Royalties and the Wild West Web: A Working Musician's Point of View

Professor Ramon Ricker Eastman School of Music

Congress in Article 1, Section 8, Clause 8,

"To promote the Progress of Science and the useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries."

Royalties are a Good Thing

Print Rights
Mechanicals Rights
Performance Rights
Synchronization Rights

Print Rights

- . . . enter into a royalty agreement with a publisher
- . . . assign or license your copyright to them
- . . . they manufacture and market, "publish"
- . . . they have exclusive right to distribute
- ... they sell to stores or online at 40-60% discount
- . . . for music books the author usually gets a royalty of 10% of retail price

Mechanical Rights

- Think Harry Fox Agency (HFA)
- Are delivered without live performers, i.e., mechanically
- If you want to record and distribute a song written by someone else you must get a mechanical license.
- If previously recorded, you don't have to ask, just pay statutory rate
- 9.10 cent for pieces less than 5 minutes or 1.75 cents per minute for pieces longer than 5 minutes

Mechanical Rights (continued)

- Funds are sent to the publisher and divided 50/50 between publisher and author
- Serious money involved
- 10 songs per CD at 9.1 cents = 91 cents per CD times million = \$91,000.
- Popular song can be recorded hundreds of times
- Michael Jackson vs. Paul McCartney

Performance Rights

- 1897 amendment to copyright law provided copyright holders should be paid for performance
- But no way to collect the money
- > ASCAP founded in 1914
- ➤ BMI (Broadcast Music, Inc.)
- SESAC (Society for European Stage Authors and Composers)

How Do You Get Your Money

- You have ASCAP or another agency collect the funds on your behalf
- They can't be everywhere no more than you can
- They issue "blanket licenses"
- ASCAP has over 170 licenses of this type
- SESAC (Society for European Stage Authors and Composers)
- Field agents who monitor media

Synchronization Rights

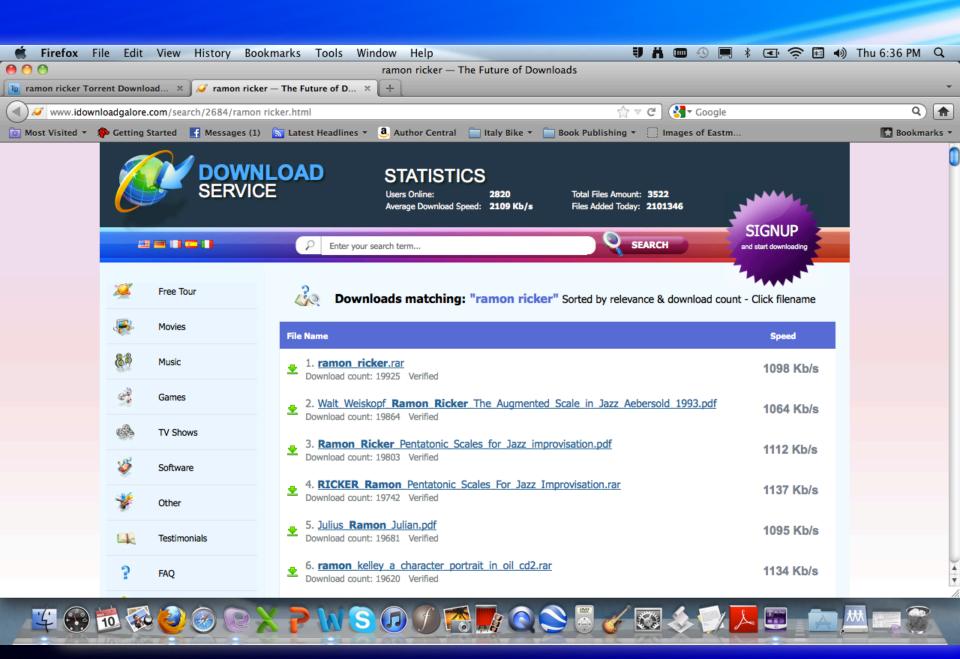
- Early days of film music synched to film
- Now includes: commercials, karaoke, music boxes, etc.
- Negotiated directly with the copyright holder Not for the novice
- Create a new version—get a synch license Use someone's version you also need a Master Recording License and a Synch License

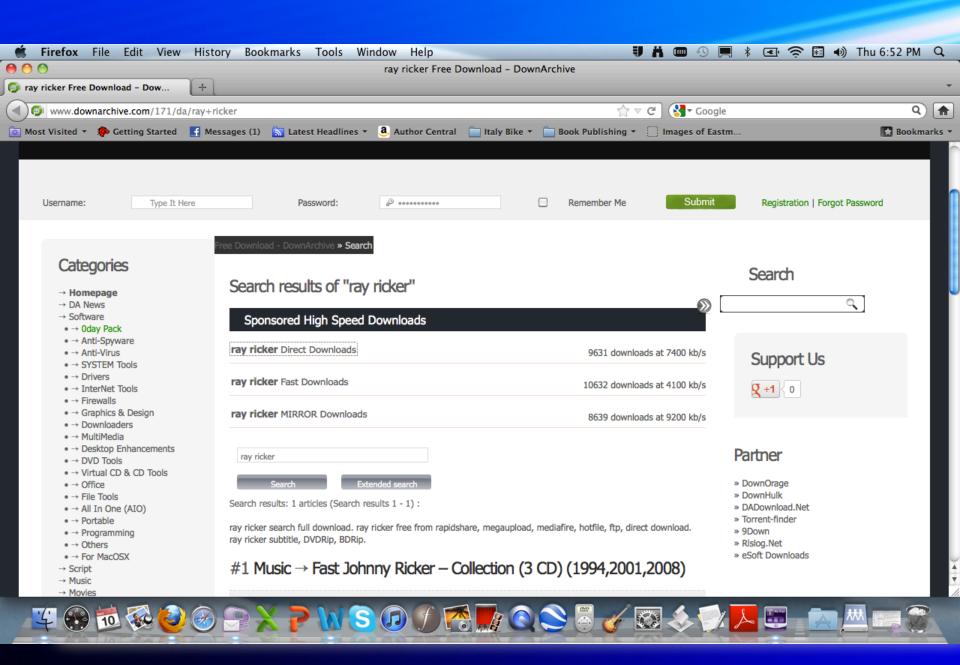
Illegal Downloads

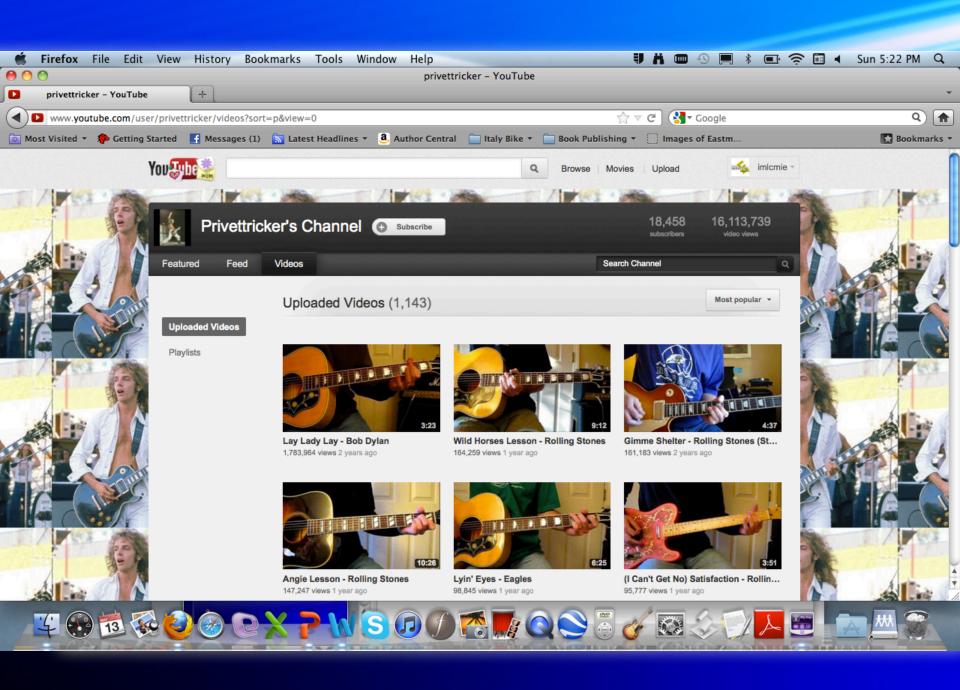
Nine websites that I know of for Ramon Ricker

Three Examples:

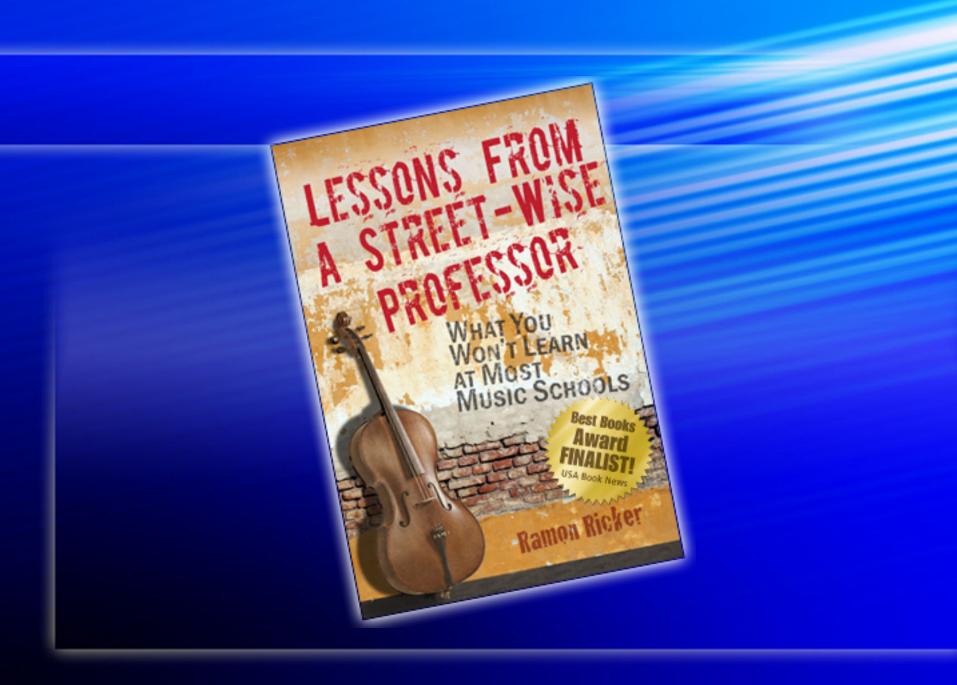
- ✓ <u>www.idownloadgalore.com</u>
- ✓ www.scribd.com
- ✓ <u>www.torrentdownloads.net</u>











Questions, Discussion