Abbreviated

Business Of Music Workshop

Sponsored By









Topics we'll cover

- Introductions
- 2. Setting Up Your Business
- 3. Let us hear it (listening/feedback) session
- 4. Copyrighting Who Owns What? Getting Legal?
- 5. Publishing & Licensing
- 6. Music Distribution
- 7. Touring Marketing and Promotions
- 8. Where the \$\$\$ comes from
- 9. MLC / Streaming
- 10. Trends 2025 2026
- 11. Questions & Open Dialogue
- 12. Closing Comments



Introduction - Our Background











What We Do...

- Business of Music Workshop
- Music Publishing
- Sound Recording
- Voice Acting
- Sound Reinforcement Live & Commercial
- Pre-Production Consulting /Evaluation
- Event & Development Consulting
- Radio Commercials
- Event Management
- Career Coaching
- Venue Assessment

- Artist Development
- Live Music Entertainment
- Talent Evaluation
- Music Production
- Event & Concert Promotion
- Soundtrack Creation
- Venue Promotion
- Studio Musicians
- Song Writing
- Sound Engineering (Live Performances)
- Social Media Campaigns

Service Pricing - tailored based on specific request

Setting Up Your Business









Listening / Feedback Session

Music Copyrights & Ownership

http://www.copyright.gov



Who Owns What?

In the case of a song you may hear on a top-40 radio play-list, there may be several different parties involved with the song:

- . The label
- The **publisher**
- The producer
- . The Writer
- The Composer
- . The **Musicians**
- The Arranger

Who Owns What?

The **label** owns the actual sound recording -- the performance of the song as recorded in the label's studio.

The **publisher** works on behalf of the song's **composer** (the person who arranged the music) and **songwriter** (the person who wrote the lyrics). The composer and songwriter probably own the actual copyrights for the song, and the publisher represents them in all business dealings.

If you want to use a song for any reason, you have to somehow obtain rights at least from the publisher, and possibly from the label as well (if you are planning to use a specific performance). Here are just a few examples of when you need to obtain rights:

- You own a radio station and you want to play a song on your station.
- You own a restaurant and you want to play songs as background music.
- You are making a commercial and you want to use a song in the commercial.
- You are making a toy and you want it to play a song when a child pushes a button.
- You are making a video production and you want a song as background music.

Perhaps half a billion dollars trade hands every year through licensing fees.





The United States Copyright Law has historically identified 3 Performing Rights Organizations (PROs): SESAC, ASCAP and BMI by name in Section 101 of the Copyright Law. A Performing Rights Organization represents a group of members or affiliates; songwriters, composers and music publishers. May 5, 2022





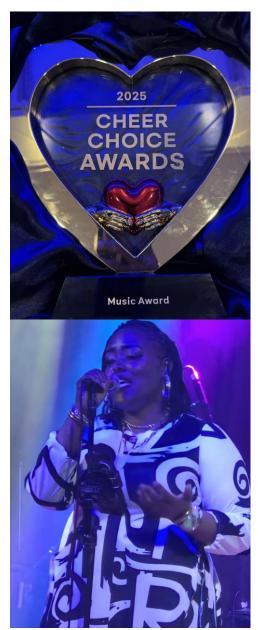


Artist - Product - Event Promotion

The Marketing Rule of 7

Has been a maxim since the 1930s. It basically insinuates that a buyer needs to hear a product advertised at least 7 times to even consider purchasing said item. Implement this when releasing music! Songs are creative expressions yes, but they are also a product. Treat your release as such and share it on your platforms at least 7 times. Map out a schedule beforehand of 7+ different creative, fun ways to share your product with your community.









CELINA GRAVES

Where the \$\$\$ Comes From



Where the \$\$\$ Comes From

Copyright Ownership

Publishing

Sync Licensing

Live Performance

Subscription Services

PANDORA
Sirius XM
Music Choice
Spotify
Apple Music
YouTube
Amazon Music
Etc ...

Live Performances
Touring
Online Sales
Direct Sales
Distributors
Other Merchandise
Sponsors

Performance Rights Organization (PRO)

BMI ASCAP SESIC

& Other Performing Rights Organizations Live performances by others Radio Stations Clubs & Venues

Audio Home Recording Act (Private Copy)

Data Storage media (Blank CD's, USB) Digital Audio Devices (not connected to a computer)

Performers

Non-featured Sound Recording Audio Symphonics featured Audiovisual Featured & non-featured

Foreign Royalties

Audiovisual Royalties from Foreign Collectives & Performing Rights Organization (PRO)

AFM & SAG-AFTRA Fund

Sync Licensing Other Licensing

Sound Exchange

MLC

Music Modernization Act

SOUNDEXCHANGE

SoundExchange sits at the center of the business of music, providing products and services to its 700,000+ global community of artists, labels, and publishers, enabling digital service providers to meet their obligations and advocating for creators to get paid fairly for their work.

As the premier music tech organization on a mission to power the future of music, SoundExchange was independently formed in 2003 to build a fairer, simpler, and more efficient music industry through technology, data, and advocacy. The only organization designated by the U.S. government to administer the Section 114 sound recording license, SoundExchange collects and distributes digital performance royalties on behalf of 700,000 creators and growing.

Through proprietary music tech solutions that turn data into accurate revenue, SoundExchange has paid more than \$11 billion in distributions to date.

MLC - Mechanical License Compliance

https://www.themlc.com/

MEDIABASE replaced BDS

https://www2.mediabase.com/mbapp/Account/Login

Sound Exchange

SoundScan



What is SoundScan, why does it matter, and how do I register with it?

https://www.isrc.com/FAQ-Soundscan.php

The Music Modernization Act - Updates the music licensing landscape to better facilitate legal licensing of music by digital services. It also provides certain protections (and exceptions to those protections) to pre-1972 sound recordings, and addresses distribution of producer royalties. Visit Music Modernization: FAQ - U.S. Copyright Office

The Music Modernization Act benefits artists, <u>music producers</u>, songwriters, musicians, engineers, and music business. Some highlights of the bill:

- Update licensing and royalty rules for digital music providers.
- Improve the way digital music providers pay royalties to rights holders for the streaming and distribution of musical works.
- Create a new Mechanical Licensing Collective (MLC). This group collects and distribute royalties on behalf of songwriters and publishers.
- Establish a public mechanical licensing database that will identify songs and match them to songwriters or publishers.
- Create a new blanket license for digital streaming services that covers the use of all music in the database.
- Give copyright protection to music producers and engineers for the first time in history.
- Close the "pre-1972 loophole" and require digital music providers to pay legacy artists the compensation they deserve.
- Provide a consistent legal process to help rights holders collect unclaimed royalties. It also implements a new "wheel" approach for resolving rate setting disputes.
- Establish a new rate standard that will require all digital platforms to pay fair market value for mechanical licenses.
- Give fans more access to music across digital music services due to fewer restrictions and better music data sharing.

RIAA info

2024 Mid-Year Music Industry Revenue Report News | August 29, 2024 | Press Statements

Recorded music revenues grew by 4% to \$8.7 billion in estimated retail value and streaming subscriptions were up 3% to 99 million over the first half of 2024 – both record highs as streaming continues to post strong growth entering its third decade in the US.

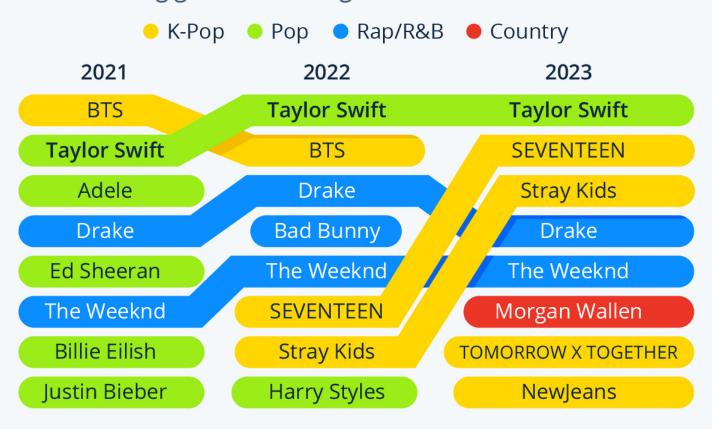
2024 | Sales & Revenue

2023 Year-End Music Industry Revenue Report | RIAA

Recorded music revenues in the U.S. in 2023 continued strong growth for the eighth consecutive year. Total revenues grew 8% to a record high \$17.1 billion at estimated retail value. Streaming continued to be the biggest driver of growth with record levels of engagement in paid subscriptions, continued growth in adsupported revenues, and growing contributions from new platforms and services. At wholesale value revenues grew 7% to a record high of \$11 billion

Taylor Swift Retains Crown of World's No. 1 Recording Artist

Best-selling global recording artists of 2021, 2022 and 2023*



^{*} Rankings based on global streaming volume, downloads and physical format sales Source: IFPI



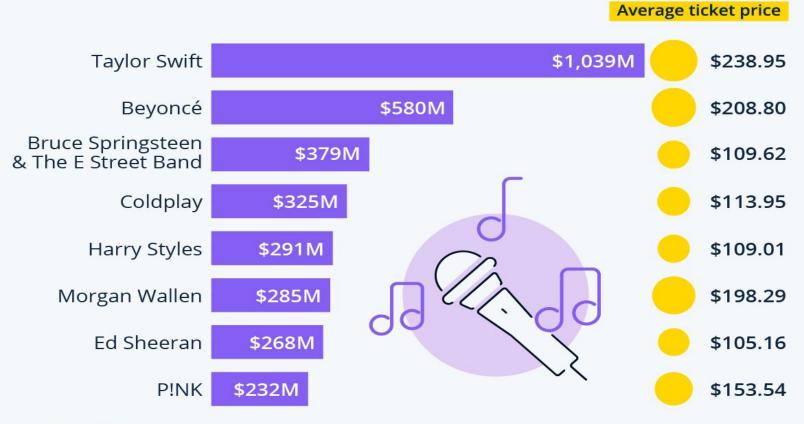






The World's Highest-Grossing Tours of 2023

Box office gross of the highest-grossing music tours worldwide in 2023













Snoop Dogg On Streaming



Snoop Dogg On Streaming

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https://www.google.com/search?q=snoop+dogg+comments+on+streaming+services&rlz=1C1VDKB_enUS932US940&oq=s_noop+dogg+comments+on+streaming&gs_lcrp=EgZjaHJvbW_UqBwgBECEYoAEyBggAEEUYOTIHCAEQIRigATIHCAIQIRigATIHCAIQIRigATIHCAQQIRigAdIBCjIwOTI3ajBqMTWoAgiwAgE&sourceid=chrome&ie=UTF-8#fpstate=ive&vld=cid:1f5f137e,vid:ndnDpYLNZH8,st:0
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Streaming Payouts

RANK PLATFORM		PAYOUT PER STREAM
01 NAP	STER	\$0.01900
02 TIDA	LENGTHER	\$0.01250
03 APPI	LE MUSIC	\$0.00735
04 GOO	GLE PLAY	\$0.00676
05 DEEZ	ZER	\$0.00640
06 SPO	ΓΙ F Υ	\$0.00437
07 AMA	ZON	\$0.00402
08 PAN	DORA	\$0.00133
09 YOU	TUBE	\$0.00069



Streaming platform	Average payout per stream	# of streams to make €10
Qobuz	€0.016	625
Apple Music	€0.01	1 000
Deezer	€0.0054	1 852
Amazon	€0.0034	2 941
Spotify	€0.0033	3 030
Tidal	€0.034	294
YouTube Music	€0.0024	4 167
Amazon Prime	€0.00068	14 706
Tencent QQ	€0.00036	27 778
TikTok	€0.000009	1 111 111

STREAMING REVENUE

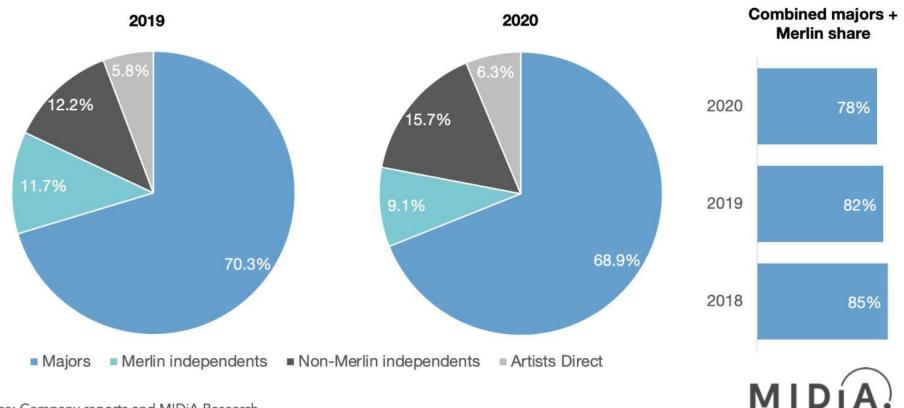
Starting in January 2024, Spotify started paying artists once they reach 1,000 streams in the last 12 months. In other words, artist earns about \$3,000 to \$4,000 in royalties for one million streams

Streaming continues to drive the business, making up 84% of total revenues and now totaling \$14.4 billion – hitting an all-time high of 96.8 million paid subscriptions to ondemand services.

Physical product (vinyl, CDs, cassettes) accounted for 11%; digital downloads for 3% and synch for 2%.Mar 26, 2024

Independents gained market share once more on Spotify in 2020, but we are also seeing the rise of the new independent

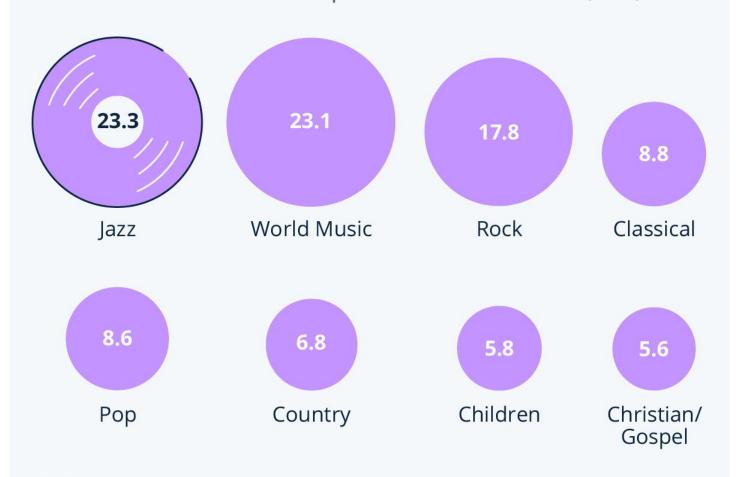
Share of Spotify streams by industry segment, 2019 and 2020



Source: Company reports and MIDiA Research

Jazzheads Like It Physical

Genres with the highest share of physical album consumption out of total music consumption in the U.S. in 2023 (in %)



Source: Luminate









SOURCE - BOBBY OWSINSKI (2017)

- 1. Beyonce \$62.1 million. Most of this (\$54 mil) came from touring with \$4.3 from sales and \$1.9 from streaming.
- **2. Guns n Roses \$42.3 million.** Once again, most of the revenue (\$40.4 million) came from touring with just \$620k from streaming.
- **3.** Bruce Springsteen \$42.2 million. Bruce earned about \$40 mil on the road and just \$167.5k from streaming (We're experiencing a trend here).
- **4. Drake \$37.3 million.** Now we see the differences between a new generation of artists and the old. Drake made \$18.1 million from streaming and a little under \$14 mil from touring.
- **5. Adele \$37 million.** \$28 million from touring and a respectable \$1.2 million from streaming. She also did pretty well on the sales front at \$4.9 million.
- **6. Coldplay \$32.3 million.** Most of the band's revenue again comes from touring at \$26 million and \$2.7 million from streaming.
- 7. Justin Bieber \$30.5 million. \$25.6 million touring and \$1.9 million from streaming (I thought this would be a lot.

NOTE: The above list has been abbreviated for inclusion in this presentation

Other artists that made a lot from streaming include **Rhianna** at \$7.6 million and **Twenty-One Pilots** at \$6.1 million, but many of the top 50 artists didn't even crack \$100k (most are legacy artists).

Read more: https://music3point0.com/2017/07/23/top-10-money-makers/#ixzz64XrVgGy9 Under Creative Commons License: Attribution Non-Commercial Share Alike

Trends of 2025 -2026

The biggest music trends to watch - Source: Harley Burn

- 1. Songs keep getting shorter In 2019, the average track length of the Top 40 was three minutes and seven seconds. This is largely a byproduct of streaming and discovery through playlists.
- 2. Genres are becoming a thing of the past "Old Town Road" is a great example
- 3. The 80's are back in full effect The new year will fully embrace the 80's both sonically and aesthetically
- **4.** Physical sales are down upload your songs to Spotify and Apple Music PRONTO.
- **5. Technology is rapidly changing music promotion -** content creators thirst to connect with their fans on a personable level. That's where live streaming sites like Twitch and Mixer come to play.

Helpful YouTube & Online References

- Beats Per Minute https://www.facebook.com/share/r/16DoaeX3TR/
- College station https://www.facebook.com/share/r/1RRQbgn16S/
- Labels dropping Artists.
 https://www.facebook.com/share/r/1EkSTacjst/
- Royalties
 https://www.facebook.com/share/r/16SGBRhHXY/

Questions?





Music On The FrontLines
Van Taylor Productions Inc.

Closing Comments



Thank You

Erie County

Buffalo Music Hall Of Fame

http://www.three2gomusicalliance.com