

The Official New Zealand Music Charts

Recording Industry Association of New Zealand
New Zealand Music Retailers

CHART RULES

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The Official New Zealand Music Charts

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The Official New Zealand Music Charts

1. Introduction

The Official New Zealand Music Charts represent the broad interests of all record companies and music retailers. A set of Chart Rules has been developed to ensure a consistent, fair and responsive industry-wide approach to important issues that affect our industry from time to time.

These Chart Rules have been adopted to ensure that all participants in the New Zealand music charting process are aware of the basis on which the charts are formulated and published.

In producing the Official New Zealand Music Charts it is recognised that the New Zealand music industry is highly competitive. The Chart Rules enhance competitiveness and seek to ensure that the New Zealand music charts are reliable and credible, consistent with the objective of assisting competition (by giving relevant information about the musical popularity of CDs and other products to consumers) to promote and improve customer choice.

The Official New Zealand Music Charts are compiled and published weekly. They will be distributed in hard copy and electronic format to record retailers nationwide for display and distribution to their customers, as well as being offered to the wider media for dissemination to the general public.

The Official New Zealand Music Charts reasonably reflect consumer preferences at the time the relevant sales information is collected. As the charts are based on a sample of the nation's recorded music retailers, they should only be taken as a close approximation of the actual market and, while checks for accuracy are made, there may be errors in some of the data from which the charts are compiled.

Product definitions and eligibility criteria apply to each chart. This helps ensure recordings of the same broad description are included in the relevant chart.

2. Sales Data

Contributing stores or "Information Providers" must provide sales data to the Chart Compiler (see point 8) on a weekly basis for the compilation of the Official New Zealand Music Charts. All sales data (genuine sales to actual consumers through recorded music retailers) must, wherever possible, be compiled and provided electronically to the Chart Compiler. Where sales cannot be supplied electronically, the Chart Compiler will make arrangements with the Information Provider for manual delivery of the sales data.

The data supplied must strictly reflect sales achieved from the preceding Monday morning to Sunday night and must be provided to the Chart Compiler by midday on the Tuesday for inclusion in the chart for that week.

The full list of Information Providers can be found on the Official New Zealand Music Charts website – www.nztop40.com

3. The Charts

3.1 Top 40 Album Chart

The main purpose of the Top 40 Album Chart is to list those recordings that are top contemporary music hit products. In a majority of instances such product will be new release mainstream, popular music recordings but in some cases may be a re-release (repackaged or re-worked version) of a previous Top 40 recording. For instance, the 1998 re-releases of 'Grease' or the Led Zeppelin 'Remasters'.

The Top 40 Album Chart seeks to rank the sales performance of such hit products on an as common a basis as possible. To qualify for the chart, aspirant Top 40 product will have the following characteristic:

- (a) Must be freely available to the majority of retailers and not subject to any exclusive trading restrictions (such as exclusivity in a specific store or chain of stores).
- (b) Must have a minimum retail price of \$20.00 (inc. GST) for a single album. For other album formats, it must have a minimum retail price of no less than the published wholesale price to dealers.

These factors are termed the Top 40 Product Indicators (TPI) and may change from time to time.

A release is eligible for the Top 40 Album Chart:

- if it has these TPI factors;
- if it complies with the other eligibility criteria in point 4.1; and
- if it achieves necessary sales via the Official New Zealand Music Charts reporting system.

Product more than three years old (based on its first New Zealand release date) will not be eligible to chart unless it is specifically requested by the products distributor and it fits the TPI listed above. When such specifically requested product is charting it will be permitted to run the full course of its chart life (unless its removal from the chart is requested by its distributing company or fails to maintain TPI). The Chart Administrator on the basis of the TPI determines any such requests for inclusion on the chart. The Chart Administrator's decision will be final.

3.2 **Top 40 Singles Chart**

This has the same rules, objectives and purpose as set out for the Top 40 Album chart but in relation to singles. Eligibility is also governed by the rules outlined in section 4.2. Singles must have a minimum retail price of \$4.00 (inc. GST) to be eligible for the Top 40 Singles Chart.

The Top 40 Singles Chart is compiled using sales data generated and collected from the Official New Zealand Music Charts' Information Providers and the Radioscope Airplay data collected and compiled by the Chart Compiler. Sales data contributes to 50% of the Top 40 Singles Chart and Airplay data to the other 50% of the chart.

The single must be commercially available to be eligible to enter into the top 20 places of the Top 40 singles chart.

3.3 **Top 10 Compilation Chart**

This has the same rules, objectives and purpose as set out for the Top 40 Album chart but in relation to multiple artist compilations not otherwise eligible for the Top 40 Album Chart. Eligibility is also governed by the rules outlined in section 4.3.

3.4 **Top 10 Music DVD Chart**

This has the same rules, objectives and purpose as set out for the Top 40 Album chart but in relation to Music DVDs. To qualify for the Top 10 Music DVD chart, product must have a minimum retail price of \$20.00 (inc. GST) for a single Music DVD. For other DVD formats, this must be no less than the published wholesale price to dealers. Eligibility is also governed by the rules outlined in section 4.4.

3.5 **Top 10 Heatseekers Chart**

Compiled weekly, this chart lists the top 10, best selling albums that are eligible for the Top 40 Album Chart that have not entered the Top 40 Album Chart before. Once entering the Top 40 Album Chart, the album becomes ineligible for the Heatseekers Chart. The Heatseekers Chart has the same rules, objectives and purposes as set out in 3.1, and eligible product must meet the criteria set out in 4.1.

4. **Product Definitions**

To qualify for inclusion in the Official New Zealand Music Charts all product must comply with the following criteria:

4.1 **Albums**

An album is a recording that satisfies the following criteria:

- (a) Recordings performed by a single (or common) Artist, Act or Orchestra (including "Best Of" compilations)
- (b) Original movie soundtracks, cast recordings and television programme theme albums on which at least 50% of tracks are included in the programme. It is up to the company requesting the inclusion of the product to attest that it meets this criterion.
- (c) Concept albums featuring at least 80% of new recordings where the songs have been specially recorded for the project (even where the recording is by various artists). For the purpose of the chart, DJ mixed albums are not considered to be "new" recordings.

4.1.1 **Bonus Discs (Specific Albums)**

A bonus disc is defined as one that is given away or one sold below its relevant PPD.

Any offer of a bonus disc with an album will disqualify sales of such album from inclusion in the relevant Official New Zealand Music Chart regardless of whether that bonus disc was supplied by a record supplier or retailer, except in the following circumstances:

- (a) Previous or currently charting albums may be sold with bonus discs, however if the bonus disc comprises a commercially available or previously available CD, cassette or video, the whole package must have a unique catalogue number and be packaged so that the component parts are unable to be sold separately.
- (b) Where two albums, each with separate chart histories are packaged together, the new combined package will be treated as a new item and will be eligible to chart in its own right provided it has a unique catalogue number and is packaged so that the component parts are unable to be sold separately.
- (c) If an album is packaged with product not previously released and packaged so the component parts are unable to be sold separately, it will be viewed as a variant of the primary album and will be eligible to chart as that album.

For the sake of clarity, a bonus disc is not "packaged" with another album unless it is commercially boxed or wrapped together with that album so that the component parts are unable to be sold separately.

4.2 **Singles**

A single is a recording that satisfies the following criteria:

- (a) A single is a recording containing five different tracks or less, and of not more than 25 minutes duration. Any number of versions of any of those tracks is admissible, but the total running time (including all mixes) cannot exceed 40 minutes. The duration of the longest

version of each mix is to be used in determining the 25 minute limit. Any formats of product found to be in violation of this rule will be ineligible for the chart. The time limits relate to the music content of the single.

- (b) Multiple pack singles are ineligible.
- (c) Sales of up to four different 'hard' formats (CD/CAS single/vinyl etc and variants) of a single and any number of 'digital' variants will be combined for charting purposes providing that the title track (or tracks) on each variant is/are identical and each variant is purchased and complies with all other singles chart criteria.
- (d) The technology used to convey the tracks is discretionary but any format (eg CD-ROM) **must** comply with all other singles criteria.
- (e) Bonus product with singles is restricted. See "Value Adding" for a detailed definition.
- (f) Value Adding. Singles sold with value added are ineligible for inclusion in the Official New Zealand Music Charts.
- (g) Value added is defined as any attachment or inclusion that has a commercial value independent of the single to which it applies, irrespective of how small that value may be. Value added is also deemed to apply when proof of purchase of a single entitles the purchaser to other goods or services or exclusive access to same either from the retailer or a third party. The only exceptions to this rule are; badges, buttons, sew-on patches, posters, postcards and unstapled printed material and website promotions of notional value.
- (h) Competitions based on the purchase of a single are permitted (subject to relevant consumer protection laws) provided the probability of winning is reasonably small. Competitions, which offer a high chance of winning, are considered to add value to the product and therefore disqualify any such sales from chart inclusion.
- (i) Multimedia items such as games, screensavers and video material are not considered value adds if they relate to the Artist or the music contained on the single, and are contained on the single.
- (j) DVD Singles are eligible for the Top 40 Singles Chart.

The other 50% of the Top 40 singles chart is made up of airplay points compiled and combined with the sales data by the Chart Compiler.

4.3 **Compilations**

Compilations are defined as all multi-artist or orchestral albums deemed ineligible for album chart inclusion.

This includes albums based on or inspired by cinema or television programmes but not entirely comprising music from the show(s) in question.

The compilation and album charts are mutually exclusive (product can not simultaneously appear in both).

4.4 **Music DVDs**

Classification is based solely on content as percentage of total running time.

The content must be at least 50% visual as a percentage of the product's total running time. The images must refer to conventional music video relating to music and musical artists. Music content may also include material such as video clips, live performances, and interviews with the artist, etc. that is not classified as promotional material.

4.5 **Hybrid Products**

Hybrids are products that combine two or more media in one single package/product; where audio, multimedia, enhanced material and music video content have been consolidated into one product. Hybrids can take the form of a combination of different storage media in one package (e.g. one single product containing a CD and a DVD) or two different dimensions in one carrier format (e.g. two-layered discs).

Products falling under this category should be classified on the basis of majority of content present in the carrier under audio or music video product. So for example, if the majority of content contained in a carrier is in the audio format, the product should be classified as audio.

However there will be cases where the majority content rule will fail:

- i) When the product has an equal share of audio and video content.
- ii) When the majority content is placed in the secondary product.

In those cases classification will rely on the record company's discretion, but the product may appear only in one chart. The classifications previously applied by the Chart Committee can serve as a guide.

Examples of hybrid products and their classification:

- Zwan, 'Mary Star of the Sea': CD album + 35 minutes of bonus footage + interviews.
Product Classification: Audio CD.
Chart Classification: Top 40 Album Chart

- 50 Cent, 'The New Breed': two-hour DVD with performances + interview + videos + documentary + three track bonus audio CD.
Product Classification: DVD video.
Chart Classification: Top 10 DVD Chart
- Avril Lavigne, 'Let Go': DVD-Audio with full album + five bonus tracks + behind the scenes footage + five music videos.
Product Classification: DVD-Audio.
Chart Classification: Top 40 Album Chart
- Avril Lavigne, 'Loosing Grip & Complicated': DVD single composed of video clips + behind the scenes footage + photos.
Product Classification: DVD single.
Chart Classification: Top 40 Singles Chart
- Annie Lennox, 'Bare': CD album + bonus DVD with live performances, interviews and two bonus tracks.
Product Classification: Audio CD.
Chart Classification: Top 40 Album Chart
- Coldplay, 'Coldplay Live 2003': DVD with performance clips + 40 minute Tour Diary documentary + 70 minutes live audio CD.
Product Classification: DVD video.
Chart Classification: Top 10 DVD Chart
- Kylie Minogue, 'Kylie Fever 2002, Limited Edition': DVD with live performance + documentary + stage projections + animated tourbook gallery + bonus live audio CD.
Product Classification: DVD video.
Chart Classification: Top 10 DVD Chart

5. Determining Chart Eligibility

All suppliers of records are eligible to have their records included in the Official New Zealand Music Charts subject to minimal ground rules of eligibility that are necessary to conduct a credible and reliable charting system of this kind.

5.1 Eligibility and Assessment

In the event that a record supplier has any doubt regarding the eligibility (or potential eligibility) of any of its intended releases it is recommended that prior to release it submit the product or a mock-up of the intended product to the Chart Administrator (see point 8) for assessment and advice.

Sales made by chart retailers "off site" (e.g. at shows or shopping centre appearances) are eligible for chart inclusion, providing:

- (a) The sales meet all other chart eligibility criteria, and

(b) The Chart Administrator is notified in advance of the event (by the record company concerned)

However, product taken from retailers on consignment by third parties to be sold elsewhere is not eligible. Actual sales of such consignment stock will subsequently become eligible once it reaches the public arena.

Sales made at or through the activities of one retail store (whether or not they are an Official New Zealand Music Charts Information Provider) may not be included in the chart return of any other store.

Product purchased in bulk from retail(ers) to be dispersed (either by sale or otherwise) elsewhere at a later date is ineligible for the chart. Examples of this kind of activity would be bulk sales to Jukebox operators, bulk sales from retailers to third parties to be on-sold at festivals or gigs and product bought by unrelated companies for promotional purposes.

Where a question of eligibility arises, it will be determined by the Chart Administrator in the first instance

5.2 **Disputes and Clarifications**

Where a dispute arises between either a record supplier or an Information Provider and the Official New Zealand Music Charts on an issue of eligibility the matter will be referred to the Chart Committee (see point 8).

5.3 **Procedure to Apply**

Any objections or complaints about eligibility must be made in writing to the Chart Administrator. When an objection or complaint is received, the following procedure will apply. The complaint/issue will be circulated to all members of the Chart Committee.

If the complainant is from one of the members of the Chart Committee that member will stand down, whilst the decision about the complaint is made.

Each of the members will receive a copy of the objection or complaint, together with any explanatory documents or samples from the complainant company. Where requested, the record supplier must supply sufficient quantities of product for review by Committee members. The above information includes a question dealing with the issue at hand in the format that members need respond to simply with a yes or no answer. This information will be forwarded to members on a "Chart Criteria Decision Voting" form.

The Chart Administrator acts as the facilitator of this process.

Chart Committee members will have a maximum of 48 hours to respond in either the negative or the positive.

These responses and any further decisions are to remain confidential unless release is authorised by the Chart Committee.

The review process applies to all charts produced by The Official New Zealand Music Charts.

6. Data Manipulation, Tampering or other Breaches

6.1 Definition

The Official New Zealand Music Charts have procedures in place aimed at identifying and rectifying reporting anomalies in data provided by Information Providers for the official New Zealand music charts including regular auditing and formal complaint procedures.

Any objections or complaints about reporting or the charts must be made in writing to the Chart Administrator. The complaint/issue will be circulated to all members of the Chart Committee who will investigate and adjudicate on the complaint. If the complainant is from one of the members of the Chart Committee that member will stand down, whilst the decision about the complaint is made.

The status of "Information Provider" is not to be used by either retailer or record supplier as leverage for any personal or commercial demands.

In the event that any such reporting anomalies are found to be deliberate, the matter will be referred to the Chart Committee for consideration of penalties, as set out below. Parties found in breach by the Chart Committee could have their product penalised (in the case of record suppliers) whilst offending retailers may have their Information Provider status revoked for a period deemed appropriate by the Committee. Both record suppliers and record retailers could also be subject to a penalty.

6.2 Penalties

Experience has shown that penalties for non-compliance with the Code of Practice are highly advisable if the official New Zealand music charts are to remain reliable and credible. The guiding principle is that breaches of the important rules relating to data manipulation and tampering will be penalised to the extent reasonably necessary in each particular case. The objective is to deter breaches and to maintain the integrity of the Official New Zealand Music Charts system.

Any store(s) found to be involved in data falsification of any kind will immediately be removed from the Information Provider listing for a period commensurate with the severity of the breach (first exclusion will usually be for one month). Repeat offenders (initially treated leniently) will incur higher penalties, with the ultimate sanction being permanent removal as an Official New Zealand Music Charts Information Provider.

Record suppliers found in breach face the prospect of their sales numbers being reduced in the chart figures for the relevant product (e.g. by disregarding all or more than all of the false sales reported) or excluded from chart consideration for a period, depending on the nature of the offence.

For both retailers and record company suppliers, in addition to the products chart penalty or the Information Provider's suspension, public censure may be imposed for each breach.

6.3 **Non-Submitting Information Provider**

If an Official New Zealand Music Charts Information Provider fails to transmit sales data for four consecutive weeks it will be notified by the Chart Administrator that it is on "probation". After eight consecutive weeks of non-submission the store will be removed from the chart store provider list.

7. Review of The Chart Rules

Comments and suggestions for the progressive improvement of the Chart Rules are welcome. Chart Committee will review the Rules from time to time.

8. The Official New Zealand Music Charts Governing Bodies

Chart Compiler – the person or organisation appointed to manage the collection of sales data and compilation of the charts.

Chart Administrator – The CEO of RIANZ who will consult with the Chart Compiler.

Chart Committee – A body comprising a minimum 2 RIANZ board members and chaired by the Chart Administrator

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