

CMU:DIY

mynameisCHRISCOOKE.com

completemusicupdate.com

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INTRODUCING MUSIC RIGHTS

HOW DO YOU MAKE MONEY FROM MUSIC?

INTELLECTUAL PROPERTY


LIVE PERFORMANCE


FAN RELATIONSHIP


CMUdiy.com/musiclicensing

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’.
- 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).
- Copyright law gives the copyright owner certain ‘controls’ over their ‘works’.

COPYRIGHT CONTROLS

REPRODUCTION

DISTRIBUTION

RENTAL

ADAPTATION

PERFORMANCE

COMMUNICATION

COPYRIGHT CONTROLS

REPRODUCTION OR MECHANICAL RIGHTS

REPRODUCTION

DISTRIBUTION

RENTAL

ADAPTATION

PERFORMANCE

COMMUNICATION

PERFORMING OR NEIGHBOURING RIGHTS

HOW MUSIC LICENSING WORKS

MAKING MONEY FROM COPYRIGHT

- Whenever another person or company wants to exploit one of your copyright controls...
- So they want to reproduce, or distribute, or rent, or adapt, or perform, or communicate one of your songs or your recordings...
- ...they need to get your permission.
- You charge for your permission (aka licensing).
- Which is how copyright makes money.

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 into movies,
games and ads
Sampling
Compilations

LICENSE VIA THIRD PARTY

eg DIY artists get their
music into digital
platforms via
distributors

LICENSE VIA COLLECTING SOCIETY

Cover versions
Live performance
Radio & TV
Clubs, Pubs, Cafes etc

COLLECTIVE LICENSING

COLLECTING SOCIETIES

- Where collective licensing applies, rights owners and/or creators join a collecting society (or societies) - aka a CMO or a PRO.
- Usually collecting societies focus on just one set of rights ie publishing rights or recording rights.
- With songs, societies may also focus on granting licences for just one 'element' of the copyright - ie
 - Reproduction rights
 - Performing rights

MAIN UK COLLECTING SOCIETIES



PRS For Music collects for songwriters and publishers on behalf of:

- PRS for performing rights.
- MCPS for reproduction rights.



PPL collects for record companies and recording artists.

- Also has unit representing separate rights in music videos.

COLLECTING SOCIETIES

- So in the UK...
 - PPL represents recording rights.
 - PRS represents the performing rights in songs.
 - MCPS represents the mechanical rights in songs.
- PRS handles all the licensing and admin for MCPS - so licensees only have to deal with one organisation.
- PPL and PRS are also now working together on public performance licensing via a new joint venture - so licensees will only have to deal with one organisation.

COLLECTING SOCIETIES

- But as a DIY singer songwriter you still join all three...
 - PPL to represent your recording rights.
 - PRS to represent the performing rights in your songs.
 - MCPS to represent the mechanical rights in your songs.
- PPL is free to join.
- PRS and MCPS are currently £100 to join each.
- You need to join AND log all your recordings and songs.
- In some cases you should tell the society about usage - eg live.

HOW THE MONEY FLOWS...

PUBLISHING RIGHTS

RECORDINGS
OF PUBLISHED
SONGS



PRS DOES
THE WORK

LIVE
PERFORMANCE



PUBLIC
PERFORMANCE



VIA PRS/PPL
JOINT VENTURE

RADIO



TV



WHAT ABOUT DIGITAL?

- Record industry generally licenses digital services through direct deals not the collective licensing system.
- Some collective licensing of personalised radio services - especially in the US via SoundExchange.
- Music publishing sector generally licenses digital services through the collective licensing system.
- Except, the big five music publishers license Anglo-American repertoire directly in partnership with the collecting societies.

WHAT HAPPENS IF YOU SIGN TO A LABEL OR PUBLISHER?

- If you sign a classic record deal:
 - The label takes ownership of your recording copyrights.
 - SO it exploits the controls - pays you royalties subject to contract.
 - BUT by law 50% of performing rights income still goes direct to you.
- If you sign a classic publishing deal:
 - The publisher takes ownership of some controls.
 - SO it exploits those controls - pays you royalties subject to contract.
 - BUT PRS still controls performing rights - pays 50% of income to you.

WHAT HAPPENS IF YOU SIGN TO A LABEL OR PUBLISHER?

- So - in terms of collective licensing...
- If you sign to a label, you stay a performer member of PPL, but your label logs your recordings and receives 50% of the money.
- If you sign to a publisher, you stay a member of PRS, but your publisher logs your songs and receives up to 50% of the money.
- And you stop being a member of MCPS and your publisher collects all that money (paying you a share subject to contract).

CHALLENGES WITH COLLECTIVE LICENSING

- The competition law dimension.
- The international dimension.
- How does the society know who to pay?
- How much does the society charge?
- How well informed are members?
- Should there be more or less collective licensing?

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