

**URBAN**  
DEVELOPMENT

X

**CMU:DIY**

**MAKE:MONEY**

CMUdiy.com

## WHY MAKE MONEY FROM MUSIC?

- Why do we need to make money out of music at all?
- If artists want to work on their music full time, and to develop and distribute their work widely they need money to pay for...
  - Living costs.
  - Touring.
  - Producers, engineers, songwriters etc.
  - The creation and distribution of recordings.
  - Marketing and PR.
  - Someone to manage all this activity.

HOW DO YOU MAKE MONEY FROM MUSIC?

**INTELLECTUAL PROPERTY**

**LIVE PERFORMANCE**

**FAN RELATIONSHIP**

HOW DO YOU MAKE MONEY FROM MUSIC?


**INTELLECTUAL PROPERTY**


**LIVE PERFORMANCE**


**FAN RELATIONSHIP**

## IP PRODUCTS

  
Musical Compositions  
Lyrics  
PUBLISHING RIGHTS

  
Sound Recordings  
Music videos  
MASTER RIGHTS

  
Artwork  
Photography  
ARTISTIC RIGHTS

  
Band Name  
Band Logo  
TRADEMARKS

## IP PRODUCTS

© SONGS

© RECORDS

© MERCH

© MERCH & BRAND  
EXTENSIONS

## COPYRIGHT FACTS

- Copyright is a form of ‘intellectual property’.
- Copyright, Designs & Patents Act 1988.
- Copyrights are automatic.
- By default the copyright belongs to...
  - Creator (compositions, lyrics, artwork, photography).
  - Funder (sound recordings).
- Copyrights run out eventually...
  - Life of creator +70 yrs (compositions, lyrics, artwork etc).
  - 70 years after release (sound recordings).



## MAKING MONEY FROM COPYRIGHT

Copyright law gives the copyright owner certain 'controls' over their 'works', including:

**MAKING COPIES**

**PERFORMING IN PUBLIC**

**MAKING AN ADAPTATION**

## MAKING MONEY FROM COPYRIGHT

**Someone wants a copy of  
one of your recordings**

**CD/VINYL**

**DOWNLOAD**

**YOU'VE MADE MONEY FROM YOUR COPYRIGHT!**

## MAKING MONEY FROM COPYRIGHT

**Someone wants to perform  
your song in public**

**Sing it on stage**

**Play it on radio**

**Play it at club**

**Give them permission to perform your song for a fee**

**YOU'VE MADE MONEY FROM YOUR COPYRIGHT!**

## MAKING MONEY FROM COPYRIGHT

**Someone wants to make  
an adaptation of your song**

**Remix it**

**Sample it**

**Rework it**

**Give them permission to make an adaptation for a fee**

**YOU'VE MADE MONEY FROM YOUR COPYRIGHT!**

## LICENSING

# GIVING PERMISSION = LICENSING

### LICENSE DIRECT

Sync deals  
(maybe)

### LICENSE VIA THIRD PARTY

Getting content into  
iTunes and Spotify  
via a distributor  
(maybe)

### LICENSE VIA COLLECTING SOCIETY

Live Performance  
Cover Versions  
Broadcast  
Bars, cafes, shops  
(usually)

## COLLECTING SOCIETIES

The UK collecting societies are...



**PRS For Music for ‘publishing rights’**

so composers, songwriters, publishers  
[prsformusic.com](http://prsformusic.com)



**PPL for ‘master rights’**

so recording artists, producers, labels  
[ppluk.com](http://ppluk.com)

HOW DO YOU MAKE MONEY FROM MUSIC?

**INTELLECTUAL PROPERTY**

**LIVE PERFORMANCE**

**FAN RELATIONSHIP**

## LIVE PERFORMANCE

- Monetisation of live performance easier to understand.
- Though live sector has multiple revenue streams.
- Different levels of the live sector rely more or less on different revenue streams.

Tickets

Ticket commissions

Ticket resale mark-ups

Food & Drink

Other services (eg cloakroom, parking, VIP)

Sponsorship



## LIVE PERFORMANCE

- An artist's live career goes through various stages...
- It only becomes profitable for the artist around theatre level.
- At grass roots the main income actually comes from copyright.

Self-promoted gigs, pay-to-play gigs

Gig & club-nights, festival new band stages

Pub/club venue touring, festival stages

Theatre venue touring, festival main stages

Arena touring, festival headline slots

Stadium touring

HOW DO YOU MAKE MONEY FROM MUSIC?

**INTELLECTUAL PROPERTY**

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**FAN RELATIONSHIP**

## THE FAN RELATIONSHIP

- Once you have an engaged fanbase, you can start to sell them products and services directly online.
- This might include:
  - Premium products (records, merch).
  - VIP live experiences.
  - A subscription service (online fan club).
- If you build a sizable fanbase, brands may want to partner with you to reach that audience.

## YOUR FAN BUSINESS

**you + your music + your shows**

Recordings

Merch

Tickets

**SELL THEM STUFF!**

Premium Products

VIP Experiences

Subscriptions

**your fanbase**

# MUSIC:INDUSTRY

CMUdiy.com

## MEET THE MUSIC BUSINESS

- The music industry consists of companies and individuals who work with artists to help them turn what they do into money.
- Most music companies specialise in one music revenue stream.
- This means the wider industry can be split up, commonly...
  - Those which work in music rights v those that work in live.
  - Those which exploit recording rights v those which exploit song rights.
- Artists usually have relationships with multiple companies, doing a different deal for each of their revenue streams.

MEET THE MUSIC BUSINESS

## THE MUSIC INDUSTRY

### MUSIC RIGHTS

Record Label

Music Publisher

Merchandiser

### LIVE INDUSTRY

Booking Agent

Promoter

Ticket Agent

### FAN BUSINESS

Direct To Fan

Brand Agency

## THE MUSIC RIGHTS INDUSTRY

# THE MUSIC INDUSTRY

### MUSIC RIGHTS

Record Label

Music Publisher

Merchandiser

Label exploits sound recording rights.  
Creates and distributes recorded content.  
Works with studios, producers etc.  
Traditionally leads on artist marketing.



# THE MUSIC RIGHTS INDUSTRY

## THE MUSIC INDUSTRY

### MUSIC RIGHTS

Record Label

Music Publisher

Merchandiser

Publisher exploits song rights.  
Handles licensing of songs and royalties.  
May seek sync deals/song commissions.  
Traditionally published sheet music.

# THE MUSIC RIGHTS INDUSTRY

## THE MUSIC INDUSTRY

### MUSIC RIGHTS

Record Label

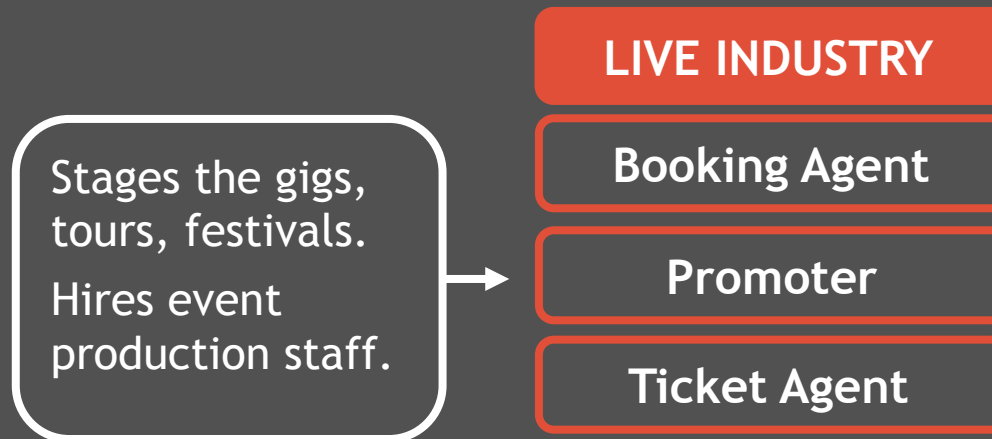
Music Publisher

Merchandiser

Production of merchandise.  
Sales and distribution of products.  
Maybe license artwork to third parties.  
License trademark for product extensions.

## THE LIVE INDUSTRY

# THE MUSIC INDUSTRY



## THE LIVE INDUSTRY

# THE MUSIC INDUSTRY

LIVE INDUSTRY

Booking Agent

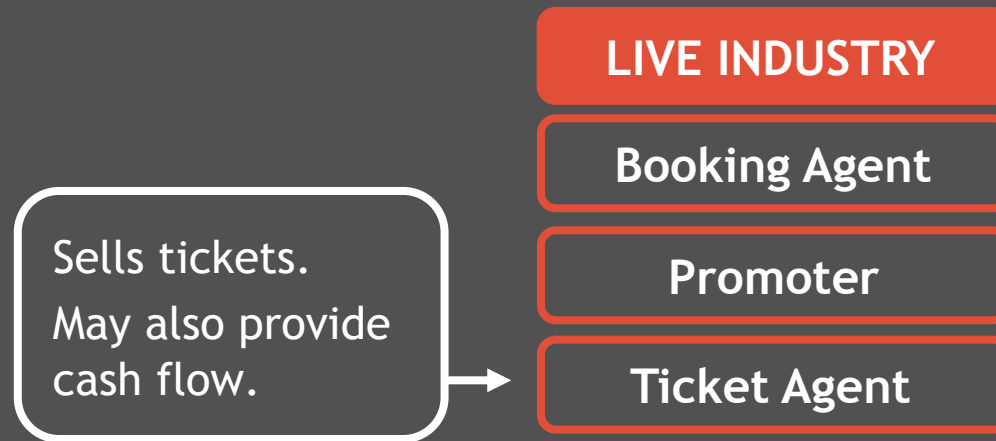
Promoter

Ticket Agent

Sits between  
artists and  
promoter.  
Negotiates deals.

## THE LIVE INDUSTRY

# THE MUSIC INDUSTRY



## THE FAN BUSINESS

# THE MUSIC INDUSTRY

Newest part of the industry.  
May provide online platform for capturing,  
analysing and selling to fans.  
Also need people to manage all this.

**FAN BUSINESS**

**Direct To Fan**

**Brand Agency**

## THE FAN BUSINESS

# THE MUSIC INDUSTRY

These agencies negotiate and manage brand partnerships for artists.  
Labels and promoters also operating in this domain.

**FAN BUSINESS**

**Direct To Fan**

**Brand Agency**

# THE IMPORTANCE OF ARTIST MANAGEMENT

## THE MUSIC INDUSTRY

MANAGEMENT (+ lawyer and accountant)

### MUSIC RIGHTS

Record Label

Music Publisher

Merchandiser

### LIVE INDUSTRY

Booking Agent

Promoter

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### FAN BUSINESS

Direct To Fan

Brand Agency





[cmusignup.com](http://cmusignup.com)



[cmudiy.com](http://cmudiy.com)



[cmuinsights.com](http://cmuinsights.com)

[CMUdiy.com](http://CMUdiy.com)

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