **FPÖ**. The **Liberal Forum (LiF)** demerged from the **FPÖ** in 1993, but soon disappeared from the political scene (only to compete nationwide for the National Council election in fall 2013 with the newly established **NEOS**). In 2005 the **FPÖ** witnessed their second division with the founding of the Alliance for Future of Austria (**BZÖ**). In 2013 a new liberal party was founded with **NEOS**, while the Austro-Canadian entrepreneur **Frank Stronach** founded his own list to battle for political participation in Austria.

A special feature of the political system in Austria are public special interest groups with compulsory membership, legally known as chambers. The "large chambers" are the **Chamber of Commerce**, the **Chamber of Labor** and the **Chamber of Agriculture**. There are followed by the clubs of the **Industrialists' Association**, the **Austrian Trade Union Federation** and the **Farmers Union**. The main special interest groups are referred to as social partners and have, due to their readiness to compromise, been able to ensure the social peace in conflict situations for decades.

### **Federal Structure**

**The Republic of Austria is a federal state and federally organized**, political authorities and responsibilities are distributed among the nine states and the federal government. Other legislative and executive authorities descend to the regional authorities and municipalities, and ascend to the EU and other international law.

Cultural policy and the funding distribution is mainly administrated by the respective authorities and is only centralized in the case of fund allocations by the ministries, but is also here subject to the subsidiarity principle.

### **Subsidiarity Principle**

**Austria is organized federally and subsidiary.** In accordance to the principle of subsidiarity, (public) tasks, including cultural political tasks and art and culture promotion, are administered by the smallest concerned units, such as municipalities, cities or states. The next higher level, especially the federal government and the EU can only be involved, if the necessary objectives are not directly implemented on a responsible level. In the case of music and its promotion, this means that the cultural competencies are largely the responsibilities of regional authorities in the states. Here the Austrian system can be directly compared to the German system.

### **LIKUS System**

The LIKUS-approach was developed in the 90s with regard to cultural reporting requirements in a federal system.

LIKUS stands for "Länderinitiative Kulturstatistik" (in English: "State Initiative for Cultural Statistics")

<sup>45</sup> See: [wikipedia.org](https://de.wikipedia.org/wiki/Österreich) → deutsch → Österreich → Politik

and is a segment-related model, which defines the relevant cultural policy field in a transparent manner and allows an allocation of output positions on all levels of public administration under the title "**Kulturfinanzierung**" (in English: "Cultural Financing") - regardless of the specific practices of cultural promotion or differences in legislative and administrative norms. The underlying broad concept of culture is consistent with internationally accepted concepts such as the **UNESCO Framework for Cultural Statistics** or schemes represented by the **EUROSTAT** and the **European Council**.

### **Public Expenditure for Culture and Music in Accordance with LIKUS**

In accordance with LIKUS, the determined cultural expenditure of the local authorities amounted to around 2.3 billion EUR in 2011, which is 0.76% of the gross domestic product. Federal expenditure amounted to 805 million EUR, the states including Vienna recorded 958 million EUR and the municipalities (without Vienna) 669 million EUR. **In total, the per capita expenditure equals 273 EUR in 2011.**

Funding Area	Federal Government		Federal States		Municipalities (without Vienna)	
	Million EUR	%	Million EUR	%	Million EUR	%
<b>Total</b>	<b>805.29</b>	<b>100</b>	<b>957.51</b>	<b>100</b>	<b>669.44</b>	<b>100</b>
Museums, archives, science	155.68	19.3	124.96	13.1	62.42	9.3
Architectural heritage	84.39	10.5	31.3	3.3	75.88	11.3
Folk culture, promotion of local heritage and customs	0.5	0.1	7.92	0.8	18.17	2.7
Literature	9.06	1.1	4.24	0.4	2.95	0.4
Librarianship	21.49	2.7	33.93	3.5	31.67	4.7
Press	12.46	1.5	0.25	0	0.06	0
<b>Music</b>	<b>7.86</b>	<b>1</b>	<b>39.78</b>	<b>4.2</b>	<b>50.5</b>	<b>7.5</b>
Performing arts	181.8	22.6	196.7	20.5	79.72	11.9
Visual arts, photography, architecture, design	9.03	1.1	16.4	1.7	6.63	1
Film, cinema, video	22.94	2.8	9.02	0.9	2.48	0.4
Radio and television	-	-	-	-	0.38	0.1
Cultural initiatives, centers	6.37	0.8	32.6	3.4	105.38	15.7
Education, training	244.23	30.3	275.97	28.8	193.1	28.8
Adult education	0.11	0	-	-	0.89	0.1
International cultural exchange	26.87	3.3	0.07	0	-	-
Major events	13.11	1.6	29.87	3.1	20.74	3.1
Other	9.4	1.2	154.5	16.1	18.48	2.8

**Source:** Statistics Austria<sup>46</sup>

### **Development of the Federal Expenditure on Culture from 2000-2011**

**Without being adjusted for inflation, the total federal expenditures increased from 660.81 million EUR to 805.25 million EUR, which is just under 22%. In the same period, an inflation-induced adjustment of almost 28% would have been necessary to maintain the value of cultural expenditure. Thus, we can speak of an actual decline in cultural expenditure.**<sup>47</sup>

<sup>46</sup> See: [www.statistik.at](http://www.statistik.at) → Statistiken → Bildung, Kultur → Kultur → Kulturfinanzierung

<sup>47</sup> Source: Statistics of expenditure on culture: [www.statistik.at](http://www.statistik.at) → Statistiken → Bildung, Kultur → Kultur → Kulturfinanzierung

In the same period, expenditures in the LIKUS category music are very volatile. Starting from 9.56 million EUR in 2000, in 2002 the maximum value was achieved at 12.58 million EUR, only to fall to 7.86 million EUR by 2011, representing a decrease of approximately 25% before inflation.

### **Music Promotion**

In the [Austrian Report on Musical Diversity](#) Huber/Leitich analyzed the [cultural reports of the Federal Ministry for Education, Arts and Culture](#) and acquired the following structure of music promotion in Austria (the most recent figures used refer to the year 2009):

**Overall, the entire music promotion amounted to 113.3 million EUR.**

23.8 million EUR were approximately spent on annual grants and festivals, nearly 89.5 million invested in the Federal Theater, Hofmusikkapelle and folk culture. An analysis of the differentiation into "classical and traditional repertoire" and "all forms of contemporary music" resulted in ratio of 75:25 for the art section, and a ratio of 99:1 for the culture section.

**This means that about 94.5% of federal funding was spent on traditional music, with only 5.5% left for the contemporary music scene.**<sup>48</sup>

### **International Cultural Policy**

The Austrian international cultural policy is conducted by the [Federal Ministry for European and International Affairs](#)<sup>49</sup>. Tasks and objectives are determined in the adopted [foreign culture concept](#)<sup>50</sup> of 2011. The fundamental goal is to gain international awareness for the creative country of Austria through the means of culture.

Currently, the Austrian foreign cultural policy has a global network of 30 cultural forums, 60 Austrian libraries, nine language institutes, special cooperation offices in Washington, Lviv and Sarajevo, as well as embassies and consulates that are involved in the cultural work.

Among the many different funding and promotion programs, the [New Austrian Sound of Music \(NASOM\)](#)<sup>51</sup> is especially worth mentioning. NASOM is an initiative of the [Federal Ministry for European and International Affairs](#), launched together with the bm:ukk and mica - music austria to support international performances by Austrian musicians of various genres.

### **Embassies and Consulates**

Embassies, consulates and cultural institutes are open to invitations of Austrian bands, financial support regarding travel costs and more.

Tasks also include providing information for non-Austrian artists who will be performing in Austria, especially in terms of visa issues, customs and labor regulations.

Contact information on all foreign missions is offered on the website of the [Federal Ministry for](#)

---

Inflation rates: [www.wko.at](http://www.wko.at) → Zahlen, Daten, Fakten → Daten: Österreich → Statistik von A - Z → Inflation

<sup>48</sup> See: Huber/Leitich, Austrian Report on musical Diversity, 2012

<sup>49</sup> [www.bmeia.gv.at](http://www.bmeia.gv.at)

<sup>50</sup> [www.bmeia.gv.at](http://www.bmeia.gv.at) → Außenpolitik → Auslandskultur → Die Österreichische Auslandskulturpolitik

<sup>51</sup>

[www.musicaustria.at](http://www.musicaustria.at) → Magazin → Weltmusik → Artikel, Berichte → New Austrian Sound Of Music

***Important Contacts, Related Links***

<b>General Information on Austrian Politics</b>	<a href="https://www.wikipedia.org">wikipedia.org</a> → Deutsch → Politik → Österreich
<b>Cultural Statistics of Statistics Austria</b>	<a href="https://www.statistik.at">www.statistik.at</a> → Statistiken → Bildung, Kultur → Kultur → Kulturfinanzierung
<b>Cultural Report of the Federal Ministry for Education, Arts and Culture</b>	<a href="https://www.bmukk.gv.at">www.bmukk.gv.at</a> → Kultur → Berichte und Materialien → Kulturbericht 2012
<b>Federal Ministry for European and International Affairs</b>	<a href="https://www.bmeia.gv.at">www.bmeia.gv.at</a>
<b>Cultural Contact Point Austria</b>	<a href="https://www.ccp-austria.at">www.ccp-austria.at</a>

---

52

- [www.bmeia.gv.at](https://www.bmeia.gv.at) → Bürgerservice → Österreichische Vertretungen

## Legal Framework

### *General Information*

The following is a brief outline of the Austrian legal system and offers an overview of artist-related legal issues, such as work and residence regulations. Comprehensive and very detailed information on specific issues of artistic production is offered on the websites [Artist Mobility](#) and [Location Austria](#). No liability is acquired for the completeness and accuracy of the legal information, for further questions and detailed information please contact [mica – music austria](#).

### *Austria and the EU*

Austrian law is subject to a hierarchy of the legal system. The highest applicable national legal standards are defined by the Federal Constitution, all other rights are subject to [EU](#) legislation. As noted by the [European Court of Justice](#), the constitutional law must not be contrary to EU law and may not apply conflicting legal norms<sup>53</sup>.

#### **The hierarchical structure in detail:**

- **Conducting constitutional principles:** basic principles of the constitution, also basic constitutional order
- **Primary Community Law:** the treaties of the European communities and its annexes, protocols, amendments and subsequent alterations
- **Secondary Community Law:** legislation adopted by the institutions of the European communities in accordance with the founding treaties (regulations, directives and findings of the ECJ)
- **Simple Federal Constitutional Law** (State Constitution Act): All laws of the Austrian federal constitution legislator representing the non-conductive principles
- **Federal law (state law):** Also simple federal law (in relation to constitutional law), the most important standard in practice
- **Statutory Order:** outlines or supplements of a law (implementing regulations)
- **Individual Case Decisions**

**Arts and cultural affairs in Austria are governed by ordinary federal and state laws and individual case decisions.**

### *Freedom to Travel and Work*

In principle, and in accordance with the generally securitized international [human rights](#), the right to travel is considered part of the right of freedom of movement and gives every citizen of a country the right to leave and return to his/her own country as desired.

Freedom of movement within the EU is one of the four fundamental freedoms of the internal market and thus one of the main pillars of European integration and covers two areas: the free movement of workers and freedom of establishment for self-employed professionals, retirees and students.

---

<sup>53</sup> See: <http://europa.eu> → Zusammenfassungen der EU-Gesetzgebung → Institutionelle Fragen → Das Beschlussfassungsverfahren und die Arbeit der Organe

## **Entry Requirements<sup>54</sup>**

Citizens of the EU, the **EEA** (EU Member States plus Iceland, Liechtenstein, Norway) and the **Schengen countries** (EEA States and Switzerland) enjoy free movement of persons within the respective regions and thus may enter Austria at any time and without a visa. Unless other agreements or regulations apply, foreign citizens require a visa to travel to Austria.

It is strongly recommended for all foreigners to check the respective entry requirements on the website of the **Ministry of Foreign Affairs** before entering the country. Citizens of some countries, including U.S. citizens, as well as Israeli, Japanese and Canadian nationals do not require visas for the purpose of a short-term stay.

A **tourist visa** allows a **short stay** as a tourist or business traveler in the Schengen area for a total period of three months in a half-year. However, tourist visas do not qualify for employment purposes, which also applies in the case of minor income, e.g. concerts! **A work permit has to also be obtained for concert performances or other activities** (see paragraph below).

**Visas are issued abroad - and only there - by the Austrian representative authority (embassy or consulate), they are not extendable in Austria.** If the home country of the applicant does not have an Austrian representative authority, a Schengen visa can also be applied at a third **Schengen embassy**.

Should the traveler already have a Schengen visa, he/she can of course move freely within the Schengen area and therefore also in Austria. Thus, in the case of concert tours in the Schengen area, only one visa is necessary.

## **Labor Law, Work Permits: EU Citizens**

As mentioned above, the free movement of workers belongs to the four fundamental freedoms of the EU. With a valid travel document, every European Union citizen has the right, regardless of his /her place of residence, to take up and exercise employment or self employment in any EEA Member State. However, a registration certificate is required (acquired in Austria at the respective magisterial district offices) for a period longer than three months.

**All citizens of a country other than the EU/EEA countries need a work permit, this principle also applies to artists and musicians.**

## **Labor Law, Work Permits: Citizens from Non-EU Countries**

According to the **Austrian Foreign Employment Act**, citizens, who are not from EU/EEA countries and wish to work in Austria, require a **work permit**, in addition to a valid residence permit - this is never covered by a tourist visa!

A work permit for foreign artists, granted by the responsible Austrian Employment Service (**AMS**), can only be denied if the impairment of public interests disproportionately outweighs the impairment of the freedom of art.

Foreigners or members of the professional groups artists, film, radio and TV producers or musicians are

---

<sup>54</sup> See: [www.locationaustria.at](http://www.locationaustria.at) → Recht und Steuern → Einreise, Aufenthalt und Beschäftigung in Österreich

allowed to be employed for a day or four weeks<sup>55</sup> in the context of an overall artistic production to secure a concert, an event, a performance, an ongoing film production, a radio or television live broadcast without a work permit (note: being employed means being on the payroll and is distinguished from self-employed persons!). **However, the employment has to be reported to the respective regional office of the Austrian Employment Service by the event organizer or producer on the first day of the work employment.**<sup>56</sup>

### **Customs Regulations**

Within the European Union one of the four pillars is also the free movement of goods. Instruments, back lines and any other equipment for concert productions can easily be imported and exported.

For the import from and export to third countries there is a simplified process, the so-called **ATA-Carnet**. To date (August 2013), 83 countries are ATA-contractors, now also including India and China.

The ATA Carnet is available at the Economics or Commerce Chamber of the respective contracting countries.

### **Copyright and Exploitation Rights**

The Austrian Copyright Law (**Federal Law on Copyright in Works of Literature and Art and Related Rights**) comprehensively refers to the copyright and related fields. It includes the valid regulations for copyright law, as well as related rights, such as moral rights and exploitation rights. The basic features of the Austrian Copyright Law meet the legal standards of most European countries and are based on the guidelines of the EU. In June 2013, the EU Directive on the extension of the protection period of 50 to 70 years was assumed into national law as part of a small copyright amendment.

The main difference to other norms, in particular to German standards, is the complete absence of a **copyright contract law** in Austria.

Another unique feature of the Austrian copyright law is the still applicable **cessio legis**<sup>57</sup>, a copyright subrogation, which is, however, only valid for the film industry, where all exploitation rights pass automatically to the production financing producers. **The cessio legis does not, however, record the transfer of exploitation rights or granting of (work) rights for the pre-existing, complementary or coupled works used during the creation of a film. Thus, this does not affect the music industry and music rights holders.**

In February 2012, the European Court of Justice recognized that the legis cessio is incompatible with EU law and therefore illegal. Until the 1st of November 2013, the Austrian legislature has to revise the copyright on the basis of an EU directive, however, until now<sup>58</sup> there has been no revision.

<sup>55</sup> The phrase "a day or four weeks" is taken from the corresponding text of the law.

<sup>56</sup> See: [www.ris.bka.gv.at/Bundesrecht\\_konsolidiert](http://www.ris.bka.gv.at/Bundesrecht_konsolidiert) → **Gesamte Rechtsvorschrift für Ausländerbeschäftigungsgesetz**

<sup>57</sup> See § 38 Copyright Law

<sup>58</sup> June 2013



### ***Important Contacts, Related Links***

<b>Artist Mobility – Information about Entry, Residence and Employment in Austria</b>	<a href="http://www.artistmobility.at">www.artistmobility.at</a>
<b>Ministry of Foreign Affairs - Information about Passport and Visa</b>	<a href="http://www.bmeia.gv.at">www.bmeia.gv.at</a> → Bürgerservice → Pass und Visum
<b>The Schengen Agreement</b>	<a href="http://wikipedia.org">wikipedia.org</a> → Deutsch → Schengener Abkommen
<b>The Fundamental Freedoms of the EU Internal Market</b>	<a href="http://wikipedia.org">wikipedia.org</a> → Deutsch → Europäischer Binnenmarkt → Die vier Grundfreiheiten
<b>Information of the Chamber of Commerce on Free Movement of Workers</b>	<a href="http://www.wko.at">www.wko.at</a> → Arbeitsrecht und Kollektivverträge → Arbeitsrecht: Ausländerbeschäftigung → Öffnung des Arbeitsmarktes am 1.5.2011
<b>Information of the Employment Market Service on Work Permits</b>	<a href="http://www.ams.at">www.ams.at</a> → Service für Unternehmen → AusländerInnen → Zugangsberechtigungen → Beschäftigungsbewilligung
<b>ATA Carnet</b>	<a href="http://www.atacarnet.com">www.atacarnet.com</a>
<b>Information on Law, Tax, Customs, etc., - Specifically for the Film Industry</b>	<a href="http://www.locationaustria.at">www.locationaustria.at</a> → Recht und Steuern
<b>Economic Analysis of the Effects of Term Extension</b>	<a href="http://musikwirtschaftsforschung.wordpress.com">http://musikwirtschaftsforschung.wordpress.com</a> → Archiv September 2011 → schutzfristverlängerung für tonaufnahmen in der eu von 50 auf 70 jahre
<b>mica - music austria Information on Copyright</b>	<a href="http://www.musicaustria.at">www.musicaustria.at</a> → Praxiswissen → Urheberrecht
<b>German Information Page on Copyright in the Digital World</b>	<a href="http://irights.info">http://irights.info</a>
<b>Brochure by mica – music austria and wienXtra Soundbase on Copyright (published specifically for young people)</b>	<a href="http://www.soundbase.at">www.soundbase.at</a> → Infos, Downloads → rechtliches, organisatorisches → Broschüre copy:right

## Fiscal Framework

### General Information

Tax matters, in particular the numerous **double taxation agreements**, are highly complex and constantly changing. We explicitly point out that despite research to the best of their knowledge, no liability can be assumed as to the completeness and correctness of the information given below. In the case of artistic production and/or entrepreneurial activities in Austria, we strongly recommend to get in touch with a tax consultant.

### Tax, Tax Refund<sup>59</sup>

**In Austria, all entrepreneurs with an annual turnover higher than EUR 30,000 net are subject to turnover sales tax and therefore entitled to deduct pre-tax.** All sales below that are exempt due to the so-called "**small business operator regulations**"<sup>60</sup>, unless the entrepreneur opted voluntarily to pay sales tax.

For some industries/companies, including various cultural institutions, there are exceptions to the sales tax liability and as a result also to the tax deduction entitlement, known as the so-called "**non-genuine tax exemption**"<sup>61</sup>. Unlike the "genuine" tax exemption, in which the tax deduction entitlement remains untouched, there is no possibility for it in this case.

Even non-profit organizations (except sports clubs) are subject to the sales tax liability principle. However, if it can not achieve a profit over a longer period of time, the tax liability expires with the right to deduct.

**In general Austrian sales tax is charged based on the so-called country of origin principle.** This means that only sales achieved in Austria are subject to sales tax, regardless of whether they are achieved by domestic or foreign companies.

Prerequisite is the company ownership of the tax payer (e.g. self-employed, but also groups and associations such as music groups), who is (almost) always the person liable to pay tax.

Regarding the performance and taxation places, the following is distinguished since 1.1.2011<sup>62</sup>: If an athlete or artist is working on behalf of a company, the sales tax is levied there where the client operates the company (recipient site). If the service is provided for a permanent establishment, the place of the establishment is considered as the place of performance. The actual performance venue is meaningless in these cases. The only exception is when an athlete or artist is working on behalf of a non-entrepreneur. In this case the tax is levied where he/she performs.

Apart from very few exceptions, goods and services are charged to tax in Austria. The regular sales tax rate is 20%. For food, books, theater and cultural events, artistic activities and other events the rate is 10%. **Unlike books (10%), recorded music carriers are charged with the full 20% tax!**

<sup>59</sup> See: [www.bmf.gv.at](http://www.bmf.gv.at) → Steuern → Selbststaendige und Unternehmer → Umsatzsteuer → Umsatzsteuer  
[www.locationaustria.at](http://www.locationaustria.at) → Recht und Steuern → Umsatzsteuer  
[wikipedia.org](http://wikipedia.org) → Deutsch → Umsatzsteuer → Österreich

<sup>60</sup> See: [www.bmf.gv.at](http://www.bmf.gv.at) → Steuern → Selbststaendige und Unternehmer → Umsatzsteuer → Kleinunternehmer  
[www.wko.at](http://www.wko.at) → Service → Steuern und Förderungen → Umsatzsteuer → Spezielles zur Umsatzsteuer → Kleinunternehmerregelung

<sup>61</sup> See: § 6 Abs. 1 Value Added Tax Act

<sup>62</sup> See: Taxation of foreign artists and athletes in Austria, WKÖ, September 2011

### ***Tax and Foreign Artists - Reverse Charge***

An exception from the above described sales tax regulations are the special rules for services of foreign entrepreneurs whose profession is connected with a continuous and quick change of locality, especially for services of foreign artists.

In the event that the foreign entrepreneur has no residence or company headquarters, habitual residence or permanent establishment in Austria, but provides tax-related domestic sales, the tax liability goes to the performance recipient. As an exception, the recipient is therefore liable for the deduction and transfer of sales tax. This particular form of taxation is called Reverse Charge.

Note: The performing artist is still liable for the tax!

In the case of reverse charge, the bill to the performance recipient has to be issued net. The foreign artist or athlete still owes the tax office the sales tax and therefore the recipient is not entitled to deduct pre-tax.

### ***Refund of Austrian Sales Tax***

Under certain circumstances, purchasers can get a tax refund after the exportation of purchased goods (not services).

Clients that are non-EU residents can apply to get reimbursed from the selling company for products bought in Austria, if:<sup>63</sup>

- the total amount of the bill exceeds 75 euros,
- the passport is registered with a domicile or habitual residence outside the EU,
- the purchased good are exported within three months,
- the export is proven to the sales person, by providing the bill with an official customs confirmation of the customs office of exit (this is the last customs office before leaving the EU), and sending it to the Austrian seller.

The sales tax is usually refunded by bank transfer or cash payment once the stamped form has arrived at the sales person in Austria. Austrian traders are increasingly processing the tourist export via refund organizations (e.g. **Tax Free Worldwide**, **Global Blue**, **Premier Tax Free**). Customers then get the sales tax refunded minus a handling fee directly at the border crossing.

Companies from EU countries can apply for refund of input tax amounts in other EU Member States. Since 01.01.2010 the application no longer has to be made in the Member State in which the tax was incurred, but in the country in which the entrepreneur is located. For Austrian entrepreneurs, this means that all refund requests may be submitted in electronic form to the Austrian tax office **Finanzonline**.

**Due to the extensive harmonization of legislation on sales tax in the European Union (6th Directive), the Austrian regulations essentially correspond to those of other EU Member States.**

### ***Income Tax***

**Unlimitedly liable to income tax are all natural persons who have their domicile or habitual residence**

<sup>63</sup> See: [www.bmf.gv.at](http://www.bmf.gv.at) → Zoll → Reise → Umsatzsteuerrueckerstattung

**in Austria.** Unlimited because in principle all domestic and foreign income is subject to income tax.

In Austria there are four tariff zones of income tax:

- 0.00% for annual income parts between 0 - 11000 EUR
- 36,5 % for annual income parts between 11000 - 25000 EUR
- 43,2143 % for annual income parts between 25000 - 60000 EUR
- 50 % for annual income parts over 60.000 EUR

Natural persons who neither have their domicile or habitual residence in Austria are only liable to income tax to a certain degree. This means, only income earned in Austria is subject to taxation. Taxation for income earned in Austria is limited when a **double taxation agreement** was concluded between Austria and the State in which the person is a resident.

### ***Double Taxation Agreement<sup>64</sup>***

The double taxation agreement or the double taxation convention (DTC) consists of bilateral, international treaties to regulate the extent to which the taxation law of a State is applicable to the income received in the other of the two contracting states. This is to avoid that natural or legal persons who earn income in both states are double taxed in both states. The state which is assigned with a tax law by the double Taxation agreement must evaluate this under its domestic legal options.

The Federal Ministry of Finance provides an online **overview of all valid double taxation treaties**, currently signed with over 80 countries.<sup>65</sup> In the following two tax treaties there are no artists or athletes clauses:

**Hungary:** Hungarian artists working with a freelance contract in Austria, are not subject to income tax in Austria, if they do not have a fixed base or permanent establishment in Austria. Hungarian artists working with an employment contract in Austria, are taxable in Austria, provided that their remuneration is paid by or for a domestic employer or an Austrian permanent establishment of a foreign employer.

**USA:** American artists can not be taxed in the country of employment, if the gross amount of revenue of the artist's or athlete's activity, including all reimbursed and incurred costs for him/her, does not exceed U.S. \$ 20,000 (exemption limit).

### ***Artists and Athletes Breakthrough Rule***

In case foreign artists are not directly hired by domestic event organizers, but contracted by foreign companies - for example artist or concert agencies -, the artist may be enforced with tax liability.

In such cases, the assessment basis for the tax deduction depends on whether the applicable double taxation agreement includes the so-called artists and athletes breakthrough rule or not. If this is the case, then the entire salary in Austria may be subject to income tax, even if the salary is not paid to the foreign artist or athlete but to an intermediary person or entity (e.g. agency).

### ***Special Income Tax for Artists***

The Austrian income tax law provides a special form of **income taxation** for foreign artists. Regardless of whether artists are self-employed or not, income tax is generally withheld as a tax deduction in the amount of 20% of the full amount of income, including reimbursements and payments (per diems, food,

<sup>64</sup> See: [www.locationaustria.at](http://www.locationaustria.at) → Recht und Steuern → Einkommenssteuer natürlicher Personen

<sup>65</sup> See: [www.bmf.gv.at](http://www.bmf.gv.at) → Steuern → Internationales Steuerrecht → Doppelbesteuerungsabkommen

hotel, etc.), by the paying agent, usually the concert organizer.

If a net amount was agreed on with the artist, the Austrian organizer must expect to pay the withholding tax himself.

The tax deduction may be waived by if the amount is negligible and the total amount does not exceed 10,000 EUR (approximate value, amount may vary depending on double taxation agreement!) in the respective year.

### ***Payroll Tax***

The wage tax is a form of the beforehand collection of income tax. It is levied as a withholding tax on income from dependent work (employment). The employer withholds this tax from the wages and salaries of the employees and transfers it to the tax office. If the employee submits an income tax return after the calendar year, the withheld tax will be credited to his/her final income tax liability. If the employee does not have any other income, advertising costs or other expenditures, except the wage or salary, the income tax will be paid with the withheld tax.<sup>66</sup>

### ***Foreign Tax***

The so-called foreign tax was prohibited by a decree of the European Court of Justice<sup>67</sup> in 2003. The term has remained in use ever since, but refers to the above mentioned special rules of income tax for non-Austrian artists. The levying of this tax is regulated in most double taxation agreements in the artists clauses.

### ***Important Contacts, Related Links***

<b>Tax Office of Graz, Department for Foreign Companies</b>	<a href="http://www.bmf.gv.at">www.bmf.gv.at</a> → Steuern → Selbststaendige und Unternehmer → Umsatzsteuer → Kontakt zum Finanzamt Graz-Stadt
<b>Tax Office Info Page on Double Taxation Agreements</b>	<a href="http://www.bmf.gv.at">www.bmf.gv.at</a> → Steuern → Internationales Steuerrecht → Doppelbesteuerungsabkommen
<b>Corporate Services of the Federal Government - Info Page on Tax Issues</b>	<a href="http://www.usp.gv.at">www.usp.gv.at</a> → Steuern und Finanzen → Internationales Steuerrecht
<b>Information Brochure of the Chamber of Commerce</b>	<a href="http://tinyurl.com/lrvlut9">http://tinyurl.com/lrvlut9</a>

## **Economic Overview**

### ***General Information***

In the postwar years Austria was able to quite rapidly establish itself as a pioneer in Europe. **In terms of gross domestic product (GDP) per inhabitant Austria is one of the top 3 economies in the EU.** Despite the repercussions of the financial and economic crisis in 2008/2009 (particularly noticeable in the export for some industries, for example automotive or construction companies, as well as in the finance area, especially in connection with the lending guidelines according to Basel III) and the

<sup>66</sup> See: [wikipedia.org](http://wikipedia.org) → Deutsch → Lohnsteuer

<sup>67</sup> See Decree C-234/1

generally difficult economic situation in Europe and the euro zone (keyword debt crisis), Austria was able to improve its per capita GDP from the 5th (2010) to the 3rd rank (2012) and currently (as of August 2013) has the **second-highest GDP behind Luxembourg** in the EU. Austria is thus clearly ahead of Germany, Austria's most important trading partner, and well above the average of the EU-27 (25,676)<sup>68</sup>. On a global level, Austria ranked on the 11th place in terms of GDP per capita in 2012, according to the International Monetary Fund, and was hence able to improve up to two places compared to 2010.

The public debt (around 74.6% of GDP in 2012) and the budget deficit (-3.2% in 2012) have increased due to economic policies after the crisis of 2008/2009. With the introduction of a so-called "debt brake" and an austerity package adopted in early 2012, steps were taken to improve the public debt reduction and regain a rapprochement with the **Maastricht Criteria**. However, **medium to long-term effects of the austerity policy remain to be seen, as in all of Europe**.

Regardless of that, Austria has very good figures according to the international issuer credit ratings and can show the best possible credit ranking of two out of three rating agencies (**Triple-A**) in 2012, which certified Austria with a very low default risk and very high creditworthiness.

Positively highlighted for companies is the existing contract security, high productivity and the motivation and skills of the workforce. Unit labor costs, the ratio of labor costs and productivity, are a major indicator of price competitiveness of an economy. In a European comparison, unit labor costs in Austria have (despite a slight increase after the financial and economic crisis), unlike the southern states of the EU periphery, favorably developed and thus also reflect the productivity level of Austrian employees.<sup>69</sup>

Small and medium enterprises (SMEs) are the backbone of the Austrian corporate landscape and therefore have significant impact on the economic structure. About **99% of Austrian companies are SMEs** (approx. 410,000) and employ nearly two-thirds of the workers.<sup>70</sup> Especially in the cultural and creative economy, many (about half) of the companies are sole proprietorships or small and medium enterprises.

### ***Sectors of the Economy***

Sorted by industry, most companies are in the sectors of trade, followed by freelance services, accommodation and gastronomy, construction, manufacture of goods, real estate, information and communication, traffic, other economic services and finance and insurance. (For the cultural and creative sector see the respective chapter further below.)

**About four-fifths of the businesses are in the service sector and a fifth located in the production area (including trade).** The division of the economic sectors into agriculture (primary sector), industry and production (secondary sector) and service sector (tertiary sector), shows the following picture:

1% of all employees work in agriculture and generate around 2% of GDP, 27% of all employees operate in the secondary area and generate 33% of GDP, **68% of all employees work in the tertiary sector and generate 65% of GDP.**

These figures show that the economic activities of the country have mainly shifted to the tertiary sector. One can therefore speak of a post-industrial environment, as the service sector has achieved a dominant position.

<sup>68</sup> See: [www.wko.at](http://www.wko.at) → Interessensvertretung → wirtschaftskammer Vorarlberg → Wirtschaftskammer Vorarlberg → Zahlen, Daten, Fakten → Standort Österreich → Das ist Österreich

<sup>69</sup> See footnote number 58

<sup>70</sup> See footnote number 58

According to the European definition, the Austrian creative industry encompasses all profit-making companies (thus no clubs or other non-profit companies in the cultural industry), which deal with the creation, production, and (medial) distribution of creative and cultural goods and services (artistic activities belong to the creative industries, as long as they are associated with a profit-making enterprise).

In 2010, approximately **38,400 companies** belonged to the creative industries, which corresponds to **10.4% of the overall economy**. In total, around **130,500 people** worked in the creative industry, about 93,100 of these were salaried employees. **On average, creative industry companies have 3.4 employees, while the overall economy has 8.7 employees on average.**

The Austrian creative industry attained an **income of approximately 18.2 billion** in 2010 and accounted for **2.7% of the revenues of the overall economy**. The gross value added of creative industry enterprises accounted for about **6.9 billion EUR**, representing a share of **3.5% of gross value added of the total economy**.

The importance of the creative industries is also proven in the fact that this represented approximately **12% of all service companies** in 2010.

Between 2008 and 2010 the number of creative enterprises increased around 6%, which was more than that of the overall economy (about 2%). Here in both areas an above average increase in sole proprietorships was observed. The proportion of sole proprietorships within the creative industries in 2010 was over 60%, significantly higher than in the overall economy with 37%.

Just over a quarter of creative companies employed two to four workers, and slightly more than one-tenth had more than five employees. In the overall economy, the respective proportions were 38% and 25%.

The number of employees between 2008 and 2010 in the creative industries also increased by about 3% (salaried) employees. In contrast, a stagnant employment development was observed in the overall economy.

**During the same period in the creative industry, revenues (about -1%) declined, however, the decline was significantly less than in the total economy (more than -5%).** The gross value added in the overall economy fell back to a similar extent as in the creative industries (each around 3%).

**Thus, the creative industry had a significantly better development in the period 2008-2010 than the overall economy.**

In 2011 the number of creative companies declined to around 38,000. **The largest decrease was experienced by companies in the fields of music, literature and artistic activity.** The number of (salary) employed persons, however, increased by about 3% to 96,000.

**An above-average growth could be observed in the areas of design, advertising, architecture, software and games.**

---

<sup>71</sup> See: Creative Industry Report 2013, [www.kulturdokumentation.org](http://www.kulturdokumentation.org) → Publikationen → fünfter Österreichischer Kreativwirtschaftsbericht

### Structure of the Creative Industries by Sector in 2010

Sector	Companies	Total Employees	Salaried Employees	Revenues in Million EUR	Gross Value Added at Factor Cost in Million EUR
Architecture	5535	14924	9466	1561	790
Design	1398	2183	762	135	63
Music, Literature and Artistic Activity	11355	33532	21537	3529	1588
Radio and TV	84	4964	4915	1245	437
Software and Games	8746	35667	27899	4594	2180
Publishers	969	9793	9049	2324	728
Video and Film	1721	5695	4080	680	229
Advertising	8605	23713	15409	4164	983
<b>Creative Industries Total</b>	<b>38413</b>	<b>130471</b>	<b>93117</b>	<b>18232</b>	<b>6998</b>

Source: Fifth Austrian Report on Creative Industries<sup>72</sup>

The field of music includes retail with music instruments, sheet music, recording studios, production of radio broadcasts, music publishers, releases of sound recordings and music supplies (labels).

In 2010 the most creative industry companies (30%) were active in this area. This was followed by the sectors software and games (23%) and advertising (22%). In terms of employment and output (revenues and gross value added), the area of software and games ranked first in the creative industry.

36% of the Austrian creative industry companies reported in early 2012 that they export at least some of their products or services abroad.

### Social Partnership

One of the main causes of social peace and economic stability in Austria lies in the specifically Austrian, informal institution of social partnership.

This is composed of representatives of employers (Economic and Agricultural Chambers) and representatives of employees (Labor Union and Chamber), which together try to find the best compromises for the country regarding political, social and economic issues.

The stability advantage of this partnership is reflected in low rates of unemployment, low strike statistics (average lost work days per 1,000 employees between 1998 to 2008: 0.8) and moderate wage policy.

The combination of democracy, market economy and social partnership has created a special political culture in Austria: The Austrian political system is always characterized by a climate of cooperation and consensus among the special interest groups.<sup>73</sup>

<sup>72</sup> [www.kulturdokumentation.org](http://www.kulturdokumentation.org) → Publikationen → fünfter Österreichischer Kreativwirtschaftsbericht

<sup>73</sup> See: [www.wko.at](http://www.wko.at) → Interessensvertretung → wirtschaftskammer Vorarlberg → Wirtschaftskammer Vorarlberg → Zahlen, Daten, Fakten → Standort Österreich → Das ist Österreich



## ***Income of Austrians***

The **median gross income of the Austrians in 2012 was EUR 30,310<sup>74</sup>**. It is worth mentioning that the annual income of the Austrian employees consists of 14 monthly payments and includes bonuses in the months of June and December (holiday and Christmas bonus).

In addition to the still pronounced inequality in the gender wage gap, the regional distribution of income is also very unequal. Especially around the urban areas of Vienna, Linz, Graz and Salzburg, the median annual income amounts to more than EUR 30,000.

The ten municipalities with the highest gross income (approx. 50,000 EUR) are all in the surrounding area of Vienna and the two Vienna districts Inner City (1st district) and Hietzing (13th district).

Private households in Austria have an average household income of over 31,759 EUR per year (as of 2011). 10% of the households have less than 12,885 EUR, 10% have more than 66,706 EUR per year.<sup>75</sup>

## ***Purchasing Power of the Austrians***

**On average, every Austrian citizen has an amount 19,580 EUR per year for consumption, rent and living costs per year (as of 2013).** Compared to other European countries, Austria ranks in the seventh place<sup>76</sup>.

The most affluent Europeans live in Luxembourg (31,110 EUR), Switzerland (30,710 EUR) and Norway (29,400 EUR). Depending on the sources the data varies, but in the DACH comparison Germany seems to be behind Austria, although the East-West divide here is still significant<sup>77</sup>.

In the internal Austrian federal state ranking Vienna (20,220 EUR) is in first place, followed by Lower Austria and Salzburg each with 20,200 EUR. Coming in last are Styria with 18,600 EUR and Carinthia with 18,450 EUR.

Segmented by age, the group with the most purchasing power is the age group 50+. The group, which represents a share of around 35% of the total population, has 44% of the total Austrian purchasing power volume.

In absolute numbers, this target group has purchasing power has about 22,300 EUR per capita per year and is thus around 22% higher than the average. This group is interesting for the future mainly because of its quantitative growth, in 20 years this group will grow to 44% of the total population.<sup>78</sup>

## ***Trade Balance (Total Economy, Music)***

With a few exceptions, such as in the years 2002 and 2007, the Austrian trade balance was slightly negative in recent decades. The trade balances with the neighboring countries of Austria and the EU-27 Member States are clearly negative.

Positive are the trade balances with the EU countries from Eastern and Central Europe. Especially since the opening of the East, Austria has had increasingly positive trade balances with Eastern countries. As shown in the figures for the Austrian foreign trade by **Statistics Austria**, the **trade balance in 2012 lists a deficit of 8.5 billion EUR**.

The deficit at 0.7 billion EUR is thus lower than in 2011. However, the increase seen in the past four

<sup>74</sup> See: [www.statistik.arbeiterkammer.at](http://www.statistik.arbeiterkammer.at) → Inhaltsverzeichnis → Entwicklung der österreichischen Wirtschaft → Preise, Löhne, Lebenshaltung → Medianeinkommen nach Bundesländern

<sup>75</sup> See: [www.wko.at](http://www.wko.at) Interessensvertretung → Zahlen, Daten, Fakten → Daten - Bundesländer → Einkommensstatistik

<sup>76</sup> See: RegioData Research. Source: <http://derstandard.at/1363707395958/Europa-Oesterreich-bei-Kaufkraft-auf-Platz-sieben>

<sup>77</sup> See: [www.heise.de/resale/artikel/Kaufkraft-D-A-CH-2013-1851375.html](http://www.heise.de/resale/artikel/Kaufkraft-D-A-CH-2013-1851375.html)

<sup>78</sup> See: [www.regiodata.eu/de/alt-aber-reich-generation-50plus-hat-viel-kaufkraft](http://www.regiodata.eu/de/alt-aber-reich-generation-50plus-hat-viel-kaufkraft)

years with a trend of rising deficits has not continued. The by far most important trading partner for Austria is Germany, with a trade balance in favor of the neighboring state. Other important trading partners are Italy, Switzerland, Czech Republic, France, United States, People's Republic of China, Hungary and the Netherlands.

A cultural economic balance of trade is not available. However, the royalties of the collecting society **AKM** show the tendency of a negative royalty trade balance. **Royalty income from abroad in the amount of approximately 10 million EUR are offset by payments to foreign companies in the amount of 27 million EUR.**<sup>79</sup>

The Austrian recording industry generates a large part of their turnover (around 80%) with foreign repertoire<sup>80</sup>, mainly pop/rock from the Anglo-American and Germany.

One can safely say that classical and partly contemporary music in niches are very successful in international markets and Austria is an important contributor to European art music, such as jazz and improvised music. Mainstream rock/pop and folk music are rarely exported, apart from some encouraging exceptions. Schlager and folkloric music is however a successful export commodity in German-speaking countries<sup>81</sup>.

### **Consumption and Leisure Behaviour**

According to the primary data collected by Michael Huber<sup>82</sup> on leisure behavior of the Austrians, the by far most popular, daily exerted activity by almost 80% is watching television. On average, each Austrian spends 261 minutes per day watching television<sup>83</sup>.

Thereby, GoTV, the Austrian music channel, reaches a market share of 0.1 to 0.2 percent<sup>84</sup>. According to Huber, listening to music in the background is the second most favored leisure activity, representing approximately 55% of what the respondents do every day, whereas only about 20% listen to music attentively. The second last place is listed with "going to concerts".

Due to other analyzing methods and goals, the collected data of the Statistics Austria is somewhat different<sup>85</sup>:

The following data relates to the working days Monday - Friday. The weekend data differs slightly, but describes the same trends.

Leisure Activity	Monday - Friday			
	Average	Proportion of Leisure Activities	Proportion of Practitioners	Average Practitioners
	Hr:Min	in %	in %	Hr:Min
<b>Leisure Activities Total/Day</b>	03:19	100	92,5	03:35
<b>Cultural Activities</b>	00:03	1,5	1,7	02:28
<b>Artistic Hobbies</b>	00:03	1,5	3,1	01:24:00
<b>Making Music</b>	00:02	1	2,6	01:06

<sup>79</sup> See: [www.akm.at](http://www.akm.at) → Über uns → Jahresberichte → Jahresbericht 2012

<sup>80</sup> Exact numbers and empirically verifiable data on source countries are not available, estimates predict around 80%. This assumption is supported by Huber/Leitich, who revealed the analysis of the Austrian sales charts over a period of 10 years, which resulted in a ratio of national and international repertoire from 82.5% to 17.5%. See chapter "Charts"

<sup>81</sup> See: Huber/Leitich, Austria Report on Musical Diversity, 2012

<sup>82</sup> See: Michael Huber, Wozu Musik, S. 12

<sup>83</sup> See: [mediaresearch.orf.at](http://mediaresearch.orf.at) → Fernsehen → Fernsehnutzung in Österreich

<sup>84</sup> See: [www.horizont.at](http://www.horizont.at) → Digitales → Tech → 08.03.2012

<sup>85</sup> See: [www.statistik.at](http://www.statistik.at) → Statistiken → Bildung, Kultur → Kultur → Kulturelle Beteiligung

Reading Books	00:04	2	7,3	01:02
Reading Newspapers, Magazines	00:10	5	23,6	00:41
Watching TV, DVD	01:51	55,8	79,4	02:20
Listening to Radio, Music	00:02	1	4,7	00:46
Obtaining Information with Computer	00:04	2	7,8	00:57
Cultures	00:02	1	2,3	01:12:00

Source: Statistics Austria

### ***Budgetary Expenditure in Austria***

The average monthly expenditure of all households amounts to **2,910 EUR**<sup>86</sup>. The equivalence expenditure (expenditure weighted per capita) allows a direct comparison of the expenditure of differently sized and differently composed households: these amount to 1,880 EUR per month.

The largest share of household expenditure is spent on the group "Living and Energy" with 23.8%, followed by "Traffic" 15.0%, "Leisure, Sport and Hobby" with 12.8% and the group "Food and Non-Alcoholic Drinks" with 12.1%.

In absolute numbers, the average Austrian household spends 372 EUR per month for the product group "Leisure, Sport and Hobby". Within this group, **137.7 EUR per household accounts for culture-related expenditure**. This is subsumed at **14.2 EUR for "Cinema, Theater, Concerts"**, and around **9.7 EUR for "Image and Sound Recording Carriers, Photo Accessories"**.

### **Monthly consumption expenditure of Austria's private households in culture-related expenditure groups 2009/2010:**

Category	Value (EUR)
Total consumption expenditure	2910
Culture-related consumption expenditures	137,7
Televisions, video recorders and video players	16
Equipment for the reception, recording and reproduction of sound	3,6
Film and photo equipment	5,3
Information processing equipment	18,9
Image and sound recording carriers, photo accessories	9,7
Audiovisual equipment repairs	1,3
Musical instruments, indoor sports and leisure equipment	2,6
Total of cultural events, divided into:	38,4
- Cinema, theater, concerts	14,2
- Museums, zoological gardens, etc.	1,7
- Radio- und Fernsehgebühren	19,6
- sonstige Freizeitdienstleistungen	2,9
Printmedien, Papier, Schreibwaren Summe, davon:	41,9

<sup>86</sup> See: [www.statistik.at](http://www.statistik.at) → Statistiken → Soziales → Verbrauchsausgaben → Konsumerhebung 2009/2010

- Books	13,4
- Newspapers, magazines	20,1
- Other printing goods	2,1
- Paper and stationary	6,2

**Source:** Statistics Austria<sup>87</sup>

### ***Internet Penetration and Usage in Austria<sup>88</sup>***

According to the Statistics Austria **as of December 2012, 79% of all households have internet access** (compared to about 30% in 2000). The market is thus almost saturated, since 77% of households without internet access indicate no desire to acquire internet, according to surveys of the Statistics Austria.

Further reasons were cited for the lack of internet access (multiple answers possible): lack of knowledge (29% of households without internet), the internet is used elsewhere (17%), acquisition and running costs too high (16%) and privacy policy or security concerns (14%).

**80% of people aged 16 to 74 used the internet in the last three months of 2012.** However, its use is highly dependent on age and sex: 96% of the under-45-year-olds used the internet, 65-to-74-year-olds were only 38%. At the same time, the proportion of internet users in this age group has increased more than tenfold since 2002.

**49% of the 16-to-74-year-olds shop online.** In 2003 this was still only 11%. The highest percentage of online shoppers are found in the 25-to-34-year-olds (71%), followed by the 35- to-44-year-olds (64%).

Most things bought online are clothing and sporting goods (57% of online shoppers), holiday accommodations or other travel arrangements (55%), books, e-books, magazines, newspapers, e-learning materials (48%) and event tickets (40%).

**About 30% of the internet users buy products in the category of music and movies.** Precise figures for paid use of music on the internet are not available by Statistics Austria. For further information on download and streaming providers please refer to the respective chapters below.

### ***Mobile Market***

In more than 100 countries of the world the mobile penetration is over 100%, which means in these countries there are more mobile phone contracts (or used SIM cards) than inhabitants. In seven countries the mobile penetration is even more than 200 %.<sup>89</sup>

In Austria, the penetration rate is continuously increasing and is currently at 158.5%<sup>90</sup>. In October 2012), 5.1311 million people used portable devices for mobile internet access (mobile phones, PDAs, tablets)<sup>91</sup>, which corresponds to a penetration rate of over 60%.

Drivers of this development is the increasing number of mobile broadband connections and the increase in SIM cards for machine-to-machine communication (M2M), which are used apart from cell phones (e.g. for traffic control systems, automobile software, etc.).

<sup>87</sup> See: [www.statistik.at](http://www.statistik.at) → Statistiken → Bildung, Kultur → Kultur → Kulturelle Beteiligung

<sup>88</sup> See: [www.statistik.at](http://www.statistik.at) → Statistiken → Informationsgesellschaft → IKT-Einsatz in Haushalten

<sup>89</sup> See: <http://www.areamobile.de/specials/23505-handy-nutzung-kurze-affaeren-und-ihre-folgen>

<sup>90</sup> See: [https://www.rtr.at/de/komp/TKMonitor\\_1\\_2013/TM1-2013.pdf](https://www.rtr.at/de/komp/TKMonitor_1_2013/TM1-2013.pdf)

These figures do not show the percentage of used SIM cards for machine-to-machine communication.

<sup>91</sup> See: [www.statistik.at](http://www.statistik.at) → Statistiken → Informationsgesellschaft → IKT-Einsatz in Haushalten

**Overall, end user revenues in the mobile market amounted to 597.9 million EUR in the 3rd quarter.** This means an increase of 0.1% compared to the previous quarter.

Music as an incentive and USP in a highly competitive market is gaining importance: not only from the hardware producers (music mobile phones), but also from the providers. In 2012, **T-Mobile** launched a partnership with **Deezer** offering mobile contracts with access to a streaming portal. The offer was broadly advertised, even on TV, and still seems to be developing well.

#### **Important Contacts, Related Links**

<b>Statistics Austria</b>	<a href="http://www.statistik.at">www.statistik.at</a>
<b>Broadcasting and Telecom Regulatory GmbH</b>	<a href="http://www.rtr.at">www.rtr.at</a>
<b>Austrian Economic Chambers: Consumer Survey</b>	<a href="http://www.wko.at">www.wko.at</a> → Zahlen, Daten, Fakten → Daten - Österreich --> Daten - Österreich → Konsumerhebung 2009/10
<b>ORF Media Research</b>	<a href="http://mediaresearch.orf.at">http://mediaresearch.orf.at</a>

## **PART 2 – MUSIC COUNTRY AUSTRIA**

### **Tradition and Modernity**

#### **General Information**

Austria strongly represents itself, internally as externally, as a culture and music country - even though, compared to other European countries, there are no available constitutional regulations for art and culture.

After the phenomenon **Falco**, who was the first and so far only German singing artist to lead the charts not only in the U.S.<sup>92</sup> (Rock Me Amadeus in 1986, number one in the charts for three weeks), the boom of the Vienna Electronica in the 1990s with the figureheads **Kruder & Dorfmeister**, **Pulsinger & Tunakan** or **Fennesz** played a major role in the international reception and marking Austria on the music map.

Nevertheless, the image and perception of the country is still clearly dominated by classical music. The **State Opera**, **Johann Strauss' Monument**, **Mozart's Birth House** or the **Felsenreitschule** still belong to the touristic attractions and to the strongly identified musical/cultural memorial locations.

After the electronic music boom of the 90s and early 2000s, a new vibrant, independent and exciting alternative/indie and singer/songwriter scene developed in Austria, which has also gained international recognition. In addition to the remarkable success of singer and pianist **Soap & Skin**, it is above all the electronic acts such as **Parovoz Stelar**, **Elektro Guzzi**, **Dorian Concept** or currently **Klangkarussell** and **Left Boy**, that have been able to achieve an international breakthrough.

Since 2011 the festival **Waves Vienna** has been able to establish itself as a unique showcase festival with East and West European connections and secure a comfortable position in its found niche. In 2013, Waves will also be held in Bratislava for the first time.

<sup>92</sup> As often rumored, Falco was not the first and only Austrian - before him, in 1950, Anton Karas led the U.S. Charts for 27 weeks with the Harry Lime Theme of The Third Man.

## *Classical and Contemporary Music*

In the 18th and 19th century, Vienna was one of the centers of European music thanks to **Haydn**, **Mozart** and **Beethoven**. The structural remains of the past centuries still impact us to this day, since many of the big theater and opera houses of the country were built in this time.

In the second third of the 19th Century, a very popular form of entertainment music evolved in Vienna and is still popular to this day - early pop music so to speak - the **Viennese Waltz**. Its main representatives are the members of the **Strauss dynasty**. Concurrently in the late 19th Century, Vienna was also a center of the operetta, where a substantial part of the so-called „**Silver Era**“ (1860 - 1960) of the operetta took place. The remaining stages specialized in operettas include the **Volksoper** in Vienna and the **Bühne Baden** in Lower Austria, near Vienna.

A lot of decisive impulses also sprung from Vienna in the transition period from the Late Romantic to the Modernity of the 20th Century. Around and after the turn of the century, Austria's musical life was defined by composers such as **Gustav Mahler** (director of the Vienna State Opera from 1897 to 1907), **Alexander von Zemlinsky** and **Franz Schmidt**. The music of the Modern Age was significantly influenced by the composers of the **new (and second) Viennese School**, most notably **Arnold Schönberg**, **Anton Webern** and **Alban Berg**.<sup>93</sup>

The best-known and economically most relevant events of the Viennese high culture are still the **Opera Ball** (with a value of around EUR 7.5 million per year<sup>94</sup>) and the **New Year's Concert of the Vienna Philharmonic**, which takes place each year in the morning of the 1st of January at the traditional Viennese Musikverein and is broadcasted on TV in over 80 countries - this impacts the image of Austria for at least 38% of Chinese tourists<sup>95</sup>. A few days later, CDs and DVDs of the concert are already available in the shops. In 2012 40.000 CDs (double platinum) and 10,000 DVDs of the New Year's Concert were already sold four days after the release<sup>96</sup>.

Since 2006, Vienna has a new, additional opera house, the **Theater an der Wien**, which dedicates itself 12 months a year to the stagione system of opera.

Another very young but absolutely outstanding venue for classical (and other) music is the **Schloss Grafenegg**, which offers a varied program in the so-called Auditorium (indoor) and outdoor in front of the **Wolkenturm**, usually with a regular orchestra, the **Lower Austrian Tonkünstler Orchestra**.

Classical music is the pivotal musical content in the external representation of tourism advertising. Particularly in the recent past different anniversary years were intensively promoted, e.g. Bach in 2000, Mozart in 2006, Haydn in 2009 and recently Mahler in 2010.

Important contemporary composers are **Friedrich Cerha**, **Beat Furrer**, **Georg Friedrich Haas** and **Olga Neuwirth**. Especially the middle and younger generation of composers feed on inspiration from the field of improvisation, many of them are often even active improvisers themselves. **Katharina Klement**, **Karlheinz Essl**, **Eva Reiter**, **Wolfgang Mitterer**, **Bernhard Lang** or **Jorge Sánchez-Chiong** are just some of them.

Important contemporary music ensembles include the **Klangforum Wien**, the **österreichische ensemble für neue musik**, **das Ensemble PHACE** or the **Ensemble Reconsil**.

Venues for contemporary music are usually smaller places with programs that include improvisation as well as compositions, experimental electronics and various hybrid forms. Partly also within a concert or within smaller festivals. Some examples are the series of contemporary music in **St. Ruprecht** in Vienna

<sup>93</sup> See: [wikipedia.org](http://wikipedia.org) → Deutsch → Österreichische Kultur

<sup>94</sup> See: [www.wko.at](http://www.wko.at) → Suche: Tourismus in Wien zählt sich aus

<sup>95</sup> See: [www.ihs.ac.at](http://www.ihs.ac.at) → IHS Activities → Publications → Search → Ökonomischer Effekte der Musikwirtschaft

<sup>96</sup> See: <http://derstandard.at/1329703103509/Neujahrskonzert-2012-Doppelplatin-fuer-Neujahrskonzert-CD>

or the **Minoriten** in Graz. Not to mention the series open music in Graz and the concert series for contemporary music of the **Jeunesse**.

The oldest major festival of contemporary music is the **Musikprotokoll** in the **Steirischer Herbst**, which for years has been standing for the openness to diverse forms of contemporary music. Also fond of the contemporary is the west of the country where the **Klangspuren** in Schwaz Tyrol has been providing the audience with contemporary music and breaking the boundaries of traditional concert forms since 1994.

On pilgrimages the festival visitor can wander from one listening station to the next, listen to contemporary music in churches or other locations and thereby talk to the composers about their approach to music while collecting mushrooms. The **Aspekte Salzburg** founded in 1977 focuses on rarely played repertoire of the 20th and 21 Century and provides performance opportunities for young composers and performers. In addition to the Aspekte, the **Biennale Salzburg** was launched in 2009 - spanning the globe with its first program, which featured four composers from three different continents.

Dedicated to the experimental fields of contemporary music is the **V:NM-Festival**, which is organized every other year by the eponymous association for contemporary music - the performances are a unique experience, especially in the field of improvisation, and often in combination with electronic means.

The biggest festival of contemporary music is the event **Wien Modern**.

**col legno** and **Kairos** are two labels that have successfully devoted themselves to the contemporary music composers and ensembles from Austria.

### ***Schlager/Folkloric Music***

Schlager and popular folkloric music, music that partly has its roots in folk music, but uses the same instruments and style elements as Schlager or incorporates elements of techno, electro and rock, are the most successful and economically strongest genres in Austria and dominate the charts (see more further below), TV shows and media attention.

It is the only genre that does not require direct public funding. The most popular artists include **Andreas Gabler**, **Hansi Hinterseer**, **DJ Ötzi**, **Nockalm Quintett** or **Die Jungen Zillertaler**.

### ***Jazz, Blues, World Music***

Austria has a very lively, young and internationally acclaimed scene, which does not feed on the big names like **Joe Zawinul**, **Hans Koller** or the **Vienna Art Orchestra**, but constantly produces new young talents.

The jazzers in Austria range from **Christian & Wolfgang Muthspiel**, **Max Nagl**, **Wolfgang Puschnig**, **Franz Hautzinger** to **Hans Theessink** (in Blues) **Wolfgang Puschnig** or the accordionists **Otto Lechner** and **Klaus Paier** to the collective of the **Jazzwerkstatt**, **Donauwellenreiter**, **Niftys**, **DelaDap**, **Mnozil Brass**, **Manu Delago** or **Netnakisum** reicht der weite Bogen.

The most important labels are **Jazzwerkstatt Wien**, **Material Records**, **Sessionwork Records** and **Cracked Anegg**.

There are a number of well-programmed festivals, some of the most important are the **Jazzfest Wien**, the **International Jazzfestival Saalfelden**, **Music Unlimited Wels**, the **Konfrontationen** in the Jazzgalerie Nickelsdorf or the **Akkordeonfestival**, **Glatt & Verkehrt** and the **Folkfestival Waidhofen**. Austria's outstanding jazz club with an international reputation, founded in 1993, **Porgy & Bess** in Vienna.

## Electronic Music

Besides classical music, Vienna is internationally known as an "electronic music city". The first generation of electronic musicians in the early 1990s was consistently older than their international colleagues who achieved success at the same time, and were still socialized in the 1980s with guitar music. The main protagonists also operated the most successful labels: Peter „Pita“ Rehberg with his experimental label Mego (today Editions Mego), which among others released Fennesz, Pulsinger & Tunakan with the trashy techno label Cheap Records, and Kruder & Dorfmeister with G-Stone Recordings. Other artists, such as the Sofa Surfers, Rodney Hunter or Waldeck from the downbeat area, the post-rock electronic music group Radian or the Indietronic musician B.Fleischmann celebrated international success at the end of the 90s.

Today, about 20 years later, many of the musicians from that time are still active. After the hype in the 90s, a huge, diversified field opened with a lot of very young electronic music producers. The most successful producer is the Upper Austrian Parov Stelar, who globally makes people dance with his electro-swing. Other acclaimed acts are Dorian Concept, Wolfram and Elektro Guzzi, the debut albums of Klangkarussell (2013 already number 1 in the Dutch charts) and Left Boy are sure to expect some success. Alongside Dorian Concept, new talents can especially be discovered at the label Affine Records, with artists like Cid Rim, Ogris Debris oder The Clonius.

The biggest festivals for electronic music are the Urban Art Forms Festival, the Spring Festival and Elevate Festival in Graz and the Ars Electronica in Linz, which is a world renowned festival of digital art with a music series.

**More detailed information can be found in the chapter "Festivals" in Part 3.**

Viennese and Austrian musicians and DJs are internationally in demand, but also the range of imported acts is constantly becoming wider, thanks to a blossoming club scene. With the Pratersauna and the Grelle Forelle, two new large venues have been created for electronic music in Vienna. For years offering electronic DJs and live music are a variety of clubs, such as the rhiz, Flex und fluc.

The history of electronic music in the 90s is well mapped out in Michael Huber's publication "The History of Vienna Electronica", which is unfortunately not available online.

The study "Vienna Electronica - Wiener elektronische Musik seit 1995" by Heinrich Deisl investigates the scene of the city until 2009 and is available online on the mica - music austria website ([http://www.musicaustria.at/sites/default/files/Forschungsstudie\\_Vienna\\_Electronica.pdf](http://www.musicaustria.at/sites/default/files/Forschungsstudie_Vienna_Electronica.pdf)), which also features a detailed portrait of the electronic music scene since 2000.

## Rock, Pop, Alternative

After the "Austropop" genre, often sung in dialect, of the 1970s, which was partially recognized in the whole German-speaking realm of the 1980s, the global success of the single phenomenon Falco, a very diverse scene, especially in the indie sector, has developed in recent years and is acclaimed beyond Austrian borders.

Since the early/mid 2000s a vibrant and independent singer/songwriter scene has developed in Austria, where especially a lot of women are able to celebrate successes.

Clara Luzia, Anna Kohlweis (aka Paper Bird or Squalloscope), Mika Vember, Marilies Jagsch or Gustav and the highly successful Anja Plaschg aka Soap & Skin are prominent names.

Apart from acts such as Naked Lunch, there are many successful German-speaking bands, for example Kreisky, Garish and especially Ja, Panik in the German-speaking realm.

Acts like Francis International Airport, Gin Ga, Mile Me Deaf or Steaming Satellites regularly perform at major European festivals.

The label landscape is constantly growing, but the structures are highly fragmented: many of the



independent labels, are sole proprietorships, which are often run by musicians themselves. Important labels are **Siluh Records**, **Ink Music /schönwetter**, **Seayou Records**, **monkey.**, **Las Vegas Records**, **Pate Records** and **Wohnzimmer**.

In the field of Heavy Metal, Austria is interestingly enough more successful with the label **Napalm Records** than in the alternative and pop genre.

In addition to the big summer festivals **Nova Rock** and **Frequency**, the **Popfest Wien**, curated 2013 by Patrick Pulsinger, where only local acts are presented at the central Karlsplatz in Vienna with free admission, the **Poolbar Festival** in Feldkirch and the **Waves Vienna**, which focuses on the exchange between Eastern and Western Europe in its program. The singer/songwriter genre also has its own festival with the **Blue Bird**.

**Detailed Szeneporraits<sup>97</sup>, a label list, festival overview and more can be found online at [www.musicaustria.at](http://www.musicaustria.at).**

### ***Repertoire Distribution***

Direct indicators of the economic strength of the individual genres are not available. It is therefore attempted in the following to indirectly outline the economic relevance of the genre through the presence in broadcasts or the receipt of funds.

The repertoire of the public broadcasting corporation **ORF** is composed as follows:

- Rock/Pop 62,9 %
- Schlager/Folkloric Music 22,4 %
- Classical/Contemporary Music 9,9 %
- Dance/HipHop/Electronic 2,1 %
- Folk Music/World 1,8 %
- In ORF reports, jazz and improvised music are not listed as a separate category, but the share of the total repertoire should be around 0,9%<sup>98</sup>.

The list of genres that receive federal funding is composed as follows:

- 78,5 % Classical Music
- 3,5 % Contemporary Music
- 16 % folkloric repertoire of the Vienna Volksoper, apart from that the genre does not receive funding.
- 2 % of the total funding remains for the genres jazz, folk culture, electronic, rock/pop music.<sup>99</sup>

The record market share for "Pop International" is around 78% (compared to 81% in 2000), "Pop National", however, increased from 2000 to 2010 by 3 percentage points from 11% to 14% of the market share (the peak value for national pop/rock music was achieved in 2007 with 17%). Classical music is very stable with a market share of approximately 8%.<sup>100</sup>

<sup>97</sup> [www.musicaustria.at](http://www.musicaustria.at) → Magazin → Pop-Rock-Elektronik → Szeneporraits

<sup>98</sup> Vgl.: Huber/Leitich, Report on Musical Diversity in Austria, 2012

<sup>99</sup> Vgl.: Huber/Leitich, Report on Musical Diversity in Austria, 2012

<sup>100</sup> Vgl.: Huber/Leitich, Report on Musical Diversity in Austria, 2012

Only about 20% of sales are generated by the record industry with domestic repertoire, which are divided in the individual genres: Rock / Pop 45%, Schlager and folkloristic music 42%, Classical music 10%, Jazz, Folk/World and Dance are according to Huber/Leitich barely measurable - which is probably mainly because the basic data for the elicitation is constituted from the **Austria Top 40** sales charts.

### **Music Events in Austria**

Huber/Leitich<sup>101</sup> analyzed the data given by the **AKM** and came the following conclusion on the Austrian Live and Disco ("mechanical music"):

**Currently, about 225,000 music events take place annually, an average of approximately 617 per day.** Since 2000, the daily average is up to more than 600 concerts in Austria. About 10% of this are allocated to the fields of classical and contemporary music, the remaining 90% belong to entertainment music, which is not further specified by the AKM.

In addition to live music, every year at least 150,000 evenings with "mechanical music" take place in discos and dance clubs.

254 festivals evaluated by Huber/Leitich are divided in 75 for the genre Pop/Rock, 74 for Classical and Contemporary Music 42 for jazz and improvised music, 26 for folk and world music, 25 for electronic and hip hop, and 12 for Schlager.

### **Important Contacts, Related Links**

<b>Electronic Music Places, Clubs, Venues in Vienna</b>	<a href="http://www.wien.info/de/musik-buehne/rock-pop-jazz/electronic-music">www.wien.info/de/musik-buehne/rock-pop-jazz/electronic-music</a>
<b>IGNM/ISCM – International Society for Contemporary Music</b>	<a href="http://www.ignm.at">www.ignm.at</a>
<b>IG World Music Austria</b>	<a href="https://www.facebook.com/igworldmusic">www.facebook.com/igworldmusic</a>
<b>Musik in Österreich. Von den ältesten Spuren bis zur Gegenwart. Ein Überblick. (Music in Austria. An overview of the earliest traces to the present)</b>	<a href="http://www.bundestkanzleramt.at/DocView.axd?CobId=3459_">www.bundestkanzleramt.at/DocView.axd?CobId=3459_</a>
<b>Scene portraits of mica – music austria</b>	<a href="http://www.musicaustria.at">www.musicaustria.at</a> → Magazin → Pop-Rock-Elektronik → Szeneporraits
<b>Vienna Electronica - Wiener elektronische Musik seit 1995 (Vienna Electronica - Electronic music in Vienna since 1995)</b>	<a href="http://www.musicaustria.at">www.musicaustria.at</a> → Search → Wiener elektronische Musik seit 1995
<b>Vienna Electronica - Geschäftsmodelle (Vienna Electronica - Business Models)</b>	<a href="http://musikwirtschaftsforschung.files.wordpress.com/2009/03/diplomarbeiterberhardtschreinerendfassung1.pdf">http://musikwirtschaftsforschung.files.wordpress.com/2009/03/diplomarbeiterberhardtschreinerendfassung1.pdf</a>

<sup>101</sup> See: Huber/Leitich, Report on Musical Diversity in Austria, 2012

## Reception of Music in Austria

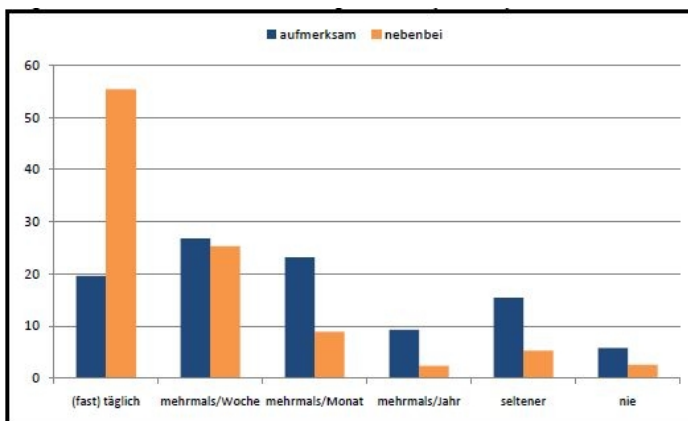
### General Information

Listening to music in the background is one of the most popular leisure activities of the Austrians, more than half (55%) of the population does it (almost) daily. Only watching TV and reading play an even greater role in the leisure time. Attentive listening to music also plays a big role, it is done more often than, e.g. wandering, taking a walk or playing sports.

Almost half (47%) attentively listens to music at least several times a week. What music is consumed for what are reasons from which target group when and where consumed is basic market research for the music industry, but unfortunately an area, where (in Austria) there is hardly any empirical (public) insight available.

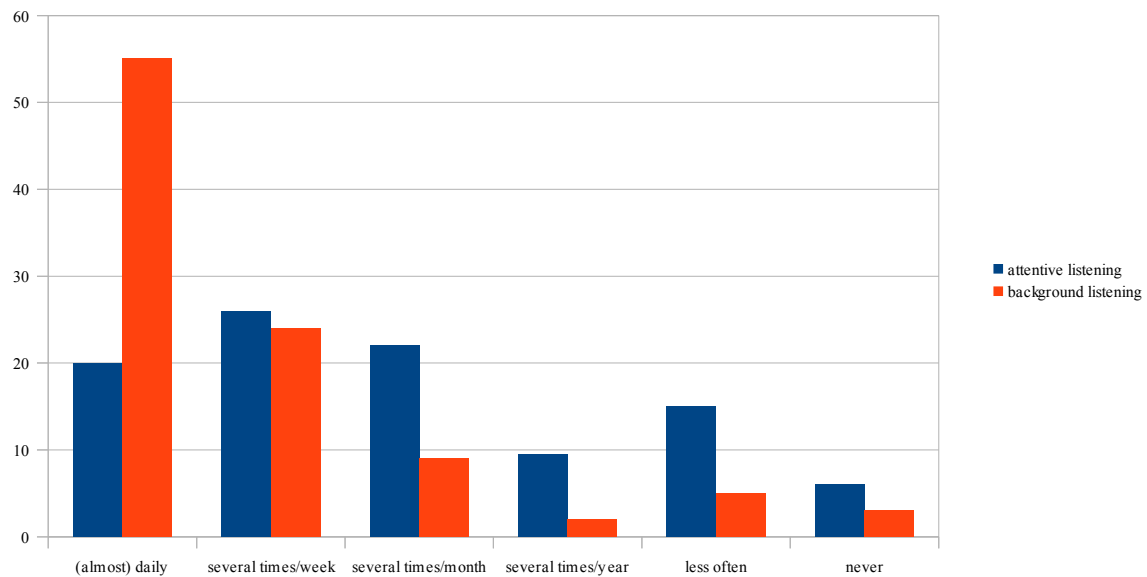
Based on the topic-related empirical research by Michael Huber<sup>102</sup>, the following will present information on the reception and consumption behavior in Austria.

### How often is music listened to in leisure time?



Source: Michael Huber, Wozu Musik?

<sup>102</sup> Michael Huber, Wozu Musik?



### Preferences and Opinions of Austrians on Music

What are the music preferences of the Austrians, how relevant is music in their own lives? The empirical study Wozu Musik? by Michael provides some answers:

**The evaluation results show a trend in the musically interested, more conservative average citizen, who knows exactly what he/she wants, and is not satisfied with some of the current music scene conditions.**

Music is personally very important for an overwhelming majority of the Austrians, 85% agreed with the statement that **music is an indispensable part of their lives**. The role of music in school is seen as extremely important: nine out of ten find it important that singing is included in the schedule (62% very important), and six out of seven (86%) would like every child to learn a music instrument.

The medial distribution of music mainly evokes dissatisfaction: every second person is missing the music on the radio that he/she really likes. Three out of four (76%) immediately change the channel if they do not like the music on the radio. Almost two-thirds of the Austrians (64%) wish to hear more music by Austrian artists on the radio, especially the over-60-year-olds want to hear more Austrian artists on the radio, the under-30-year-olds rather not.

This image of dissatisfaction fits with the **"impression that today you can get rich with bad music"**: More than two thirds (68%) agree with this statement, almost a third (31%) even strongly agree. Seeing music as a differentiation from others is mainly dismissed: choosing friends by their taste in music is strictly rejected by 60%. Although 44% represent the viewpoint that opera music can only be understood with a certain education level, the same amount also support the statement:

"The music is good, if it appeals to many people." As already stated, contemporary music is generally seen positive. The statement "It is not necessary to compose anymore. There is enough music already." is only confirmed by one in six, considerably more than half of the respondents (57%) strictly reject this statement. When it comes to money, this openness, however, has its limitations.

Promoting music that does not bring in a lot of profit with tax money, is only supported by a third of the Austrians and is only a real necessity for every tenth person.

The education level of those asked had a significant influence on the evaluation of some statements:

those higher educated (high school graduates, university degrees) clearly rejected the statement that **music is good, if it appeals to many people**. The same applies to the statement, "It is not necessary to compose anymore".

### ***What Is Music Heard With?***

Again, the following applies: The quoted survey<sup>103</sup> is now three years old and the smartphone penetration has increased significantly during this period, which will have probably also changed the user behavior dramatically, certainly mainly at the expense of the MP3 player. There is probably also a slight increase in the use of record players, since the IFPI reported in the latest annual report (2012) a 50% increase in vinyl sales compared to the same period in 2011.

**The key medium of listening to music is still the (terrestrial broadcasted) radio:** 91% of the respondents use it at least sometimes, especially those who enjoy listening to music in the background. Television sets (49%) and CD players (56%) also have a high priority. Not yet established are the MP3 players (29%), computers (32%) and mobile phones (14%). However, those who use one of the latter, usually also use the others. New digital devices (MP3 players, computers, mobile phones) are used almost exclusively by the under-30-year-olds. With these devices they mainly listen to electronic music and rock music off the charts, but very seldom to rural music<sup>104</sup>.

### ***On Which Radio Stations Is Music Listened To***

When it comes to the question which radio station plays the most music, **the public radio format (Ö3, Ö2) is still the undisputed leader in Austria**. Besides this, private regional reaching radio formats have been able to establish a remarkable position. The internationally acclaimed - but still only heard by a minority in Austria - public radio station program (Ö1, FM4) assert themselves against private broadcasters with national coverage.

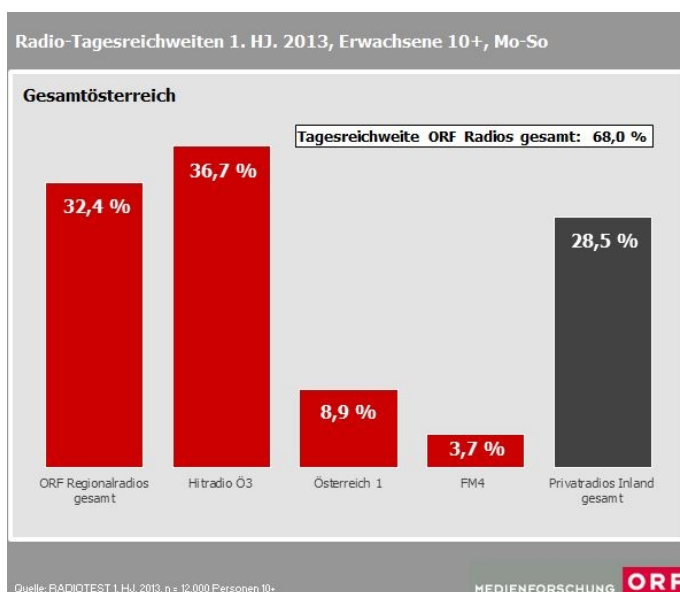
Foreign radio stations are rarely heard, web radio does not play a role as a primary medium in Austria, and also independent radio stations such as **Radio Orange** and **FRO** only play minor roles in terms of their reach.

**The public Austrian broadcasting corporation ORF broadcasted the following numbers for the first half of 2013:**

---

<sup>103</sup> Michael Huber, Wozu Musik?

<sup>104</sup> Rural Music does not refer to a genre, but rather to a socio-geographic cluster of music styles that are according to the empirical survey preferably listened to in the rural area. These include folk music and folkloric music, but also music from the charts.



Source: ORF Mediaresearch

### *In which social contexts is music heard*<sup>105</sup>

More than two-thirds of the Austrians preferably listen to music alone. However, regardless of the style of music, those that generally like music better are those who prefer to listen together with others.

**Listening to rural music is particularly enjoyed in a small group, world music particularly as a part of a larger audience**

A weak correlation was found between listening to music in a larger audience and increased mobility. Other socio-demographic characteristics such as age or gender have no influence over the social setting in which music likes to be heard.

### *Structure of the music user groups*<sup>106</sup>

Some different styles of music come equally appeal to the respective same audience. Thus, four relatively homogeneous audience groups can be clustered from the preferential statements of the empirical studies on individual styles, and give a good overview of the reception landscape in Austria:

- **Traditional rural audience** likes to listen to folkloric music, Schlager, brass music and traditional Austrian folk music.
- **Friends of virtuosic music** like to listen to classical music, art music of the 20th Century and jazz.
- **Club music and DJ supporters** like to listen to techno/house and hip hop/black music (electronic music).
- **Mainstream listeners** like to listen to the latest chart music, oldies and musicals.

The styles of **rock music** off the charts and **world music** can not be added to a relatively homogeneous group, although there are similarities with other individual styles.

<sup>105</sup> Vgl.: Michael Huber, Wozu Musik?

<sup>106</sup> See: Michael Huber, Wozu Musik?

## **Possession of Music**

Those who perceive music as an indispensable part of life spend an above average amount of money for concerts and records, but not for MP3 music. **About half (53%) of the respondents possess at least 50 original physical recordings.**

Every fifth respondent (19%) possesses a comparable number of at least 500 MP3 tracks. According to the IFPI<sup>107</sup>, an average of 2716 music files are stored per hard disk. The hard disk is listed as the number one storage medium, but not the absolute number of hard disks used for storing music.

However, the possession of music is not taken for granted, 11% of the respondents questioned by Michael Huber do not have a single original physical recording, 57% do not have a single MP3 track. The proportions of those who possess a lot (more than 500 physical recordings or 5000 MP3 tunes) are roughly equal (5-6%). In the "midfield" the gap widens: 77% possess 100-5000 music tracks on original sound carriers, only 26% as MP3 music.

No conclusions for the MP3 ownership can be drawn from the scope of the collection of recordings. However, one thing is certain: Those without physical recordings, usually do not possess MP3 music. Compulsory school graduates possess significantly less original sound carriers as high school graduates.

And they also correspondingly spend less money on music. Since the study in 2010, the possession of physical recordings has probably not decreased significantly, but also has increased very slowly, the same is to be assumed for MP3 files - the trend in Austria is going from possession to availability. Youtube has long replaced illegal downloads and legal streaming services are on the rise.

## **Role of the Internet in the Reception of Music**

Michael Huber wrote in 2010: "The use of the Internet in dealing with music is still not established in Austria, more than half of the respondents (52%) do not use it in any way."<sup>108</sup> In 2009 Huber/Leitich<sup>109</sup> collected data that around 25.2% of the population listens to music on the Internet (compared to 10.3% in 2001).

Since Huber's survey, the role of the Internet has sustainably changed: according to IFPI's annual report in 2012<sup>110</sup>, the achieved online sales of the year 2012 amount to around EUR 26.5 million and has increased by 10% since the year 2011. In the two previous years there were increases of 14% (from 2010 to 2011) and even 34% (from 2009 to 2010).

This period also marks the market entry of the large streaming provider **Spotify** and **Deezer** (and others), the latter in collaboration with the Telco T-Mobile, which offers its own tariff including unlimited music streaming.

At the time of Huber's survey in 2010, the mobile consumer behavior was different due to the lower smartphone penetration. Now the behaviour has changed - especially with the very popular and observable trend of streaming music from Youtube on mobile phones, which leads up to the phenomenon of "Youtube-Parties".

**According to Huber (2010), a third of the respondents (35%) gathers information about music, 28%**

<sup>107</sup> See: Market Report 2012

<sup>108</sup> See: Michael Huber, Wozu Musik? This value has certainly increased over the years since the 2010 survey, however, this assumption can not be confirmed empirically. Considering the Internet penetration rate of currently about 79% and a relatively representative sample of over 1000 respondents in Huber's survey, the calculated value can therefore not be classified as low.

<sup>109</sup> See: Huber/Leitich, Austrian Report on Musical Diversity, 2012

<sup>110</sup> See: [www.ifpi.at](http://www.ifpi.at) → Musikmarkt → Österreich → Marktbericht 2012

**listens to music, 13% buys music, 9% exchanges music on the internet.** The under-30-year-olds use the internet a lot more than the older respondents:

- for information about music (62 %),
- for listening (66 %) and
- for file sharing (18 %).

A major exception is the purchase of music, here the under-30-year-olds are only in the midfield with 14%. In this area there is still a lot of room for Austria to catch up.

The latest available comparison values, which also illustrate the rapid growth of internet sales, date back to the IFPI Market Report 2012<sup>111</sup>:

Music Source \ Users in 1000 people	(almost) daily	At least 1 x per week	At least 1 x per month	Less than 1 x per month	Never
Free Music Downloads (YouTube, etc.)	317	898	1.202	1.606	2.008
Free Music Downloads (File Sharing)	107	407	619	1.483	3.416
Paid Music Downloads	24	215	550	1.079	4.165

As of the 8th of August 2013, the **Social Media Radar** listed the following user numbers<sup>112</sup>:

3,040,000 Austrians with a Facebook account, thereof about 40,000 more men than women, the age group 13-19 with 620,000 accounts, 20 - 29 with 1,020,000 accounts, 30 - 39 with 660,000 accounts, thereafter strongly decreasing.

According to Huber, the popularity of other services depends largely on age. **Streaming is used by an average of 14%, paid downloads by 22%, file sharing by 38%.**

Most popular music styles of Internet users are rock music off the charts and electronic music.

Only a quarter of those who prefer rural music, use the internet for music purposes.

The digital mediamorphosis has had a detectable influence on the general music-listening habits. Since the existence of the internet and MP3, every fifth listens to more music than before. About three-quarters of the respondents listen to about the same amount of music, almost no one (3%) listens to less than before. In this context, age again plays a crucial role: every second respondent of the under-30-year-olds listen to more music than before.<sup>113</sup>

The album as an artistic concept has been able to also assert itself on the Internet. Sales of entire album downloads have increased from 2011 to 2012 by 6.5% to 12.5 million Euro, making it the largest single segment of the online music market. Sales of individual song downloads have risen by around 25% to 11.5 million euros. The market leader of the online stores is iTunes, followed by Amazon.<sup>114</sup>

<sup>111</sup> Vgl.: [www.ifpi.at](http://www.ifpi.at) → Musikmarkt → Österreich → Marktbericht 2012

<sup>112</sup> Vgl.: [www.socialmediaradar.at](http://www.socialmediaradar.at) → Facebook

<sup>113</sup> All mentioned numbers originate from Michael Huber, Wozu Musik?

<sup>114</sup> See: [www.ifpi.at](http://www.ifpi.at) → Musikmarkt → Österreich → Marktbericht 2012



### Reasons for Buying Music Online<sup>115</sup>

According to a recent GFK study, the motivations for buying music online are as follows:

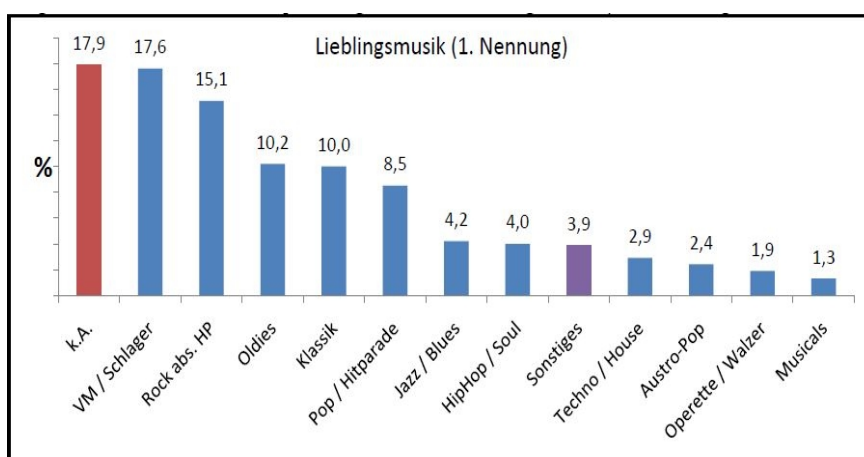
% of respondents	Purchase motive
65	Because it's easy and simple
61	Because I can do this at any time, day or night
60	Because I can buy music from home
60	Because I can quickly find what I need
58	Because I can choose from a wide range
47	Because it is cheaper than buying CDs or DVDs
19	Secure music download, no viruses
17	Because I do not have the opportunity to buy CDs with music that I like
12	Because everybody does it these days
5	Because I can also buy individual music tracks
4	Because it's fun to do with friends
4	Other motives

### Music Taste of Austrians<sup>116</sup>

Five style preferences dominate the music-demand in Austria. When the Austrians mention their favorite music, it is usually from the field of **Folk Music/Schlager** (18%).

Close behind in terms of popularity but still well ahead of all others is the field of **rock music offside the mainstream charts** (15%). With a clear distance and almost on par with 10% are **oldies** and **classical music**.

The quintet of the most popular music in Austria is completed by **current chart music/pop** (9%). All other styles are far less popular. **However, the largest group is that of the people without any favorite music, after all, almost every fifth.**



Source: Michael Huber, wozu Musik?

<sup>115</sup> See: [www.ifpi.at](http://www.ifpi.at) → Musikmarkt → Österreich → Marktbericht 2012

<sup>116</sup> See: Michael Huber, Wozu Musik?

**Particularly often mentioned as favorite musicians are the following artists in the various style segments:**

- **Folk music/Schlager:** Kastelruther Spatzen, Nockalm Quintett, Paldauer, Ursprung Buam, Peter Alexander, Andrea Berg, Helene Fischer, Hansi Hinterseer
- **Rock offside the mainstream charts:** U2, Queen, Ärzte, Red Hot Chili Peppers, Wir sind Helden, Tori Amos, Bon Jovi, Pink Floyd
- **Oldies:** Elvis, Beatles, Rolling Stones, ABBA, Elton John
- **Current chart music:** Madonna, Christl Stürmer
- **Classical music:** Mozart, Schubert, Bach, Chopin
- **Jazz/Blues:** Glenn Miller, Louis Armstrong
- **Austro-Pop:** Falco, Ludwig Hirsch, EAV

### ***Attending Concerts***

The frequency of attending music events shows an entirely different hierarchy of musical styles than that of the favorite artist preferences. In the evaluation of musical styles, the social status apparently plays a big role, "liked" music does not conclude that the corresponding events are visited.

In Austria the **most frequently visited type of music is disco/clubbing**, almost half (45%) of the respondents could recall a visit to a corresponding event in the previous twelve months.

Also very popular are brass music concerts and pop/rock concerts (each about 40%). In Austria the interest in music events is generally widely scattered. In 2008 more than half (55%) of the Austrians visited events from at least three different style areas. It is not surprising that folk music friends also attend brass music concerts.

Those who go to the opera also go to classical music concerts, to art music of the 20th Century, and also to musicals. Also not surprising: discos and pop/rock concerts have similar audiences. It is rather remarkable that there is a pretty large group that attends jazz concerts, as well as classical music concerts and pop/rock concerts.

The attendance of musical or jazz concerts is hardly influenced by age, while brass band and folk music events are clearly visited by older people and disco/clubbing events or pop/rock concerts are attended by young people.

Pop/rock, disco or jazz performances are strikingly more unpopular with the over-60-year-olds than events from other style areas. Aside from jazz and musical events, the age groups 50-59 and 60+ have a strong similarity in their visiting behavior and differ significantly from the habits of the younger generations.

The education level generally has a significant effect on the frequency of event visits, and also in particular on the choice of the event. The higher the education, the more visits to classical concerts, opera or jazz concerts. Also in terms of income and professional status, tendencies show: the lower, the less classical music.

**In all style areas the frequency of concert visits increases with education, the only extreme exception in this regard is the area of folk music/brass music.**

In all of this, however, it always has to be taken into account, which events can be visited based on an appropriate event offers in the living environment. Thus, for example, the chance to go to a choir concert or to a brass band concert become all the more higher, the less residents the local community has.

Here the lack of alternatives is likely to play a significant role. This was also investigated in the survey, and it showed that mostly likely one of the following three circumstances may be the reason that an interesting music event is not visited: tickets are too expensive (56%), no time (55%), or too far away from home (54%).

With all education levels, a too large distance from home is an often cited reason for not visiting an event.

With highly educated, tiredness also plays a conspicuous role. Younger people often mention "no time", those with lower incomes often state "too expensive". Especially visitors of folk music/brass music and and choral music events would go more often if it was closer. Pop/rock concerts and disco/clubbing events would have more visitors if they were not so expensive.

There was no significant association found between attending music events and: gender, migration background and mobility.

### ***Important Contacts, Related Links***

<b>Institute for Music Sociology</b>	<a href="http://www.musiksoziologie.at">www.musiksoziologie.at</a>
<b>Statistics on education and culture in Austria</b>	<a href="http://www.statistik.at/web_de/statistiken/bildung_und_kultur/kultur/theater_und_musik/index.html">www.statistik.at/web_de/statistiken/bildung_und_kultur/kultur/theater_und_musik/index.html</a>
<b>Fessel GfK Market Research</b>	<a href="http://www.gfk.com">www.gfk.com</a>
<b>IFPI Austria Market Report 2012</b>	<a href="http://www.ifpi.at">www.ifpi.at</a> → Musikmarkt → Österreich → Marktbericht 2012

## **PART 3 - MUSIC INDUSTRY IN AUSTRIA**

### ***General Information***

Austria has traditionally been a market for importing content from the Anglo-American realm and Germany. Active in the local market and also with domestic repertoire are the majors **Universal** and **Sony**. **Warner** has largely withdrawn itself from the Austrian market. According to the **IFPI**, Austria is 19th in the ranking of the most valuable music markets (in terms of total turnover), just behind the slightly larger Belgium market and much smaller market of Norway<sup>117</sup>.

Indie labels (organized in the **VTMÖ - Association of Independent Record Companies, Music Publishers and Music Producers Austria**) are usually organized on a smaller scale, weakly capitalized and often stronger driven by repertoire notions than corporate objectives, which makes it harder for the export and international repertoire analysis. In recent years positive developments have been mainly observed in the electronic music and avant-garde pop fields.

**Despite its small-scale structure and the current challenges, the Austrian music industry is one of the ten most important economic sectors in Austria, with an annual added value of more than two**

<sup>117</sup> In descending order, the top markets are (1) USA, (2) Japan, (3) UK, (4) Germany, (5) France, (6) Australia, (7) Canada, (8) Brazil, (9) Italy, (10) Netherlands, (11) South Korea, (12) Sweden, (13) Spain, (14) India, (15) Mexico, (16) Switzerland, (17) Belgium, (18) Norway, (19) Austria, (20) China.

See: [www.digitalmusicnews.com/permalink/2013/20130408world](http://www.digitalmusicnews.com/permalink/2013/20130408world)

**billion Euros and over 42,000 employees<sup>118</sup>** - according to **IFPI** Austria.

The IHS even speaks of a gross value added (including indirect and induced effects, excluding tourist effects) of EUR 3.35 billion - though this represents a decline of 18.5% since the end of the "pre-Napster era" in 1998 and of about 11,000 full-time equivalent employees in the economy class culture, sports and entertainment.

The newspaper Wirtschaftsblatt headlined: ***"The music country Austria is losing ground in the global competition. Sales of the music market are declining, the total value is falling dramatically."***<sup>119</sup> A standpoint that young, innovative labels, that know how to use the opportunities of the web, would not necessarily share.

The information situation in and about the market in Austria can be described as very good. An annually updated list of all players in the music economic value creation is provided by the **Musikatlas** and the website **mica – music austria**. Academic research is primarily conducted at the **Institut für Musiksoziologie** and the **Institut für Kulturmanagement und Kulturwissenschaft** around **Peter Tschmuck** and the **IHS**. Therefore there is relatively good and recent data available on the economic performance of the industry. The following chapter refers mainly to the data from these sources.

### ***Companies in the Music Industry***

**In total, the estimation of companies with a business focus on music resulted in a number of 5.513 in Austria and 1.142 in Vienna.**

For Austria, the music education, including music schools, music-centered museums, music universities and conservatories count to 1,932, with 111 attributable to Vienna, is the most represented. Discos and bars are also very important with a number of 1,677 in total Austria and 376 in Vienna. Further on, there are 537 recording studios and music publishers (212 in Vienna).

In Austria, there is also a large number of companies settled in retail with audio devices as well in the manufacture of musical instruments and the organization of music performances.

Also artists agencies (60%), merchandising companies (50%) and music organizers (28%) especially choose the capital as the corporate headquarters.

This illustration only includes acquisitive companies, associations as nonprofit organizations are not taken into account, as far as this can be discerned from the sources cited by the IHS. However, these small and low-selling players play an important role in the cultural life.

<b>Area</b>	<b>Austria</b>	<b>Vienna</b>
Education	1.932	111
Discos and bars	1.677	376
Recording studios and music publishers	537	212
Retail	522	144
Manufacture and repair of music-related products	293	80
Music organizers	173	49

<sup>118</sup> See: [www.ifpi.at](http://www.ifpi.at) → IFPI Austria → Mission Statement

<sup>119</sup> See: <http://wirtschaftsblatt.at/home/nachrichten/oesterreich/1317053/Oesterreichs-Musikwirtschaft-geraet-aus-dem-Takt>

Artist agencies	136	82
Dance schools	121	34
Broadcast, exploitation, ticketing, opera and theater	94	40
Merchandising		14
<b>Total</b>	<b>5.513</b>	<b>1.142</b>

**Source:** IHS, Economic effects of the music industry

#### ***Share of the Music Industry in Austria's Economic Performance***

Performance indicator	Austria 2010	Effects of the music industry in Austria	
	absolute	absolute	percentual
<b>Gross value added in Euro</b>	259.029.000.000	3.345.118.142	1,29
<b>Employment in full time equivalents</b>	3.503.100	50.492	1,44

**Source:** IHS, Economic effects of the music industry

Compared with other sectors, the added value, created by activities in the Austrian music industry (based on data from the year 2010), totals to half of the entire added value of the economic sector of culture, sports and entertainment services.

The domestic added value, which was created in 2010 by economic activities in the music industry (including direct, indirect and induced effects), corresponds to the added value of the services sector for credit and insurance, and is about half times as large as, for example, the added value in the production area of "other vehicles" (any kind of water, air and rail vehicles).

#### ***Music Industry Sector Shares of the Gross Value Added***

Sectors of the music industry	Share in %
Music performances and musical events	38,22
Music education	22,45
Activities of musicians and composers	15,83
Trade with sound recordings and audio equipment for consumer electronics	5,17
Collecting societies	3,49
Radio and television	2,67
Reproduction of sound recordings	2,43
Trade with music instruments, sheet music and music literature	1,99
Consumption expenditure of foreign students	1,79
Dance schools and museums	1,66
Production of audio equipment for consumer electronics	1,59
Recording studios, labels and music publishers	1,51
Production of music instruments, sheet music and music literature	1,2

<b>Gross value added in the music industry</b>	<b>100</b>
--	------------

**Source:** IHS, Economic effects of the music industry

### ***Economic Effects of the Music Industry<sup>120</sup>***

**In 2010, a gross production value** (consistent with sales at market prices plus intermediate consumption) **of 7.7 billion EUR was generated by the music industry.**

In Austria (without the sales generated abroad) this amounted to 6.1 billion EUR, whereby 3.2 billion EUR were generated directly, 1.5 billion EUR indirectly and 1.3 billion EUR consumption-induced. The share of the gross production value amounts to 1.7 billion EUR in Vienna, representing almost a third of the gross production value in Austria.

The music industry in Austria caused a gross value added of nearly 3.4 billion EUR, whereby the direct effects accounted for the largest share. In Vienna, a total gross value added of a billion EUR was recorded.

**Furthermore 61.511 person years were secured as employment effects in Austria, which correspond to 50,492 full-time jobs.**

The direct consumption through income from the music industry was 665 million EUR for the year 2010. With indirect and induced effects, the total consumption for Austria is around 908 million euros. In terms of Vienna, the taxes paid in Austria by the music industry amounted to about 56 million EUR. For the federal government, a tax effect of 544 million EUR can be observed. The contributions to the social security amounted to 657 million EUR. Overall, the music industry accounted for 1.35 billion EUR of the government revenue.

<b>Overall effects of the Austrian music industry</b>					
		directly	indirectly	induced	total
<b>Gross production values in EUR</b>	Vienna	1.062.765.533	319.176.656	346.112.989	1.728.055.178
	Other federal provinces	2.113.253.204	1.224.776.035	994.071.988	4.332.101.227
	Austria	3.176.018.737	1.543.952.691	1.340.184.977	6.060.156.405
	Foreign countries	0	967.703.485	666.873.372	1.634.576.857
	Total	3.176.018.737	2.511.656.176	2.007.058.349	7.694.733.262
<b>Gross value added in EUR</b>	Vienna	719.816.837	158.430.729	150.858.934	1.029.106.500
	Other federal provinces	1.398.138.100	483.992.272	433.881.270	2.316.011.643
	Austria	2.117.954.937	642.423.001	584.740.204	3.345.118.142
	Foreign countries	0	415.658.697	284.451.736	700.110.433
	Total	2.117.954.937	1.058.081.698	869.191.940	4.045.228.575
<b>Employment effects in person years</b>	Vienna	13.934	2.018	3.630	19.582
	Other federal provinces	26.957	6.691	8.281	41.929
	Austria	40.891	8.709	11.911	61.511

<sup>120</sup> See: IHS, Economic effects of the music industry

Employment effects in person years	Vienna	11.645	1.676	2.375	15.697
	Other federal provinces	22.918	5.651	6.226	34.795
	Austria	34.563	7.327	8.601	50.492
Consumption in EUR	Vienna	228.948.250	31.571.119	31.199.822	291.719.191
	Other federal provinces	435.586.124	94.513.896	85.776.139	615.876.159
	Austria	664.534.374	126.085.015	116.975.961	907.595.350
Social security and taxes in EUR	Social security	478.402.966	90.962.260	87.667.394	657.032.619
	Bund	355.233.527	50.202.975	138.503.370	543.939.872
	Vienna	37.110.096	5.743.437	12.770.856	55.624.389
	Other federal provinces	58.212.949	8.277.764	22.873.751	89.364.464
	Other municipalities	55.995.251	8.851.677	18.292.656	83.139.584
	Total	926.768.134	150.162.365	268.389.003	1.345.319.502

Source: IHS, Economic effects of the music industry

#### **Development of the Austrian Music Industry in Terms of its Added Value<sup>121</sup>**

In 1989 Scheuch and Holzmüller conducted a study on the "economic importance of copyright in Austria" and determined an added value of 26.6 billion ATS, which is about 1.93 billion EUR. In April 2000, Scheuch published another study on the music industry in Austria.

According to this study, the volume in 1998 amounted to an added value of 29.93 billion ATS, which is equivalent to about 2.18 billion EUR. The music industry in Austria measured a 1.26% share of the gross added value and 42,537 employees. These figures alone reflect the size of the music industry, but not their effects (indirect and induced effects) that have been researched for the first time by the IHS.

Due to the large time difference between the studies, the structure of the music industry has changed. Thus, new areas have to be considered, as well as others that have changed over time. Another consequence of the different evaluation periods is the diverging data basis for the calculations.

However, it can be read that there is a tendency in the music industry - in comparison of real values - and implies that it is losing its economic added value and is lacking growth in this economic segment.

Development of added value in the Austrian music industry			
Effect \ Source	IHS 2012	Scheuch 2000	Scheuch 1989
Direct gross value added	2,12 Mrd EUR	2,18 Mrd EUR	1,93 Mrd EUR

Source: IHS, Economic effects of the music industry

The stated data values are nominal values (numerical values, not time or inflation adjusted values). Taking inflation into account and measured in real terms, the music industry has shrunk compared to previous results. **Adjusted to price developments, the music industry has lost 18.5% of economic importance in the years 1998 -2010.**

<sup>121</sup> This section is taken entirely from the study "Economic effects of the music industry" by the IHS.

### ***Creators, Performers and Publishers in Austria***

Authors and performers that are not socio-culturally active or purely create their work as a hobby can not be detected - though this is a significant number, which is for example apparent in the density of music schools. Valid information is provided by the collecting society AKM in its membership statistics.

**In 2012, the number of beneficiaries of the AKM has increased once again and amounted to 19,786 as of 31/12/2012.** Furthermore, the AKM currently has 1,504 legal successors and 630 music publishers as members. In 2012, 1.056 new royalty beneficiaries were recorded, consisting of 967 creators, 29 publishers and 60 legal successors.

### ***Average Expenditure on Music - Who Buys What and How Much?*** <sup>122</sup>

**Four out of ten Austrians do not spend any money on music. Those who do spend money rather pay for events than recordings or MP3 music.**

According to the above mentioned survey (status of the survey was 2010, as explained above, digital revenues have strongly risen in recent years), music downloads are still not an issue for six out of seven Austrians (85%).

Every fifth spends more than 20 EUR a month for music events, every tenth (9%) for physical recordings, for downloads almost no one (2%). These figures collected in 2010 have ever since dramatically increased. According to the IFPI<sup>123</sup> (as of the end of 2012) around 800,000 Austrians already regularly purchase music in online shops, nearly 10% of the population. 90% of these are satisfied with the offers.

Education and income play a role insofar as compulsory school graduates significantly spend less money on music events than higher educated graduates. And, **the higher the income, the less interested in MP3 music.**

Those who spend more money on physical recordings, invest less in MP3 music, which also works vice versa, MP3 collectors spend less on physical recordings. Nevertheless, physical recording collectors spend more money on recorded music and music events than MP3 owners.

They rather live in the city than in rural areas and are characterized by relatively high education and high income. They virtuosic music or rock music, with a sympathy for art music of the 20th Century and world music.

**MP3 collectors are young and use the internet often.** They know many styles of music and prefer to listen to electronic music and rock music offside mainstream charts, and particularly shy away from rural music. **A clear relationship can be seen between the number of physical recordings or MP3 tracks that are possessed and the preferences for specific musical styles.**

**Austrians that value virtuosic music (including art music of the 20th century) typically also have many physical recordings and are in total willing to spend a lot more money for music.**

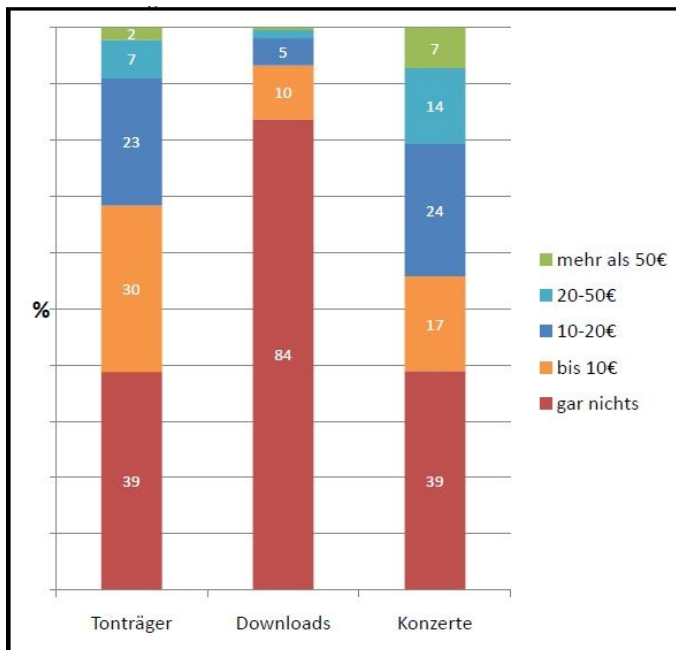
Those who enjoy rural music, hardly buy any music: almost a fifth of the group does not possess a single physical recording. Three quarters of the group does not even possess a single MP3.

<sup>122</sup> Unless otherwise stated, this passage and the included numbers is taken Michael Huber's study Wozu Musik?

<sup>123</sup> IFPI Market Report 2012



What is the average amount of money spent on the Austrian market?



Source: Michael Huber, Wozu Musik?

#### Average Per Capita Expenditure on Music

The following figures originate from Michael Huber's study Wozu Musik? Although from the year 2010, the shrinkage of the market volume is significantly slower in recent years than in the first decade of the 2000s, and thus the figures are certainly still meaningful in regards to the tendency. The volume of the online market has strongly increased, however, there is no available breakdown by expenditure/citizen other than that of Huber in 2010.

Percentage of total population	Average expenditure on recorded music in EUR
2	50 or more
7	20 - 50
23	10 - 20
30	Up to 10
39	Nothing
Percentage of total population	Average expenditure on downloads in EUR
84	Nothing
10	Up to 10
5	10 - 20
Percentage of total population	Average expenditure on concerts in EUR
7	50 or more

14	20 - 50
24	10 - 20
17	Up to 10
39	Nothing

**Source:** Huber, Wozu Musik?

### ***The Austrian Music Market in 2012<sup>124</sup>***

**The Austrian music market generated 160 million EUR in 2012 with physical and digital sales and royalties**, which is a decrease of 8% compared to 2011. The paradigm shift in the domestic music market is set to continue, however, the market still achieved a turnover of 107 million EUR (-14%) with the carrier formats CD, DVD and vinyl.

For the eighth time in a row, sales in the online music market have increased by 10% to 26.5 million EUR. Revenues from other business areas, such as the sale from merchandising products or sync right licenses, contributed about 4 million EUR to the total revenue of 2012.

### ***Market Development in Austria 2010 - 2012***

Vol. Year	Total music market volume in million EUR	Change in %	Digital market volume in million EUR	Change in %
<b>2012</b>	160	- 8	26,5	+10
<b>2011</b>	174	- 6,5	24	+ 14
<b>2010</b>	186	- 8,8	21,2	+ 34

**Source:** IFPI Market Report 2012

### ***Physical Market***

**A total turnover of 107 million EUR was achieved with physical sound carriers** in 2012 (2011: 124 million euros). Despite the continuing decline, the CD remains the best-selling music product in Austria with about 72% market share and 96 million EUR in sales.

Especially classical music lovers with a demand for high sound quality, but also Schlager and folk music fans, value the feel of CDs. This assessment of the IFPI does not correlate with the study by Michael Huber, who stated particularly rural music fans hardly buy or possess any physical recording. However, it is basically indisputable that Schlager and folk music belong to the best-selling genres.

Music DVDs achieved a turnover of 9 million EUR. The good old vinyl record experienced a huge jump in sales with +50% and a turnover of 1.5 million EUR, representing a market share of around 1%.

<sup>124</sup> Unless otherwise specified, the following section of the IFPI data are taken from Market Report 2012, see: [www.ifpi.at](http://www.ifpi.at) → Musikmarkt → Österreich → Marktbericht 2012

## Online Music Market

The latest GfK survey "The Austrian online music market from the consumer's point of view" shows that already 800,000 Austrians regularly buy music in various online shops.

Compared to 2011, sales of download stores and streaming services in 2012 have increased by 10% to 26.5 million EUR, or approximately 20% market share - but lies still well below the EU average of around 30% (according to other sources already at around 34%)<sup>125</sup>.

**The newly entered streaming providers are significantly altering the online business:** streaming services in 2012 have generated up to 50% more sales than last year, which amounts to about 1.5 million EUR.<sup>126</sup> In 2012 streaming was thus the single segment with the greatest growth in the domestic online music market.

**Streaming sales in the Austrian music market exploded in the first half year of 2013 with about 2.5 million EUR, representing an increase of 300% compared with the first half year of 2012. Downloads and streaming already generate a quarter of the total music sales.**<sup>127</sup>

Almost one million EUR was spent for mobile phone ringtones in 2011, a significant decrease of -50%.

The album as an artistic concept is still able to assert itself on the internet. Sales of entire album downloads has increased in 2012 by 6.5% to 12.5 million EUR, making it the largest single segment of the online music market. Downloads of individual songs have risen by around 25% to 11.5 million EUR.

Market leader of online stores is iTunes, followed by Amazon. Since the 8th of August 2013, google is also represented with its service **Google Play Music All Access** on the Austrian market.

## Important Contacts, Related Links

Institute for Music Sociology	<a href="http://www.musiksoziologie.at">www.musiksoziologie.at</a>
Institute for Advanced Studies	<a href="http://www.ihs.ac.at">www.ihs.ac.at</a> → publications → Musikwirtschaft_volltext.pdf
Music business on mica – music austria	<a href="http://www.musicaustria.at">www.musicaustria.at</a> → Magazin → Musikleben → Musikwirtschaft
IFPI Austria Market Report 2012	<a href="http://www.ifpi.at">www.ifpi.at</a> → Musikmarkt → Österreich → Marktbericht 2012
AKM Annual Reports	<a href="http://www.akm.at">www.akm.at</a> → über uns → Jahresberichte

<sup>125</sup> See: [wirtschaftsblatt.at/home/nachrichten/oesterreich/1317053/Oesterreichs-Musikwirtschaft-geraet-aus-dem-Takt](http://wirtschaftsblatt.at/home/nachrichten/oesterreich/1317053/Oesterreichs-Musikwirtschaft-geraet-aus-dem-Takt)

<sup>126</sup> See: Wirtschaftsblatt on 09/08/2013

<sup>127</sup> IFPI Press release on 09/08/2013; See: [www.ifpi.at/?section=news&id=179](http://www.ifpi.at/?section=news&id=179)

## Value Chain – The Players

### ***Members of the Austrian Chamber of Commerce***

As everywhere, all areas of the value chain are fully developed in Austria with a fully functioning music industry. However, accurate empirical data on the individual market participants are hard to be elicited.

An overview is provided by the member statistics of the **WKÖ - Chamber of Commerce Austria**, which includes all economic players (provided these are acquisition companies) due to the statutory mandatory membership in the chambers.

The music business community of the country is organized in the WKÖ within the Industrial Division of the **Federal Association of the Film and Music Industry**.

As of the 10th of August 2013, the association has 4305 members, 1601 of which are clearly attributable music business enterprises. The members are split in the following professional groups (possible multiple answers, music business enterprises are highlighted):

Professional group	Number of members
Film and video production	3095
Feature film and television film production	305
Advertising film production	691
Commercial film and short film, new media	846
Animations, cartoons and other films	407
Team rentals	316
Operating of film studios	18
Reproduction, film processing and post production	66
Electronic reproduction, image and sound carrier rentals	401
Film rentals and film distribution	44
Rental and distribution of image and sound carriers (excluding video rentals)	50
Sound recording studios	872
Music labels	703
Sound and image carriers	26

### ***Members of the IFPI***

As of the 10th of August 2013, the **IFPI Austria** has 19 members.

These are the majors **SONY Music Entertainment Austria GmbH**, **Universal Music GmbH** and **Warner Music Austria Ges.m.b.H.** (as well as **EMI Music Austria**) and 16 of the larger independent labels of the country (which are partially also members of the indie-association, see the next section):

**Bellaphon Records**, **Echo-Zyx Music Ges.m.b.H.**, **GoodToGo GmbH**, **HitSquad Records GmbH**, **Hoanzl Produktions- und Vertriebsges.m.b.H.**, **Lotus Records**, **MAJOR BABIES Entertainment GmbH**, **MCP Sound & Media**, **MFG Media GmbH**, **monkey.music Gröbchen & Partner OEG**, **Napalm Records Handels GmbH**, **ORDIS Digital Distribution GmbR**, **Preiser Records**, **Rebeat Digital GmbH**, **SONAMEA Records**.

## Members of the VTMÖ

The objectives and tasks of the **VTMÖ** include: (see also the section on advocacy groups)

- Representing industry and business-related interests of its members to the public and to the legislature, government agencies and other organizations
- Public relations and presence of the association at relevant events and occasions in the music industry
- Training and consulting
- Improving economic conditions
- Promoting cooperations between member
- Maintaining contacts with local and foreign organizations and institutions

As of August 2013, the association of independent music companies, music publishers and music producers in Austria counts about 100 members, including virtually all the major business and creative cells of the independent sector.

These represent all genres of Austrian music production, such as alternative/pop, composed music, electronic music, jazz/world/blues, Schlager and folkloric music.

Some members of the VTMÖ are also members of the IFPI.

**More information and a complete member list including contact data and repertoire information of labels is provided on the **VTMÖ website**.**

## Organizers and Booking Agencies

The market is dominated by the **Skalar Music** group, which organizes most of the major festivals in the country and is responsible for a good part of the concerts that feature international bands. Other successful market participants include: **ink music**, **Earcandy**, **Arcadia Agency** or **PSI Music**.

**GLP Artist Marketing** is one of the few Austrian agencies that work with established acts on the international market, **miooow** in turn is an agency that mainly works with Austrian acts and is particularly strong in the export field.

Organizers are often active in the booking area (and vice versa), a closer look at the websites of the individual companies is definitely well worth the time.

**Organizers that also operate their own locations are listed on the website of **mica – music austria**.**

**A comprehensive overview of organizers and bookers is provided by **Musikatlas**<sup>128</sup>.**

## Promotion Agencies

There are hardly any agencies that purely work on promotion. These agencies are often labels that offer promotional services for acts outside the company, for example **ink music**, **Wohnzimmer** or **monkey**.

In addition, there are a few individual entrepreneurs, mostly with a major PR past, that service in music promotion. Examples include **Personalities**, Release Public Relations and Sabine Kronowetter.

**An overview of promoters in Austria can be found on the website of **mica – music austria**.**

<sup>128</sup> [www.musikatlas.at](http://www.musikatlas.at)

## Concert locations

As a part of their study Musical Diversity in Austria, Huber/Leitich created a [google-map](#) in 2010, which features a color-coded list of venues in Vienna. The map is now incomplete and outdated, but it still offers a very descriptive overview of the location density and genre distribution in the capital city.<sup>129</sup>

Beyond that, the location density in Austria is too large to be represented in the given context. Highlighted are the following:

[Porgy & Bess](#) in Vienna, one of the most prestigious jazz clubs in Central Europe.

[WUK](#), [Flex](#), [Fluc](#), [Arena](#), [Pratersauna](#) and the [Grelle Forelle](#) are Vienna's bigger venues for live and club music, the [rhiz](#), [B72](#), [Chelsea](#) and [Ost-Klub](#) are a little smaller, with some specialized programs of very high quality.

The [Konzerthaus](#) and the [Musikverein](#) in Vienna have to be mentioned here for composed music.

As of recently, Linz has the new [Musiktheater](#), the most modern opera and music theater house in Central Europe, and for many years the [Brucknerhaus](#) (composed music) and the highly significant pop/rock venues [Posthof](#), [Kapu](#) and [Stadtwerkstatt](#).

In Salzburg the relevant locations are [Jazzit](#), [Rockhouse](#), [ARGE Kultur](#), [Republic](#), in Graz the Dom im Berg, [Postgarage](#), [ppc](#) and the [Orpheum](#), further important event venues are the [PMK](#) and [Treibhaus](#) in Innsbruck and the [Poolbar](#) in Feldkirch.

A representative overview of the countries venues is offered on the website of [mica - music austria](#)<sup>130</sup>.

Venues as well as event organizers are also listed in the [Musikatlas](#).

## Festivals

Despite the continuously weak economic situation, festivals in Austria are booming, including both the very large and the very small festivals, which are mostly organized by cultural associations and partly attributable to socio-cultural events.

### The big ones

[Donaufestival](#)<sup>131</sup>: Not so big regarding the visitor frequency, but rather in terms of budget. Lower Austria's own festival has a considerable budget to annually invite avant-garde acts from the fields of performance, electronic music, pop and rock to the city Krems. An internationally highly acclaimed mix of challenging, but unknown artists and stars attracts up to 15,000 visitors from around the world to Krems.

[Nova Rock](#)<sup>132</sup>: Biggest rock and metal festival in the country, up to 160,000 visitors. The program of the international metal festival circus is presented with many superstars and only a few national acts. Annually takes place in Nickelsdorf in Burgenland, close to the festival Konfrontationen.

<sup>129</sup> See: <https://maps.google.at/maps/ms?hl=de&ie=UTF8&msa=0&msid=107618679186215921489.00048275e31ceb554a2b60z=12>  
or <http://tinyurl.com/klor6cq>

<sup>130</sup> [www.musicaustria.at/mica/praxiswissen/live-oesterreich](http://www.musicaustria.at/mica/praxiswissen/live-oesterreich)

<sup>131</sup> [www.donaufestival.at](http://www.donaufestival.at)

<sup>132</sup> [www.novarock.at](http://www.novarock.at)

**Frequency**<sup>133</sup>: Similar to the Nova Rock Festival, however focused on pop/rock/alternative/electronic music. Many international superstars, with about 130,000 visitors. Takes place in St. Pölten at the so-called **VAZ** grounds.

**Donauinselfest**<sup>134</sup>: By far the biggest festival, held on the Viennese **Danube island**. Since 1984 the festival has been attracting an audience, which today counts up to 3 million visitors in three days. With an emphasis on national booking, various stages show performers for almost all genres and publicity profiles. Headliners are often stars from the field of Austropop.

### Electronic Music

Besides the two big festivals, the Urban Art Forms and the Beat Patrol, Austria has a number of smaller festivals dedicated to various styles of electronic music:

**Urban Art Forms**<sup>135</sup>: Organized for the first time in 2005, the UAF has become the largest electronic music festival in the country with up to 45,000 visitors. It covers all areas of electronic music and has a relatively high proportion of national bookings compared to other major festivals.

**Beat Patrol**<sup>136</sup>: Since 2009 in St. Pölten, organized on the same grounds as the Frequency Festival with up to 30,000 visitors and covers the mainstream demand of visitors interested in electronic music. Many international bookings, interspersed with national newcomers and stars.

**Spring Festival**<sup>137</sup>: Electronic music for up to 25,000 visitors in Graz. It is an urban indoor festival, which is spread over several clubs and event halls in Graz and should also appeal to international audiences. Since the inception, the idea of the organizers behind the festival is to bring the feeling of a festival in the countryside into the city and to simultaneously combine it with urban influences.

**Elevate**<sup>138</sup>: The Elevate Festival takes place once a year in and around the Schlossberg in Graz. For five days, the festival presents discussions and workshops during the day and at night it offers music concerts of national and international artists that work offside the mainstream. The festival therefore also carries the subtitle "festival for contemporary music, arts and political discourse".

**Ars Electronica Festival**<sup>139</sup>: World-renowned festival in Linz for digital art, research, society discourses, etc. It is also accompanied by a music series and awards prizes for digital art and music.

### Jazz/improvised music

For decades there has been a blossoming, highly relevant scene of festival for jazz, free jazz and improvised music. Often located in rural, partially very remote regions of Austria, the following lists the most important festivals of the genre:

**Konfrontationen**<sup>140</sup>: Since 1980, the protagonists of the improvised music world with an "underground superstar status" meet in the courtyard of the small village Nickelsdorf in Burgenland, near the Hungarian border. Around 1000 visitors over three days, big names and despite financial difficulties admirably persistent organizers.

**Kaleidophon**<sup>141</sup>: Ulrichsberg, located in the border triangle of Austria/Germany/Czech Republic, is similar to the festival Konfrontationen, but with some more contemporary music elements and is visited by all the major free jazzers of the country. Around 1000 visitors in three days.

---

<sup>133</sup> [www.frequency.at](http://www.frequency.at)

<sup>134</sup> <http://donauinselfest.at>

<sup>135</sup> [www.urbanartforms.com](http://www.urbanartforms.com)

<sup>136</sup> [www.beatpatrol.at](http://www.beatpatrol.at)

<sup>137</sup> [www.springfestival.at](http://www.springfestival.at)

<sup>138</sup> [www.elevate.at](http://www.elevate.at)

<sup>139</sup> [www.aec.at/festival](http://www.aec.at/festival)

<sup>140</sup> [www.konfrontationen.at](http://www.konfrontationen.at)

<sup>141</sup> [www.jazzatelier.at](http://www.jazzatelier.at)

**Artacts**<sup>142</sup>: Located in St. Johann in Tyrol, this festival is the western counterpart to the Konfrontationen or the Kaleidophon. For three days each year the national and international free jazz scene comes together. As with the other Austrian free jazz festivals, around 1000 visitors from almost all of Europe and beyond.

**Jazzfest Saalfelden**<sup>143</sup>: Since 1978, the Jazz Festival Saalfelden, located in the mountainous region of Salzburg's Pinzgau, has become one of the most important jazz festivals in Central Europe and gathers the top of European and American jazz musicians. Around 25,000 visitors experience a mix of national and international acts, special attention is given to world premieres and perennial features of individual artists.

**Jazzfest Wien**<sup>144</sup>: By far the largest jazz festival in the country, which also strongly frays towards pop music and is annually held at representative venues such as the State Opera as well as the jazz clubs of Vienna with a mix of national and international stars, and bands and and welcomes approximately 60,000 visitors.

**Music Unlimited**<sup>145</sup>: Legendary festival, the name says it all. Situated in Wels, Upper Austria, the border lines between jazz, improv, electronic music, pop and rock have been crossed and tested for by now 27 years. Every two years a curator is invited to organize the festival. Three days, about 1,500 visitors.

## Pop/Rock

The field of festivals that are based regionally and concentrate on regional and national bands is quite large. Here only the most important are mentioned, more information is offered on the [mica - music austria](#) website.

**Ottensheim Open Air**<sup>146</sup>: Located near Linz, focus on regional bands and musical innovations, about 2000 visitors.

**Poolbar**<sup>147</sup>: In an old swimming pool in Feldkirch in Tyrol a selected program with national and international guests is presented to the indie/pop/rock scene for several weeks. Approximately 20,000 visitors.

**Popfest Wien**<sup>148</sup>: A festival that has grown with about 60,000 visitors in 2013 in the center of Vienna and celebrates the Austrian indie scene for four days. No international bookings.

**Blue Bird**<sup>149</sup>: For almost a decade, the Vienna Songwriting Association presents the creme de la creme of the national and international singer/songwriter scene for three days in November at Vienna's club Porgy & Bess. Around 1,500 visitors.

**Seewiesenfest**<sup>150</sup>: One of the oldest alternative festivals in the country, somewhat closer to the alternative mainstream than Bluebird or Ottensheim Open Air, this festival has always had a knack for good bands, before they became really successful. For about 3000 visitors.

**Waves Vienna**<sup>151</sup>: Waves is the first showcase festival in Austria and is dedicated to new music from the broad field of pop/rock/electronic. The festival focuses bands that deserve more attention and have international appeal, but have for some reason not yet been flushed to the very top. Music from Eastern Europe is one of the key festival themes. A lot has happened since the opening towards the West, but there is still a lot of potential to maximize the benefits between East and West. Also in Denmark, Iceland and Austria the music scenes are blossoming and deserve better visibility and networks.

---

<sup>142</sup> [www.muku.at](http://www.muku.at)

<sup>143</sup> [www.jazzsaalfelden.com](http://www.jazzsaalfelden.com)

<sup>144</sup> [www.viennajazz.org](http://www.viennajazz.org)

<sup>145</sup> [www.musicunlimited.at](http://www.musicunlimited.at)

<sup>146</sup> [www.openair.ottensheim.at](http://www.openair.ottensheim.at)

<sup>147</sup> <http://poolbar.at>

<sup>148</sup> <http://popfest.at>

<sup>149</sup> [www.songwriting.at](http://www.songwriting.at)

<sup>150</sup> [www.seewiesenfest.at](http://www.seewiesenfest.at)

<sup>151</sup> [www.wavesvienna.com](http://www.wavesvienna.com)



Under the motto "East meets West", Waves Vienna annually welcomes two guest countries, in 2013 the featured countries are Belgium and Slovenia. In addition to the showcase concerts, the Waves Vienna Music Conference is also programed with panels and workshops on the music markets and scenes of these two countries.

### Classical and contemporary music

**Klangspuren Schwarz**<sup>152</sup>: In 2013 the Tyrolean Festival of Contemporary Music will celebrate its 20th edition. With its artist in residence program, the event has long since established itself as a relevant addition to contemporary music festivals. Concerts and installations in public space are held with the active participation of the community and local artists. Big names like Cerha or Rühm are presented in a mix with young composers.

**Komponistenforum Mittersill**<sup>153</sup>: The KOFOMI focuses on the structure of a network for exchange of information and communication about the current music scene. Since 1996, 10 days are spent by composing, performing, interpreting and working together amidst the Mittersill mountains with 5-6 composers in residence, an artist in residence and an ensemble in residence. As part of the Mittersill Composers' Forum, an annual symposium is held, in which the dialogue between science and art, and the respective background theme of the forum are the focus.

**Musikprotokoll**<sup>154</sup>: The Musikprotokoll founded in 1968, serves as a laboratory, a festival open to all music, as long as it is new, searching, and "risky". The spectrum ranges from orchestral music (mostly presented by the ORF Vienna Radio Symphony Orchestra), music for ensembles and chamber music to performance and sound installations, in many cases specifically developed and produced for the festival. Musikprotokoll is held as an event within the **Styrian Autumn Festival**.

**Wien Modern**<sup>155</sup>: Wien Modern is probably the biggest and most important festival of contemporary music in Austria and is held annually in November in Vienna. Founded in 1988 by **Claudio Abbado** with the aim to make contemporary music accessible to a larger scale of the Viennese public. Music of today is the programmatic focal point of the festival, complemented by performance, visual arts, film and video. The Wien Modern festival takes place in large, traditional Viennese concert halls, theaters, museums and alternative venues.

**Festival 4020**<sup>156</sup>: The festival 4020 has been taking place in Linz since 2001. Along a specific theme, every two years the festival negotiates the relevance of contemporary music. Outstanding and exciting is primarily the change in perspective - Eurocentrism is replaced by reflection on contemporary music in other cultures, primarily the orient. Persian musicians perform European compositions and vice versa. As a part of residencies, contacts are promoted and perspectives expanded.

**Salzburg Biennale – Festival für Neue Musik**<sup>157</sup>: The Salzburg Biennale has been taking place since 2009 and has set itself the goal to reflect the latest developments in contemporary music, involving both Austrian and international composers. The Salzburg Biennale presents significant personalities of contemporary music, confronts new compositions with works of the tradition, places different genres and different aesthetic positions next to each other and would like to address a wide audience with new and other forms of art. During the Salzburg Biennale, the Music Prize Salzburg, Salzburg's international composition prize is also presented.

---

<sup>152</sup> [www.klangspuren.at](http://www.klangspuren.at)

<sup>153</sup> [www.kofomi.com](http://www.kofomi.com)

<sup>154</sup> <http://musikprotokoll.orf.at>

<sup>155</sup> [www.wienmodern.at](http://www.wienmodern.at)

<sup>156</sup> [www.festival4020.at](http://www.festival4020.at)

<sup>157</sup> [www.salzburgbiennale.at](http://www.salzburgbiennale.at)

## World Music

**Akkordeon Festival**<sup>158</sup>: World music, jazz, pop and composed music - all in the name of one instrument. Since 2000, the festival is held in Vienna every year and features known and unknown artists in known and unknown venues across Vienna for several thousand visitors.

**Glatt & Verkehrt**<sup>159</sup>: This festival plays with the tension between tradition and new beginnings, past and present: the festival in Krems does not focus on styles and genres, but rather on regions of origin and roots. Glatt & Verkehrt features music from around the world, primarily from Europe. The successful festival has been taking place every year since 1995. Symposia, workshops and film screenings complement the music program.

**Salam Orient**<sup>160</sup>: Music, dance and poetry from Eastern cultures is the programmatic bracket of Salam Orient. The festival - originally "Salam.Islam" - has been taking place since 2005 in various venues across Vienna. In addition to concerts, the festival offers lectures, discussions and workshops.

**An overview of the most relevant festivals of all genres, including contact details of the organizers are provided on the website of mica – music austria**<sup>161</sup>.

**mica – music austria also offers an overview of all festivals of the country as a download in PDF.**

## Labels and Publishers

About 1000 labels (exact figures are not available) are currently active in Austria. These are however mostly very small structured and often operated by the musicians themselves. Especially successful are the highly specialized labels: **Editions Mego** for experimental, mostly electronic music, **Napalm Records** for heavy metal, **col legno** and **Kairos** for composed (contemporary) music oder **Affine Records** for electronic dance/club music.

**Important labels can also be found in Part 2 in the section of the respective genres.**

Music publishers are often operated by labels that (have to) offer more comprehensive propositions for music evaluation. In the field of classical and contemporary music there a few very important specialized publishers, such as the **Universal Edition** or **Musikverlag Doblinger**, both based in Vienna.

**A list of the most important labels in the country can be found on the website of mica – music austria**<sup>162</sup> **and the Musikatlas.**

## Ticketing

All major international players are represented on the Austrian market, either by its own facilities or involved in national companies such as CTS Eventim as a partner of **oeticket**, the national market leader.

Since 2012, Ticketmaster is also operating with its own location and office in the Austrian market.

Almost all banks offer tickets for their customers/members that are usually reduced in price (and are also involved in music sponsorship).

New to the market are a few start-ups in the field of mobile ticketing, especially **Ntry**, **Eventjet** or **ticketgarden**.

<sup>158</sup> [www.akkordeonfestival.at](http://www.akkordeonfestival.at)

<sup>159</sup> [www.glattundverkehrt.at](http://www.glattundverkehrt.at)

<sup>160</sup> <http://salam-orient.at>

<sup>161</sup> [www.musicaustria.at](http://www.musicaustria.at) → Praxiswissen → Live in Österreich

<sup>162</sup> [www.musicaustria.at](http://www.musicaustria.at) → Praxiswissen → Labels

## Distributors

In recent years, the distribution landscape in Austria has changed dramatically. Many specialized companies, such as Soul Seduction, Ixthuluh or Extraplatte have disappeared. In addition to the distributors of the major labels and Edel, Hoanzl is the most important domestic distributor, which also works with Austrian independent labels. With Good To Go, a joint distribution company of Groove Attack and Rough Trade, a strong player from Germany has appeared on the Austrian market since 2009.

One of the digital distributors in Austria is Rebeat, which was even honored with a cover story in the U.S. Billboard magazine, and forms together with the company Ordis, which specializes in independent labels, two good aggregators that bring the domestic music to international platforms.

**Comprehensive information on trade and distribution, as well as a list of all Austrian distributors can be found on the website of mica – music austria.**

## Retailers

The physical recording market has greatly suffered from the changes of recent years. Many small shops, but also large companies, such as Virgin have closed down, the retail space in the decisive retail chain stores Media-Saturn, Libro and Müller are fiercely fought over and are sparse. Due to low sales, new goods disappear from the shelves after only a few weeks. However, there are still well-stocked shops, with a fine range of vinyl:

In Graz there is Dux Records and the wholesaler inandout Records, in Linz Wahn & Sinn, which primarily acts as a mail order company, or the vinyl-only retailer Vinyl Corner, in Salzburg the Musikladen, in Innsbruck Soundstation and the Musikladen.

Notable retailers in the capital of Vienna are the retailers Substance (also active as the label and distributor Trost) and Rave Up, which specialize in rock, pop, electronic and various subcultures. There is also the Market für House und Disco, even the vinyl department in Saturn on Vienna's Mariahilferstraße has a considerable collection. The retailer Recordbag specializes in a mix of music and fashion.

**In-depth information on trade and distribution can be found on the website of mica – music austria<sup>163</sup>.**

## Download Platforms

**At the end of 2012, 36 music download sites were represented on the Austrian market. These offer about 20 million tracks and make a cumulative annual turnover (2012) of approximately 26.5 million EUR.** In comparison: in 2004 three platforms offered about 500,000 titles, and made a combined turnover of about 1.6 million EUR.

Noteworthy is the high density of telcos among the download providers in Austria. Highlighted from the crowd of providers are Zero Inch, who have been able to succeed with highly specialized repertoire (electronic music, club music) and Play FM with a unique selling proposition of live recordings from clubs in the country.

<sup>163</sup> [www.musicaustria.at](http://www.musicaustria.at) → Praxiswissen → Handel, Vertrieb

## Overview of download platforms in Austria 2012

Name	Url
A1 Music Shop	<a href="http://www.a1.net/a1music/A1Music">www.a1.net/a1music/A1Music</a>
Amazon	<a href="http://www.amazon.at">www.amazon.at</a>
Artistxite	<a href="http://www.artistxite.com">www.artistxite.com</a>
Finetunes	<a href="http://www.finetunes.net">www.finetunes.net</a>
iTunes	<a href="http://www.apple.com/at/itunes">www.apple.com/at/itunes</a>
Mediamarkt	<a href="http://music.mediamarkt.at">http://music.mediamarkt.at</a>
Musicbox	<a href="http://www.musicbox.de">www.musicbox.de</a>
Musicload	<a href="http://www.musicload.at">www.musicload.at</a>
Nokia Music	<a href="http://music.ovi.com/at/de/pc">http://music.ovi.com/at/de/pc</a>
Weltbild	<a href="http://www.weltbild-downloads.at">www.weltbild-downloads.at</a>
7 digital	<a href="http://at.7digital.com">http://at.7digital.com</a>
DG	<a href="http://www.deutsche Grammophon.com">http://www.deutsche Grammophon.com</a>
Preiser	<a href="http://www.preiserrecords.at">www.preiserrecords.at</a>
Saturn	<a href="http://music.saturn.at">http://music.saturn.at</a>
Orange	<a href="http://www.orange.at">www.orange.at</a>
T-Mobile Music	<a href="http://music.t-mobile.at">http://music.t-mobile.at</a>
Telering	<a href="http://telering.sms.at">http://telering.sms.at</a>
3 Music Store	<a href="http://www.drei.at/portal/de/3musicstore">www.drei.at/portal/de/3musicstore</a>
Jamba	<a href="http://www.jamba.at">www.jamba.at</a>
SMS AT	<a href="http://www.sms.at">www.sms.at</a>
Zed	<a href="http://www.zed.at">www.zed.at</a>
last.fm	<a href="http://www.lastfm.at">www.lastfm.at</a>
MyCoke Music	<a href="http://mycokemusic.at">http://mycokemusic.at</a>
Play FM	<a href="http://www.play.fm">www.play.fm</a>
Ladezone	<a href="http://www.ladezone.at">www.ladezone.at</a>
Myspace	<a href="http://www.myspace.com">www.myspace.com</a>
Vidzone	<a href="http://www.vidzone.at">www.vidzone.at</a>
YouTube	<a href="http://www.youtube.com/Vevo">www.youtube.com/Vevo</a>
Zero Inch	<a href="http://www.zero-inch.com">www.zero-inch.com</a>
Zune	<a href="http://www.zune.net/de-at">www.zune.net/de-at</a>

**Source:** IFPI Market Report 2012

The still mentioned Soul Seduction in the data source of the IFPI market report stopped operating in July 2013.

## Streaming providers

Most of the 15 current streaming services represented on the Austrian market offer three tiered services, ranging from free access up to the premium subscription. With the free basic offers, users can try the service in a limited, advertising-interrupted form. The next stage allows unlimited access without ads at around 4.99 EUR a month. The premium versions, usually offered at 9.99 EUR, allows music fans to fully appreciate the mobile options of the streaming service.

### Overview of streaming providers in Austria

Name	Offer	Price	Catalog	Quality	Mobile Apps	Artists / Niche radio	Social Media Integration
<b>Spotify Free</b>	6 months unlimited after that 10h/month advertising desktop	-	20 million	choice: 96 kbps/160 kbps/320 kbps	no	artist radio and niche radio	Facebook, Twitter, tumblr
<b>Spotify Unlimited</b>	unlimited access desktop	4,99/month	20 million	choice: 96 kbps/160 kbps/320 kbps	no	artist radio and niche radio	Facebook, Twitter, tumblr
<b>Spotify Premium</b>	unlimited access desktop/mobile/home entertainment offline usage	9,99/month	20 million	choice: 96 kbps/160 kbps/320 kbps	yes	artist radio and niche radio	Facebook, Twitter, tumblr
<b>Deezer Discovery</b>	limited to 12 months after that only 2 hours per month advertising desktop	-	20 million	up to 320 kbps	no	artist radio and niche radio	Facebook, Twitter
<b>Deezer Premium</b>	unlimited access desktop	4,99/month	20 million	up to 320 kbps	no	artist radio and niche radio	Facebook, Twitter
<b>Deezer Premium +</b>	unlimited access desktop/mobile/home entertainment offline usage	9,99/month	20 million	up to 320 kbps	yes	artist radio and niche radio	Facebook, Twitter
<b>Simfy Free</b>	limited to 2 months. after that only 30 seconds/track advertising desktop	-	20 million	between 192-320 kbps	no	artist radio	Facebook, Twitter, E-Mail
<b>Simfy Premium</b>	14-day free trial unlimited access desktop	4,99/month	20 million	between 192-320 kbps	no	artist radio	Facebook, Twitter, E-Mail
<b>Simfy Premium Plus</b>	14-day free trial unlimited access desktop/mobile/home entertainment offline usage	9,99/month	20 million	between 192-320 kbps	yes	artist radio	Facebook, Twitter, E-Mail
<b>Juke Free</b>	free only 30 seconds/track desktop		20 million	n.a.	no	niche radio	no
<b>Juke Music-flat Paket</b>	7-day free trial unlimited access desktop/mobile/home entertainment offline usage	9,99/month	20 million	n.a.	yes	niche radio	Facebook, Twitter, E-Mail
<b>Music-load</b>	unlimited access desktop	8,95/month	n.a.	n.a.	no	no	no
<b>Rara Internet</b>	unlimited access desktop	4,99/month (first 3 months: 0,99/month)	17 million	n.a.	no	niche radio	Facebook, Twitter
<b>Rara Mobile</b>	unlimited access desktop/mobile offline usage	9,99/month (first 3 months: 1,99/month)	17 million	n.a.	yes	niche radio	Facebook, Twitter

<b>Rdio Free</b>	6 months free trial desktop	-	18 million	up to 320 kbps	no (14 days-free trial)	artist radio	Facebook, Twitter
<b>Rdio Internet</b>	unlimited access desktop	4,99/month	18 million	up to 320 kbps	no	artist radio	Facebook, Twitter
<b>Rdio Un-begrenzt</b>	unlimited access desktop/mobile/home entertainment offline usage	9,99/month	18 million	up to 320 kbps	yes	artist radio	Facebook, Twitter
<b>Xbox Music</b>	advertising after 6 months available on devices equipped with Windows Windows 8 and RT Windows Phone 8 and Xbox 360	-	18 million	192 kbps	yes	artist radio	no
<b>Xbox Music Pass</b>	unlimited access available on devices equipped with Windows Windows 8 and RT Windows Phone 8 and Xbox 360 access to thousands of music videos offline usage	9,99/month	18 million	192 kbps	yes	artist radio	no

Source: IFPI Austria, Music Market Report 2012

## Charts

### General Information

The **Austria Top 40** are a pure sales charts, which is a mirror of the Austrian music market. The charts are based on weekly sales reports from Austrian record dealers as well as reports from non-physical sales. There is no form of extrapolation, physical and digital products are equally weighted.

The ORF radio station FM4 creates their own weekly charts, the **FM4 Charts**. These are editorial charts and based on the music played on the station.

Besides the official sales charts, there are a number of other genre charts, mostly created by commercial providers. The most relevant here are the **Austrian Indie Charts** that are created weekly on the basis of expert interviews (DJs, organizers, bookers, musicians etc.).

### Gold and Platinum

Currently in Austria (2013), Gold and Platinum awards are awarded for the following sales:

#### Gold:

5,000 sold DVDs

7,500 sold albums (before the release of 1/1/2013 for 10,000 sold albums)

15,000 sold singles

#### Platinum:

10,000 sold DVDs

15,000 sold albums (20,000 before the release of 1/1/2013)

30,000 sold singles

A list and a comprehensive database of all bestowed awards can be found on the website of the IFPI

Austria: [www.ifpi.at](http://www.ifpi.at) → Gold & Platin

## The Charts 2012

2012 was a successful year for Austrian artists, especially in the genre of folkloric music/Schlager. Four out of eleven top-40 rankings in the album charts listed Andreas Gabalier, two more are also attributable to the genre of folkloric music. The only exceptions are the children's talent show sampler Kiddy Contest, the New Year's Concert and Hubert von Goisern, a representative of the new folk music.

### Austrian sales charts 2012 (physical and digital)

Single charts 2012			Album charts 2012		
1	AI SE EU TE PEGO!	MICHEL TELÓ	1	LICHTER DER STADT	UNHEILIG
2	MA CHÉRIE	DJ ANTOINE	2	21	ADELE
3	ONE DAY/RECKONING SONG	AVIDAN, ASAF & THE MOJOS	3	BALLAST DER REPUBLIK	DIE TOTEN HOSEN
4	BACK IN TIME	PITBULL	4	BORN TO DIE	LANA DEL REY
5	SOMEBODY THAT I USED TO KNOW	GOTYE FT. KIMBRA	5	HERZWERK	ANDREAS GABALIER
6	CALL ME MAYBE	CARLY RAE JEPSEN	6	VOLKSROCK'N'ROLLER	ANDREAS GABALIER
7	GANGNAM STYLE	PSY	7	WAHNSINNSFLUG AUF WOLKE 7	NOCKALM QUINTETT
8	EUPHORIA	LOREEN	8	KIDDY CONTEST VOL.18	KIDDY CONTEST KIDS
9	TAGE WIE DIESE	DIE TOTEN HOSEN	9	VOLKSROCK'N'ROLLER-LIVE	ANDREAS GABALIER
10	WE ARE YOUNG	FUN. FEAT. JANELLE MONAE	10	NEUJAHRSKONZERT 2012	JANSONS/ WR. PHILHARMONIKER
11	SHE DOESN'T MIND	SEAN PAUL	11	GRUNDLSEE	SEER
12	TACATA	TACABRO	12	RAOP	CRO
13	WHISTLE	FLO RIDA	13	LIBERTY OF ACTION	THE BOSSHOSS
14	BALADA	GUSTTAVO LIMA	14	AUCH	DIE ÄRZTE
15	DON'T GIMME THAT	THE BOSSHOSS	15	NOTHING BUT THE BEAT	DAVID GUETTA
16	I FOLLOW RIVERS	TRIGGERFINGER	16	WRECKING BALL	BRUCE SPRINGSTEEN
17	DIAMONDS	RIHANNA	17	THE TRUTH ABOUT LOVE	P!NK
18	EASY	CRO	18	DANKE FÜRS ZUHÖREN - BEST OF	XAVIER NAIDOO
19	TOO CLOSE	ALEX CLARE	19	TAKE THE CROWN	ROBBIE WILLIAMS
20	I FOLLOW RIVERS	LYKKE LI	20	LIVING THINGS	LINKIN PARK
21	2012 (IF THE WORLD WOULD END)	MIKE CANDYS	21	THE ULTIMATE COLLECTION	WHITNEY HOUSTON
22	WILD ONES	FLO RIDA FEAT. SIA	22	SEED	SEED
23	JAR OF HEARTS	CHRISTINA PERRI	23	CHRISTMAS	MICHAEL BUBLÉ
24	SONNENTANZ	KLANGKARUSSELL	24	BEST OF	ANDREA BERG
25	LEIDER GEIL	DEICKIND	25	DA KOMM' ICH HER	ANDREAS GABALIER
26	VON ALLEIN	CULCHA CANDELA	26	ENTWEDERUNDODER	HUBERT VON GOISERN
27	LEVELS	AVICII	79	BIS ANS ENDE DER ZEIT	AMIGOS
28	DRIVE BY	TRAIN	28	BEFEHL VON GANZ UNTEN	DEICKIND
29	SHE WOLF (FALLING TO PIECES)	DAVID GUETTA	29	BABEL	MUMFORD & SONS
30	PAYPHONE	MAROON 5 FEAT. WIZ	30	FÜR EINEN TAG	HELENE FISCHER

		KHALIFA			
31	SKYFALL	ADELE	31	MUSIC	DAVID GARRETT
32	LITTLE TALKS	OF MONSTERS AND MEN	32	CRAZY	DANIELE NEGRONI
33	PRIMADONNA	MARINA & THE DIAMONDS	33	LIVE AT RIVER PLATE	AC/DC
34	I SING A LIAD FÜR DI	ANDREAS GABALIER	34	LIFE IN A BEAUTIFUL LIGHT	AMY MACDONALD
35	MOVE IN THE RIGHT DIRECTION	GOSSIP	35	GESPALTENE PERSOENLICHKEIT	XAVAS
36	PARTY SHAKER	R.I.O. FEAT. NICCO	36	OLD IDEAS	LEONARD COHEN
37	DON'T WAKE ME UP	CHRIS BROWN	37	SPIRIT OF THE HAWK	LEO ROJAS
38	GOOD FEELING	FLO RIDA	38	MY NAME IS LUCA	LUCA HÄNNI
39	SUMMER JAM	R.I.O. FT. U-JEAN	39	THE 2ND LAW	MUSE
40	GIRL ON FIRE	ALICIA KEYS	40	TEMPEST	BOB DYLAN

Source: IFPI Marktbericht 2012

Huber/Leitich analyzed the album sales charts of the years 2000 to 2010, compared the results of all genres, including classical music, and thereby attained a **ratio of national and international repertoire from 82.5% to 17.5%**. An analysis by genre/styles of 116 Austrian productions in the charts revealed the following proportions by genre:

Rock/pop 44,8 %, Schlager/folkloric music 42,2 %, classical/contemporary music 9,5 %, folk music/world as well as dance/hip hop/electronic music at each 1,7 %, jazz/improvised music 0.

In the **Austrian Indie Charts** five Austrian releases are found among the top 30 albums of 2012 and represent a share of 16.6%, which is still a little lower than that of Austria's top 40 sales charts.

### Important Contacts, Related Links

Database of the IFPI Austria with all gold and platinum awards	<a href="http://www.ifpi.at">www.ifpi.at</a> → Gold & Platin
IFPI Market Report 2012 with the top 40 sales charts and all platinum awards of 2012	<a href="http://www.ifpi.at">www.ifpi.at</a> → Musikmarkt → Österreich → Marktbericht 2012
Austrian Indie Charts	<a href="http://www.indiecharts.at">www.indiecharts.at</a>
Current charts of Radio Ö3 (Mainstream)	<a href="http://www.austriatop40.at">www.austriatop40.at</a>
Current charts of Radio FM4 (Alternative)	<a href="http://fm4.orf.at">fm4.orf.at</a> → Charts
Release it - information brochure of mica - music austria and wienXtra sound base	<a href="http://www.soundbase.at">www.soundbase.at</a> → Infos & Downloads
Music business directory with thousands of addresses and contacts	<a href="http://www.musikatlas.at">www.musikatlas.at</a>

## PART 4 – GRANTS, PRIZES, COMPETITIONS

### General information on the promotion of culture

The art and cultural promotion in Austria is diverse and difficult to holistically comprehend despite the



acquisition and evaluation based on the LIKUS categories. Generally, the consensus is: "Most of the money flows into large institutions."<sup>164</sup>

The conduct of the federal government is regulated in the so-called Federal Act on the Promotion of the Arts from federal funds, in short: Arts Promotion Act, from the year 1988.

In § 2, para 1, music is explicitly mentioned as a grant-worthy art form. Stated as the aim of promoting culture, is, among other things, making art accessible to all segments of the population and improving the material conditions for the development of artistic life in Austria.<sup>165</sup>

The Federal Constitution as the highest legal standard, however, makes no commitment to promote art and culture in Austria. In the culture country Austria the word culture can not be found at any point in the Federal Constitution, thus has, in contrast to Germany and many other countries, no cultural mandate enshrined in the Constitution.

Cultural funding of public contracting authorities are settled on federal state, federal province and municipality level. Often one authority will only promotes if the smaller unit will also provide federal support, in this case, province after municipality and state after province.

### ***Art Promotion vs. Economic Promotion***

The separation between cultural and economic promotion is relatively strict and usually manifested in the legal form of funding promoters. In general, acquisition companies are excluded from the cultural promotion and non-profit organizations are excluded from economic promotion.

Very open in this respect is the music funding program of **Österreichischen Musikfonds (Austrian Music Fund)**<sup>166</sup>. Natural and legal persons, acquisition companies and non-profit organizations are equally eligible to apply for production support of recorded music and their presentation on tours.

### ***Overview of Funding Opportunities for Creative Industries***

In recent years, the funding opportunities for creative business entrepreneurs have been greatly enhanced by various agencies. Both federal and regional levels offer different possibilities for the various phases of company or product development.

On the federal level, funding opportunities are offered by e.g. the **Austria Wirtschaftsservice (AWS)**<sup>167</sup> the program **impulse**, the **Ministry of Economy, Family and Youth (bmwfi)** and the program **evolve**<sup>168</sup>.

On the regional level, for example, the City of Vienna operates the funding agency **departure**<sup>169</sup>, which offers various funding programs.

**A comprehensive overview of funding opportunities in the CCI is provided on the website of **Creativwirtschaft.at****<sup>170</sup>.

### ***Overview of Funding Opportunities for Art and Culture***

Since various authorities and non-governmental institutions such as the collecting societies or PPP initiatives such as the Austrian Music Fund grant funding, it is not possible to give a comprehensive

<sup>164</sup> Quote Thomas Trenkler, see: <http://tinyurl.com/kthbqmj>

<sup>165</sup> See: [www.bmukk.gv.at](http://www.bmukk.gv.at) → **Kunst** → **Rechtsgrundlagen** → **Kunstförderungsgesetz 1988**

<sup>166</sup> [www.musikfonds.at](http://www.musikfonds.at)

<sup>167</sup> [www.awsg.at](http://www.awsg.at)

<sup>168</sup> [www.evolve.or.at](http://www.evolve.or.at)

<sup>169</sup> [www.departure.at](http://www.departure.at)

<sup>170</sup> <http://creativwirtschaft.at>

description of all funding opportunities. Here are some funding bodies presented as examples:

#### Federal level:

- **Federal Ministry for Education, Arts and Culture (bm:ukk).**  
The bm:ukk is settled in the **art section** and awards numerous grants and promotions. For all grants of the bm:ukk there are standardized applications and deadlines that have to be adhered to.
- **Federal Ministry for European and International Affairs (BMeiA):**  
The Ministry of Foreign Affairs focuses on the foreign culture. There is no standardized application process, detailed information about each of the current programs is provided by the Action Plan. A special music funding program is offered with the **New Austrian Sound of Music**<sup>171</sup>. The program was launched in 2002 to send young Austrian artists around the world to interested parties such as embassies, cultural institutes, etc.

#### Regional level:

In Austria's federal states the respective cultural offices of the state government offer information and application forms for the almost always standardized application processes. Even on the local level of towns and municipalities, there are cultural units that are responsible for granting subsidies.

**A list of the cultural offices and the respective contact details can be found on the website of mica – music austria**<sup>172</sup>.

#### Non-governmental, PPP and other funding bodies:

- **Österreichischer Musikfonds (Austrian Music Fund)**<sup>173</sup>: Founded in 2005, the Music Fund is a public-private partnership, initiated and sponsored by the following partners: **bm:ukk**, **AKM/GFÖM Gesellschaft zur Förderung österr. Musik**, **austro mechana/SKE**, **Fachverband Film und Musik**, **IFPI**, **ORF**, **ÖSTIG**. The Austrian Music Fund awards grants for music productions (sound recordings), tour support and promotion as well as export subsidies and has evolved over the years into one of the most important music funding bodies of the country. Unlike other funding bodies that promote broadly, but only with small amounts, the Music Fund selects carefully (with the help of an expert jury) and supports with a relatively high amount, allowing productions on a scale that would be otherwise unthinkable. Interviews with experts by Huber/Leitich for the report on musical diversity in Austria have shown that there is an unanimous wish for a significant increase in the budget of the Music Fund. Although the Austrian Music Fund's budget tends to be increasing for years, in the summer of 2013 the ORF announced its withdrawal as a financing partner.
- **SKE-Fonds**<sup>174</sup>: The SKE is an institution of the collecting society **Austro Mechana** and pays (social) **subsidies** and **grants** directly to or for the benefit of contemporary composers who receive **royalties from the Austro Mechana**. Therefore promotions are also granted to orchestras, organizers, small labels and organizations that focus on the local music scene. The decisions of the arts and culture funding are made by **councils** that meet about fifteen times per year. At the moment (2013) the future of the SKE funds is unclear due to current events such as the blank media levy<sup>175</sup>.

<sup>171</sup> <http://www.bmeia.gv.at/kultur/bruessel/aktuelles/the-new-austrian-sound-of-music.html>

<sup>172</sup> [www.musicaustria.at](http://www.musicaustria.at) → Praxiswissen → Förderungen

<sup>173</sup> [www.musikfonds.at](http://www.musikfonds.at)

<sup>174</sup> [www.ske-fonds.at](http://www.ske-fonds.at)

<sup>175</sup> The blank media levy is particularly important in Austria for two reasons: It legitimizes the copyright permitted **private**

- **GFÖM**<sup>176</sup>: The GRÖM (Society for the Promotion of Austrian Music) is a subsidiary of the AKM. The GFÖM initiates its own projects (e.g. the **project pop!**<sup>177</sup>) and supports events and ensembles that mainly present Austrian music from living creators of all genres, competitions in music or music/word, the presentation of Austrian music at national and international music fairs, music conferences, conventions, associations, organizations and other musical institutions

A good overview of funding opportunities is offered on the website of **mica – music austria**<sup>178</sup>.

### **Residencies for Musicians**

Compared with applied art, fine arts or dance, there are relatively few artist in residence programs for musicians in Austria. Most of the offered residencies aim at composers and performers of classical music. Currently there are no available offers for pop/rock musicians. Some of the residencies not mentioned here are mentioned in the chapter "Festivals".

**KulturKontakt:** In cooperation with the Federal Ministry of Art and Culture (bm:ukk), the **KulturKontakt Austria**<sup>179</sup> offers 50 residence scholarships in Vienna. In the context of the artist in residence programs, the scholarships are funded by the bm:ukk and advised and organized by the KKA.

**Hotel Pupik:** **Hotel Pupik**<sup>180</sup> in the Styrian town St. Lorenzen is an internationally oriented artist in residence program, which annually provides living spaces and studios for up to 30 artists from different genres. The respective projects are presented in the context of three-day events that take place in the summer months.

**IZZM:** The **International Centre for Contemporary Music**<sup>181</sup> annually calls for a composer in residence. This call applies to Austrian composers and those that have based their life in Austria - there is no age limit.

**Grafenegg:** The **Grafenegg Festival**<sup>182</sup> annually calls for a composer in residence and is usually given to a prominent name that also impacts the corresponding festival each year.

**Current calls and information about artist in residence programs are offered on the websites of the bmukk, KulturKontakt or the Austrian Composers' Societys.**

### **Competitions and Prizes**

#### **Jazz, World Music**

Up to the year 2009, the renowned European **Hans Koller Preis** was awarded to jazz musicians. Due to insecure funding, the award of the jazz musicians was transferred to the music category of **Outstanding Artist Award** of the **bmu:kk**. The European category of the Hans Koller Prize is no longer awarded. Since 2003, world music is bestowed with the **Austrian World Music Awards**.

#### **Composed Music**

---

**copy**, that is the right to copy legally acquired content for personal use.

<sup>176</sup> [www.gfoem.at](http://www.gfoem.at)

<sup>177</sup> [www.projektpop.com](http://www.projektpop.com)

<sup>178</sup> [www.musicaustria.at](http://www.musicaustria.at)

<sup>179</sup> [www.kulturkontakt.or.at](http://www.kulturkontakt.or.at) → Artists-in-Residence-Programme

<sup>180</sup> [www.hotelpupik.org](http://www.hotelpupik.org)

<sup>181</sup> [www.izzm.org](http://www.izzm.org)

<sup>182</sup> [www.grafenegg.com](http://www.grafenegg.com) → Grafenegg Festival → Composer in Residence

The award **prima la musica** is one of the most relevant national competitions for young classical musicians and is organized by the Association **Musik der Jugend** (Music of the Youth) with the support of all Austrian federal provinces and the federal government. The classical music award **Gradus ad Parnassum** and was bestowed in 2011 for the last time. A variety of competitions and awards are regularly announced and hosted by the music schools and universities in the country.

### Pop/Rock

The most important pop/rock music award in the country is the **Amadeus Awards**, details can be found in the next chapter. In addition to this award, there is also the Amadeus for classic music.

Further awards are the **Austrian Newcomer Award** bestowed by the Association **Bandbreiten, Podium.Jazz.Pop.Rock, podium.wien, emergenza**, or **local heroes**.

In the field of metal music the nationwide competition **Metalchamp** deserves a particular mention. Performances on major festival stages, including a gig at the Danube Island Festival in Vienna, is part of the **Planet Festival Tour** competition.

Public and private commercial television channels frequently host popular formats of music and band competitions. The largest in the last years was **Starmania**, which also discovered **Christina Stürmer**, one of Austria's now most successful musicians. Currently the ORF TV-channel is hosting the casting show **Die Große Chance**, however this format does not necessarily focus on musicians.

In September 2013 the private TV-channel Puls4 will host a band casting show called „**Herz von Österreich**“ ("Heart of Austria").

### Music Video and Film Music Awards:

**Austrian Music Video Award:** Since 2013, the **Poolinale Music Film Festival**<sup>183</sup> in Vienna is hosting the first Austrian Music Video Award, which is awarded with a cash prize.

The **Austrian Composers' Society**<sup>184</sup> and the **Filmfonds Wien** (Film Fund Vienna) align the Vienna Film Music Award, which is aimed at composers from all over Austria and is endowed with 7,000 EUR.

**An overview of competitions and prizes in Austria, listed by federal state, can be found on the website of mica – music austria. An info leaflet with important band competitions and comprehensive information is provided by the wienXtra Soundbase on their website.**

### **Amadeus Music Award**

The **Amadeus Austrian Music Awards**, hosted by the **IFPI**, is the largest award competition in the field of pop music. Since 2000, the most successful national musicians in Austria are awarded annually in various categories. Apart from the Amadeus Austrian Music Awards, the **Amadeus Music Award for Classical Music** is held separately since 2002.

The award winner of the category "Lifetime Achievement" is determined by the event organizer. For the FM4 Award, the music department of the radio station nominates 35 candidates from which the audience can choose the winner via online voting on the station's website. The winners in the two categories "Album of the Year" and "Song of the Year", as well as in eight genre-based categories, are chosen in a public vote on the website of the Amadeus Awards. The public can choose from five albums and songs or musicians/bands.<sup>185</sup>

<sup>183</sup> [www.poolinale.at](http://www.poolinale.at)

<sup>184</sup> [www.komponistenbund.at](http://www.komponistenbund.at)

<sup>185</sup> Vgl. [www.amadeusawards.at](http://www.amadeusawards.at) sowie <http://de.wikipedia.org> → Amadeus Austrian Music Award

A list of all previous Amadeus winners is provided by [wikipedia](#).

### ***Crowdfunding and Crowdfunding in Austria***

Crowdfunding and crowdfunding have also become an increasingly important financing instrument in Austria. The relevance and impact on the music industry were discussed by [mica – music austria](#) at the [Popfest Wien](#) in July 2013.

There are already some successful examples in Austria, like the bands [Sweet Sweet Moon](#) or [Porn To Hula](#) as well as the computer game [Data Dealer](#).

Besides the same global challenges for crowdfunding and crowdfunding, in Austria one should especially take note of the specific legal and fiscal conditions, which are however still in the making and thus subject to change.

Revenues should definitely be treated as such for tax purposes, in the case of musicians, who are self-employed, income tax has to be paid, in the case of companies corporate taxes. At the moment in Austria it is legally not allowed to collect more than 250,000 EUR.

The most prominent platforms in Austria include the German [startnext](#), the American [Kickstarter](#), [Indiegogo](#) and [Sellaband](#).

Since early 2013 the Austrian platform [Conda](#) has stepped into the market and specializes in crowdfunding, which means collecting capital for businesses.

### ***Important Contacts, Related Links***

Arts Promotion Act of 1988	<a href="#">www.bmukk.at</a> → Kunst → Rechtsgrundlagen → Kunstförderungsgesetz 1988
<a href="#">mica – music austria</a> funding information	<a href="#">www.musicaustria.at</a> → Praxiswissen → Förderungen
AWS impulse funding programs	<a href="#">www.impulse-awsg.at</a> → Förderungen
AWS Evolve funding programs	<a href="#">www.evolve.or.at</a>
Departure funding programs	<a href="#">www.departure.at</a>
Austrian Music Fund	<a href="#">www.muskifonds.at</a>
Tour support	<a href="#">www.toursupport.at</a>

## PART 5 - INTEREST GROUPS, ASSOCIATIONS, SERVICE CENTERS

**AGMÖ:** The **Arbeitsgemeinschaft der Musikerzieher Österreichs (Association of Music Educators Austria)**<sup>186</sup> represents the interests of music teachers and music educators. The AGMÖ supports and promotes music throughout the entire education system, maintains international contacts with experts and assists with expertise in educational issues.

**Austrian Music Export:** **Austrian Music Export**<sup>187</sup> was jointly initiated in 2011 by **mica – music austria** and the **Österreichische Musikfond (Austrian Music Fund)**, as a common umbrella brand to join forces engaged in export, working closely together with the organizers of collective Austrian stands at international music fairs, as well as the Austrian foreign trade and cultural forums. Objectives of the Austrian Music Export are to promote Austrian music internationally, provide information on the country's musical life and market, assist musicians and companies with advice, represent local music at fairs, conferences and festivals, organize showcases and networking events in foreign target markets and develop an extensive b2b network of international media and music industry players.

**Film and Music Austria:** As a legal advocacy, the **Fachverband der Film- und Musikwirtschaft (Association of Film and Music Industry)**<sup>188</sup> within Austria's Chamber of Commerce sees it as a particular responsibility to coordinate the interests of its members and to find possible unanimous solutions.

**IFPI:** The association of the Austrian music industry, **IFPI Austria**<sup>189</sup>, represents the interests of its members in all overarching company issues. The members include Austrian independents as well as the subsidiaries of worldwide music companies and represent about 90% of Austria's music market. The tasks of the IFPI include: the promotion of economic, legal and cultural conditions in order to bring music productions to a broad audience. This also particularly includes the protection of intellectual property, promoting the development of the digital music market, promoting fair competition and appropriate copyright laws, combating piracy and much more.

**IG World Music Austria:** The **IG World Music Austria**<sup>190</sup> represents the interests of musicians, but also managers, organizers and others working in the broad field of world music. The objectives of the IG include: promoting cooperation between all stakeholders, broader mutual information of the members, representation in public, improving the living conditions of musicians, the establishment of a "House of World Cultures" in many cities in Austria, and the stronger anchoring of world music in music education.

**IGNM/ISCM:** The **International Society of Contemporary Music - Section Austria**<sup>191</sup> promotes the latest composed and improvised music. Taking their individual and social functions into account, its development, and various mediation approaches are based on theory and practice. The society is committed to establishing a substantial contemporary music network for composers, performers and musicologists on both a regional and international level. The aim is to also initiate and support new types of artistic projects. For the reception of contemporary music, the development of effective educational concepts is just as important as a stronger anchoring in the cultural consciousness of society.

---

<sup>186</sup> [www.agmoe.at](http://www.agmoe.at)

<sup>187</sup> [www.musicexport.at](http://www.musicexport.at)

<sup>188</sup> [www.filmandmusicaustria.at](http://www.filmandmusicaustria.at)

<sup>189</sup> <http://ifpi.at>

<sup>190</sup> [www.worldmusicaustria.info](http://www.worldmusicaustria.info)

<sup>191</sup> [www.ignm.at](http://www.ignm.at)

**IMZ:** Das **International Music + Media Centre**<sup>192</sup> is the global association for all involved in audiovisual matters and dance. More than 150 members, including broadcasters such as the BBC, New York Metropolitan Opera, Universal Music up to the artists themselves, benefit from the global development and promotion work for audiovisual content of the genres jazz, contemporary and classical music and dance. The IMZ is a one-stop-shop for all players in the music business value chain and offers services in the areas of rights clearance, media policy, information exchange, networking and lobbying.

**Cultural Council Austria:** The **Kulturrat Österreich (Cultural Council Austria)**<sup>193</sup> is an affiliation representing the interests of the arts, culture and the media. The Cultural Council is a platform for common cultural interests and goals. It represents these on politics, media and management. The Cultural Council Austria opens and promotes cultural, educational, media and socio-political debates and is a gateway to European and global organizations and networks (e.g. **European Council of Artists**, **UNESCO**). Among its members is also the **Austrian Music Council**.

**mica – music austria:** **mica – music austria**<sup>194</sup> is the professional partner for music creators in Austria. Objectives include: the provision of information about the music life in Austria as well as research in the field of contemporary music, the support of Austrian-based contemporary music creators through counseling and information, distribution of local music through promotion at home and abroad and the improvement of the conditions for creating music in Austria. For local music creators, all services of mica - music austria are available for free.

The website [www.musicaustria.at](http://www.musicaustria.at) provides information on counseling topics such as label creation, live performances, recorded music production and self promotion.. Broad practical knowledge in concentrated form is taught at the music information days in the form of workshops.

Another important task of mica - music austria is fostering the music export. This is supported by the international network of the mica headquarters and the excellent contacts of the mica - music austria team. In order to bundle resources and forces, the umbrella brand **Austrian Music Export**<sup>195</sup> was launched as a joint initiative with the Austrian Music Fund and should contribute to a sustainable strengthening of international visibility and distribution of local music.

**mica – music austria** has strong national and international networks and is a member of **EMO** (European Music Office)<sup>196</sup>, **IAMIC** (International Association of Music Information Centres)<sup>197</sup>, **IAML** (International Association of Music Libraries, Archives and Documentation Centers) and **EMC/IMC** (European & International Music Council)<sup>198</sup>.

**Musikergilde:** The **Musikergilde (Musicians Guild)**<sup>199</sup> is the largest advocacy for freelance music creators in Austria. More than 2,900 members from all types of music are offered the following services: acquisition of legal costs in case of dispute, model contracts and invoices, free website for each member, networks with event organizers in Austria, a database for gigs offered by studios and producers, emergency aid when in social need and a lot more.

**OeMR:** The **Österreichische Musikrat (Austrian Music Council)** represents and coordinates the needs and concerns of Austria's music protagonists and their representative bodies. The duties of the OeMR include: lobbying for emerging Austrian rights/copyrights, music productions and live events, as well as promoting the creative work in Austria from all musical styles, establishing cooperation partnerships with other organizations in the local and international music scene, statements, material preparation

---

<sup>192</sup> [www.imz.at](http://www.imz.at)

<sup>193</sup> <http://kulturrat.at>

<sup>194</sup> [www.musicaustria.at](http://www.musicaustria.at)

<sup>195</sup> [www.musicexport.at](http://www.musicexport.at)

<sup>196</sup> [www.emo.org](http://www.emo.org)

<sup>197</sup> [www.iamic.net](http://www.iamic.net)

<sup>198</sup> [www.emc-imc.org](http://www.emc-imc.org)

<sup>199</sup> [www.musikergilde.at](http://www.musikergilde.at)

and dialogue production for debates on issues related to music, cultural policy, music education and music business, as well as networking and creating synergies within the various music styles and interdisciplinary cooperations. Internationally the OeMr promotes the business location Austria in terms of the added value from music and further export activities, takes care of the Austrian joint booth at music trade fair such as **MIDEM** and a lot more.

**ÖGM:** The purpose of the **Österreichische Gesellschaft für Musik (Austrian Society for Music)**<sup>200</sup> is to promote Austrian music in the broadest sense and serve as an information point for matters of serious music. It conveys encounters with composers, performers, musicologists, etc. In the foreground is the information about contemporary music at home and abroad. In addition to lectures, they often organize work introductions at certain concerts, round-table discussions on current issues regarding composition and performance of old and new music, music sociological issues, etc. The society also releases publications that feature their latest organized presentations and lectures. For a small fee, the ÖGM also provides its concert hall for other musicians, cultural and scientific institutions.

**ÖGZM:** The **Österreichische Gesellschaft für zeitgenössische Musik (The Austrian Society for Contemporary Music)**<sup>201</sup> is a platform for composers, musicians, musicologists, critics and music lovers. The principles of the ÖGZM include the openness for various aesthetic approaches as well as the involvement of all generations. Objectives of ÖGZM, are inter alia: advocating for the interests of contemporary music creators, particularly through suggestions and mediation, for the performance of their works, cooperations in the national and international music industry, exchange of information on practical and scientific issues in the field of contemporary music and the organization of projects that serve the purposes of the association.

**ÖKB:** The **Österreichische Komponistenbund (Austrian Composers' Society)**<sup>202</sup> is the official advocacy group for Austrian-based composers of all musical styles and genres. The primary objective is to promote and strengthen the social, cultural political and economic position of music creators in Austria. The main activities of the ÖKB are information/consulting/service for members, professional representation in cultural and political committees, networking and exchange, public relations and various project activities.

**SRA:** The **SRA**<sup>203</sup> is the largest pop culture archive in the country. Founded in 1993, SRA provides information on Austrian pop music for the public and is free of charge. From Joe Zawinul to Supermax, from Dr. Moreau Creatures to K&D, from Mego to Klein, from Sigi Maron to Attwenger. With over 380,000 data entries, the SRA offers a comprehensive documentation on Austrian pop music history.

**Veranstalterverband:** The **Veranstalterverband Österreich**<sup>204</sup> represents and advises all commercial establishments and private organizers that use musical and literary copyrights. It negotiates with collecting societies on the level of tariffs, which are to be paid for the use of copyrights, and concludes respective contracts. As a result, members of the Veranstalterverband Österreich receive a discount on the applicable copyright fees. In addition, the Veranstalterverband Österreich has the collective agreement at its disposal and is therefore a social partner of the labor union for arts, media and liberal professions, section musicians. The association currently has around 55,000 members in all nine federal states. Music establishments such as nightclubs, wine taverns, hotels with dance music, jazz clubs and bars are included as well as hospitality and commercial businesses with background music. But also ball and live concert organizers are represented.

---

<sup>200</sup> [www.oegm.org](http://www.oegm.org)

<sup>201</sup> [www.oegzm.at](http://www.oegzm.at)

<sup>202</sup> [www.komponistenbund.at](http://www.komponistenbund.at)

<sup>203</sup> [www.sra.at](http://www.sra.at)

<sup>204</sup> [www.vvat.at](http://www.vvat.at)



**VTMÖ:** The **VTMÖ**<sup>205</sup> represents industry and business related interests of its nearly 100 members, which include small and medium enterprises throughout the music industry, particularly record companies, music publishers and music producers, in the public and to the legislature, government agencies and other organizations and supports its members in their business operations with help and advice and ongoing information on market development. Furthermore, the VTMÖ wants to improve the position of its members through international networks and exchange with international organizations, and facilitate access to new markets (always with an eye on the current developments in the industry). The output of the independent labels in Austria, represented by the VTMÖ, should clearly be positioned as a cultural and especially economic factor.

**wienXtra-soundbase:** **soundbase**<sup>206</sup> wants to help young people follow their musical passions. Committed to strengthening a lively and diverse music scene in Vienna, wienXtra Soundbase offers projects, services and information about music for young people in Vienna from the age of 13 to 26 years, e.g. advanced ticket sales for concerts and parties in Vienna, gigs, a recording studio with cheap rates, workshops and a lot more.

**More information on organizations of Austrian music life and contacts are provided on the website of mica – music austria.**

## Collecting Societies

In Austria there are currently eight operating collecting societies. All of them represent the interests of their respective members and are subject to internal and regulatory control. Cumulatively, all eight collecting societies derived their income from the following license revenue sources in 2011:

Revenue Source	Share in %
Radio and TV	40
Communication to the public	23
From abroad	12
Levy on blank tapes	10
Live performances	9
Audio and video recordings	4
Other royalties	1
Online	1

**84% are distributed to rights holders**, 5% are used for social and cultural purposes. The difference is used to cover the (overhead) costs of collecting societies.<sup>207</sup>

**AKM / AUME:** The **AKM**<sup>208</sup> and its subsidiary **austro mechana**<sup>209</sup> are the collecting societies of composers, music text authors and music publishers in Austria. The AKM assumes the performance and broadcasting rights, the austro mechana the mechanical rights.

The AKM is responsible for the levying and distribution of royalties to the musical creators and music publishers, when their music is played at concerts, other live events, in discos, used as background

<sup>205</sup> [www.indies.at](http://www.indies.at)

<sup>206</sup> [www.soundbase.at](http://www.soundbase.at)

<sup>207</sup> See: IFP Market Report 2012

<sup>208</sup> [www.akm.at](http://www.akm.at)

<sup>209</sup> [www.aume.at](http://www.aume.at)

music in coffee shops, restaurants, hotels, shopping centers, boutiques, etc., is broadcasted on the radio or television or made available on the internet.

The austro mehana is mainly responsible for the levying and distribution of royalties for reproduction and distribution of musical works on sound (video) carriers and thus ensures the music creators and music publishers their share of the sales revenue. Furthermore, the austro mehana collects royalties for mechanical reproductions in the fields of radio/TV and mobile/online, as well as blank media levy.

As non-profit organizations, the collecting societies divide the total revenue minus the administrative costs among the music creators and publishers.

**LSG:** The **LSG - Wahrnehmung von Leistungsschutzrechten Gesellschaft m.b.H.**<sup>210</sup> (Exercise of Performance Rights) is a joint collecting society of performers and producers of sound recordings and music videos. The LSG exercises rights of performing artists on their lectures and performances (live performances and recordings) and further rights of music producers (labels) and music video producers on their recordings. These receive royalties from the LSG when their commercially available recordings are played on the radio or television.

As a non-profit organization, the LSG divides the total revenue minus the administrative costs among the performers, labels and music video producers.

In addition to the three core collecting societies AKM/AUME and LSG, further societies in Austria include:

**Literar-Mechana Wahrnehmungsgesellschaft für Urheberrechte GesmbH**<sup>211</sup>, **VAM – Verwertungsgesellschaft für audiovisuelle Medien GmbH**<sup>212</sup>, **VBK – Verwertungsgesellschaft Bildende Kunst, Fotografie und Choreografie GmbH**<sup>213</sup>, **VDFS – Verwertungsgesellschaft der Filmschaffenden**<sup>214</sup>, as well as the **VGR – Verwertungsgesellschaft Rundfunk GmbH**<sup>215</sup>.

**A comprehensive list of all collecting societies including contact information is provided on the website of mica – music austria.**

## PART 6 – MEDIA, FAIRS, MULTIPLIERS

### Media landscape in Austria

#### *General Information*

The Austrian print media market is specifically marked by the highest concentration in Europe. The newspaper with the widest circulation is the Kronen Zeitung, which has a daily reach of roughly 44%.<sup>216</sup>

For several years now, a variety of regional free newspapers have appeared on the market. These are mostly produced by the major regional publishers, an exception here is the free newspaper Heute, produced by the nationwide published newspaper Krone, and mainly distributed and offered for free in

<sup>210</sup> <http://lsg.at>

<sup>211</sup> [www.literar.at](http://www.literar.at)

<sup>212</sup> [www.vam.cc](http://www.vam.cc)

<sup>213</sup> [www.vbk.at](http://www.vbk.at)

<sup>214</sup> [www.vdfs.at](http://www.vdfs.at)

<sup>215</sup> [www.vg-rundfunk.at](http://www.vg-rundfunk.at)

<sup>216</sup> See: [wikipedia.org](http://wikipedia.org) → Deutsch → Medien in Österreich

urban areas. Profound information, opinion making and cultural news coverage are not the core mission of these formats.

Until 1995, the public service broadcaster ORF with its channels ORF 1, ORF 2, ORF III (new since 2011) and ORF SPORT + (since 2000) formed a TV monopoly.

There are hardly any music-specific mass media formats, specialized media from the fanzine to academic publications serve the interests of specialists.

## TV

The ORF TV has far less market shares than the public radio and has to share the market in an approximate 30 to 70 ratio with private providers, mostly German channels. The share of television consumers in the total population is around 80%.

Today's market share of the ORF is around 32%, which is 25 percentage points less than the 57% in 2000 and has ever since been followed by a continuous decline (42% in 2009, 36% 2012).

In 2009 the programs of the ORF broadcasted approximately 877 hour of cultural program, about 17 hours per week. In contrast, 7778 hours were devoted to the field of "entertainment". This area also includes shows like Starmania, Dancing Stars, Wetten, dass ..., Musikantenstadl, Grand Prix der Volksmusik, Hansi Hinterseer Open Air or the Starnacht am Wörthersee, which are attributed with a very high proportion of music (mainly from the genres of Schlager and folkloric music) and each reach over 500,000 viewers.

Since October 2011, the new channel **ORF III** broadcasts 24 hours of cultural program, which significantly changed the above mentioned figures. There are no statistics of ORF III published to date.

In 2012 the strongest competition for the ORF was **Sat.1** with 5.9% market share, followed by **RTL** (5.7 %), **PRO7** (5.2 %), **ZDF** (4.3 %), **VOX** (3.9 %), **ATV** (3.4 %), as well as **ARD** and **PULS 4** with each 3.1 %. Among the other Austrian competitors **Servus TV** recorded a market share of 1.2%, **ATV2** 0.3 %. The Austrian music channel **GoTV**, as well as **MTV** or **Viva** lie well below the 1% mark.<sup>217</sup>

## Radio

In Austria, the public radio format **Ö3** (Ö2) is still the undisputed leader of the most listened to programs.

Although the ORF, as the most important media of the country, indeed lost market shares since 2000, its radio program still reached 70% of the population in 2009<sup>218</sup>. According to **ORF Mediaresearch**, the market share in the first half of 2013 was 68%, which appears to be relatively stable<sup>219</sup>.

Aside from the ORF, private radio formats with regional reach have established a remarkable position. The internationally highly acclaimed - but only listened to by a minority in Austria - public radio station programs **Ö1**<sup>220</sup> and **FM4**<sup>221</sup> (both can be streamed) compete against private broadcasters with national coverage. Foreign radio stations are rarely heard.

In **Ö1** (classical music, jazz, contemporary music, world music) had an approximate market share of 9.5% (3% in 2013), the regional radio stations of **Ö2** (oldies, Schlager, folkloric music) 34.4% (19%), the

<sup>217</sup> See: Huber/Leitich: Austrian Report on Musical Diversity as well as <http://derstandard.at/1371171143850/ORF-rutscht-auf-323-Prozent-Marktanteil-ab> und [http://mediaresearch.orf.at/index2.htm?fernsehen/fernsehen\\_teletext.htm](http://mediaresearch.orf.at/index2.htm?fernsehen/fernsehen_teletext.htm)

<sup>218</sup> See: Huber, Wozu Musik?

<sup>219</sup> See: <http://mediaresearch.orf.at> → Radio

<sup>220</sup> <http://oe1.orf.at>

<sup>221</sup> <http://fm4.orf.at>

mainstream channel Ö3 (international pop and rock hits) 37.4% (41%) and the alternative radio station FM4 (alternative rock, dance, electronic, hip-hop), approximately 3.8% (4%).<sup>222</sup>

About 7% have no preference for a particular radio station when listening to music.

Web radio does not play a role as a primary medium in Austria.

Currently there are about 15 non-commercial independent radios that can be received terrestrially and on the web.

### ***Print (daily and weekly newspapers, magazines)***

As mentioned before, the market for printed newspapers is dominated by the Krone and various free newspapers. In the segment of nationwide published quality newspapers the leaders are **Der Standard** and **Die Presse**, Der Standard also has one of the most visited online platforms in Austria.

Other daily newspapers in the country are **Kurier**, **Salzburger Nachrichten**, **Kleine Zeitung**, **Österreich**, **Oberösterreichische Nachrichten** and various free newspapers like the **Heute**.

All have in common that the culture sections do not receive a lot of space and even though they report about pop music, jazz, and other genres in Austria, these articles are usually just a marginal note.

According to the Austrian Circulation Audit (**ÖAK, first half-year report 2013**<sup>223</sup>), the market for daily published newspapers in Austria is quite stable and is currently set up as follows (cumulative figures per newspaper, a listing on provincial and regional newspapers can read in the ÖAK statistics):

Newspaper	Printed circulation	Distributed circulation
Der Standard	100926	87917
Die Presse	91145	81047
Kleine Zeitung	307973	296940
Krone	904933	830205
Kurier	200524	167709
OÖNachrichten	133053	124925
Salzburger Nachrichten	88653	80830
Tiroler Tageszeitung	103058	98301
Vorarlberger Nachrichten	66139	63355
Wirtschaftsblatt	30161	26662

**Source:** Data ÖAK

The market for weekly newspapers and magazines with culture sections or cultural references is large and dense. The most important are the nationwide distributed magazines **Profil**, **Format**, **News**, the lifestyle/women's magazine **Maxima** and **Madonna**, as well as the Viennese weekly **Falter**. **Falter**. The **Falter** holds a unique position because it is the only medium dedicated regularly and intensively to the Austrian music scene. In addition to the **Falter** newspaper, the publishing house **Falter Verlag** should also be mentioned here, which for example published **Wien.Pop** in 2013, a comprehensive book on local pop music history.

<sup>222</sup> Numbers in the continuous text, see: Huber, Wozu Musik?. Comparative numbers in parenthesis, see: <http://mediaresearch.orf.at> → Radio

<sup>223</sup> [www.oek.at](http://www.oek.at)

## Music magazines

The Rennbahn Express (later only **Xpress**), the absolute classic among Austrian youth culture and music magazines, the alternative magazine tba, the Jazzeit and now!, a magazine specialized on Austrian and international pop/rock music, no longer exist or can only be read online.

After the great consolidation in the Austrian market, the only magazine left, besides the **planet Magazin** und **Volume**, both published by concert organizers, is **thegap**. The magazine published by the Monopol Verlag covers a wide spectrum, ranging from lifestyle, fashion, games, literature to a lot of national and international music, usually from various subcultures.

The landscape of highly specialized magazines is a bit more diverse: **The Message** reports about hip-hop, **freiStil** about contemporary and improvised music, **skug** about various music styles in subcultures. All of these specialized magazines report very intensely about Austrian music.

The most traditional academic publication is the **ÖMZ- Österreichische Musikzeitschrift**.

## Web

The variety of music webzines and music blogs in Austria is large and can not be appropriately represented here. Daily updated websites that not only offer information but also act as a portal in the world of Austrian online music coverage are the here highlighted websites of **FM4**<sup>224</sup>, **mica – music austria**<sup>225</sup> and the **thegap**<sup>226</sup>.

An internationally highly acclaimed video blog is run by **They Shoot Music**<sup>227</sup>.

**A very detailed overview of the (music) media landscape is provided by the Musikatlas.**

## Fairs, Showcases, Conferences

### Conferences

A lot of festivals offer the opportunity to socialize with other industry representatives at conferences and accompanying programs.

The following is a selection of current conferences offered in Austria:

- **Waves Vienna:** The **Waves Vienna Conference**<sup>228</sup> is part of the festival and offers keynotes, panels and workshops. The specialized program, which should serve as a basis and inspiration for many years of pan-European cooperations, focuses on the exchange between Eastern and Western Europe, as well as current issues in the music industry.  
The Waves Vienna Conference is a meeting place for international multipliers from the music industry, such as festival and concert organizers, labels and publishers, as well as managers and media representatives. Internationalization is a key issue for numerous representatives of local music and its business environment. Here, the conference offers all those that have so far not been able to visit international festivals and conferences so far, the possibility to make sustainable and crucial contacts.
- **Music Austria:** The **Messe Music Austria**<sup>229</sup>, meeting point for instrument manufacturers, dealers and publishers also has an annually held convention. In 2013 the respective topics dealt with various music education issues.

<sup>224</sup> <http://fm4.orf.at>

<sup>225</sup> [www.musicaustria.at](http://www.musicaustria.at)

<sup>226</sup> [www.thegap.at](http://www.thegap.at)

<sup>227</sup> <http://theyshootmusic.at>

<sup>228</sup> [www.wavesvienna.com](http://www.wavesvienna.com) → Konferenz

<sup>229</sup> [www.messe-ried.at](http://www.messe-ried.at) → Music Austria

- **Classical:NEXT:** In 2013, the festival and conference **Classical:NEXT**<sup>230</sup> was held in Vienna for the first time. Classical:NEXT is the international expert forum for all sectors of the classical music industry. The networking event includes an expo and conference, as well as showcase concerts and video screenings.
- **Feed Forward:** **Feed Forward**<sup>231</sup> was initiated as a conference in 2013 and is part of the Outreach Music Academy in Schwaz in Tyrol. Organized for the first time this year, the music conference involves musicians, promoters, producers and other creative minds are active participants of its program. The two-day meeting includes panel discussions and keynotes with experts from the music industry, offering insights into the music business and is aimed at musicians, producers, organizers and visitors interested in music.
- **Popfest Wien Sessions:** As a complementary program of the **Popfest Wien**, the two-day conference is dedicated to the conditions of present pop music creations and the economic aspects of the new (local) pop music. Aesthetic dimensions, economic potential and risks of a rapidly changing industry are dealt with in discussions and talks.
- **Poolinale Talks:** With the discussion series Poolinale Talks **Poolinale Talks**<sup>232</sup>, the Vienna music film festival follows its origin and brings creative people from music, film and advertising together. The theme of this year's talks was a classic and logical intersection of these worlds: the music video - a playground or a stepping stone? Another feature of the festival is also the Music Video Award, initiated together with the Vienna Independent Shorts. The award was presented for the first time this year and awarded on the 1st of June at the VIS Short Film Festival.
- **Soundframe Conference:** In cooperation with **departure**, Vienna's agency for creative industries, the festival for audiovisual expressions Soundframe held its first conference in 2013 and based it on the theme "collective". Theorists, artists and experts from various fields discussed different topics dealing with collective work and the increasing networks in media art and the creative industry.
- **Springsessions:** Besides music, the Spring Festival in Graz presents **Lectures**, which have become an integral part of the festival. Exploring limitations, identifying new channels and exploring collaborative, creative approaches are the objectives of the conference with speakers from around the world. The topics are digital art, inspiration and imagination, design, visual culture, experimental technologies, computer art and more.
- **Ars Electronica:** At the prestigious festival for digital art, the **conferences** form the center of the program. Experts from around the world discuss the latest technological and social developments and for a few days make the Upper Austrian city Linz the center of the world for digital art and future research.

## Music markets

Musicians are increasingly taking the matters of exploitation, networking and public presentation into their own hands. In regards to this, new music markets and networking meeting platforms are constantly evolving, almost always initiated without direct economic interests.

The **Jazzwerkstatt** was able to establish itself as the first strong collective and for years now its events serve as meeting points for the Austrian jazz scene.

The musician Maja Osojnik initiated **Maja's Musikmarkt**, a mini music fair, where labels have the possibility to present themselves and sell their merchandise, and is framed by concerts and

<sup>230</sup> [www.outreach.at/index.php/konferenz](http://www.outreach.at/index.php/konferenz)

<sup>231</sup> [www.outreach.at](http://www.outreach.at) → Konferenz

<sup>232</sup> [www.poolinale.at](http://www.poolinale.at)

discussions.

The scene around the Linz label **Zach Records** will host Willi's Musikmarkt for the first time in 2013, and in Graz, a music market was organized in July 2013, also held for the first time and initiated by **Wire Globe**.

Organized in December, mica - music austria also hosts the **mica Labelmarkt**, which serves as a music scene meeting place for various Austrian indie labels and offers live concerts in its premises.

## Appendix

### References and Further Reading

- Dermanovic, Ivona:** Ökonomie der Balkanmusik. Der Livemusik-Sektor populärer Balkanmusik in Wien. Vienna, 2012.
- Dokalik, Dietmar:** Musik-Urheberrecht: Österreichisches Urheberrecht für Komponisten, Musiker, Musiknutzer und Produzenten. Vienna, 2010
- Fister, Mathis:** Das Recht der Musik. Vienna, 2013
- Gröbchen/Miessgang/Obkircher/Stöger:** Wien.Pop. Vienna, 2013
- Huber, Harald/Leitich, Lisa:** Austrian Report on Musical Diversity. University of Music and Performing Arts, Vienna, 2012
- Huber, Michael:** Wozu Musik? Vienna, 2012
- Rajnai, Nicolett:** Der Live-Musik-Sektor im Zeitalter der Digitalisierung. Diploma thesis, Vienna 2011
- Simon, Franz:** Das industrieökonomische Verhältnis von Majors und Indies in der Musikindustrie am Beispiel der U-Musik in Österreich. Diploma thesis, Vienna 2007
- Scheuch, Fritz:** Die wirtschaftliche Bedeutung des Urheberrechts in Österreich. Vienna, 1989
- Scheuch, Fritz:** Die Musikwirtschaft Österreichs. Vienna, 2000
- Smudits, Alfred/Gebesmair, Andreas:** Musik und Globalisierung; zur Repertoireentwicklung der transnationalen Phonindustrie unter besonderer Berücksichtigung des österreichischen Musikmarktes. Vienna, 2000
- Tschmuck, Peter:** Kreativität und Innovation in der Musikindustrie. Innsbruck, 2003
- 5. Österreichischer Kreativwirtschaftsbericht.** Vienna, 2012
- AKM Jahresbericht 2012.** Vienna, 2013
- Besteuerung ausländischer Künstler und Sportler in Österreich.** Austrian Federal Economic Chamber. Vienna, 2011
- focus Musik** – neue Töne der Musikwirtschaft. Departure, Vienna 2011
- IFPI Marktbericht 2012.** Vienna, 2013
- Ökonomische Effekte der Musikwirtschaft.** Institute for Advanced Studies, Vienna 2012
- Österreichischer Musikatlas 2013.** VÖM, Vienna, 2013
- Prüfung ausgewählter Kunst- und Kultureinrichtungen** bezüglich ihrer ökonomischen Wirkungen in Österreich. Institute for Advanced Studies, Vienna 2008
- Tourismus in Wien** zählt sich aus. Austrian Federal Economic Chamber, Vienna 2012