INTRODUCTION

Why would you need to understand the essentials of the music business, licensing and publishing as an artist?

If you want to have a career as a music producer, composer or sound artist, you have to make sure your music is generating income in the long term. Music is an asset like your house when you own a house, you sign a contract, and that keeps the value to your name over the years. You should do the same thing for your music, and this process happens through licensing and publishing.

The better you understand how these two concepts work, the better you will have control over your assets and your finances as an artist. If you do not have a team (even most experienced artists don’t), let this booklet give you the necessary information on how the music business works. Then, you will better understand what actions to take when releasing new music and hopefully your artistic asset, your music, will create recurring income over time.

If you even think you are not interested in earning income for your music, in protecting your tracks from getting stolen or claimed by another person, in other words, to have proper legal protection, you have to understand licensing and publishing. Enjoy the booklet; I hope it becomes a step towards becoming music professional.

RAST TEAM
A Guide To Music Licensing

Music Licensing is a whole world on its own. Basically, the legal agreement that allows other artists, radio stations, TV commercials, online Ads and anyone to buy the rights to use a track. A lawyer who specializes in music or a publishing company, or independent music publisher usually handles this procedure.

Once your music is used in a piece of content, project or event, you earn a share of the money received from the final product, or you receive an amount from a one-time payment made by the enterprise, company, artist or person who petitions to use your material.
Why Should I Get A License For My Music?

Simple answer, to protect your content legally, but also it generates a source of income in the long run of your music career, once your content is licensed under as many agreements as possible, you are allowed to charge royalties.

Music Licensing should be named as Sound Licensing because you are allowed to license even the sound elements in a song. Allow us to explain a few of the most common types of licensing types there are:

**Mechanical License:** A Mechanical License is an agreement that grants permission between the individual, industries or team that desires to release a song or composition and the owner of the copyrighted content (band, solo artist, publisher or promoter). It can also be called Mechanical right.

A Mechanical License or right only allows the song or composition to be published or released in an Audio-only format (CD's, Vinyl, covers, remix)

A mechanical license grants also the usage of only a portion of the song or sounds in it, this is legally handled by a special section of the copyright law, meant to foster creativity in music creation, establishes what is known as the compulsory mechanical licensing law. *Compulsory law states that a licensee can obtain mechanical rights without the express permission of the copyright holder, as long as certain steps are followed.*
**Synchronization License:** A synchronization License is an agreement that grants permission for the use of your music, audio tracks, sound design and all of your music elements included in the agreement in video or visual media (Youtube videos, Ads, Content creators, Commercials, TV, Cinema, etc…)

A Synchronization License is usually negotiated directly with the copyright holder as the person, team or business requesting to use the audio material must give a very detailed explanation of how it will be used and for what purpose. This also includes for how long it will be integrated to the visual content and if it will be audible as background music or up-front full volume, among several other details that must be covered for each particular scenario.

**Master License:** A master license is an agreement between a music user and the owner of a copyrighted audio recording that grants permission to use the recording. This permission is also called a master lease or master rights.

A Master license gives total freedom to a certain degree, as it allows you to work or use the original audio tracks. As a musician, licensing your music under a Master License is probably the most effective way to protect your music.

**Public Performance License:** Allows a song or composition to be played publicly.

This type of license must be handled by one of the following, inside the United States, as they are considered the PROs in licensing in general, they are mostly always working on Public Performance Licensing deals:

- ASCAP
- BMI
- SECAC

In case you are not from the United States, you must search for your local performing rights society (like GEMA in Germany), these are the companies that administer all forms of public copyrighted content.

This also allows restaurants, bars or any establishment to play the song, it pays the artist, composer or band in the form of royalties and it is usually collected and administrated by one of the three companies mentioned above, depending on how much you get paid depends on the contract agreements for the use of the content.
**Sounds & Sound Design Elements**: This one is mostly for the producers and sound designers in electronic, instrumentals or other forms of sound creators. Let’s say that for example, you asked that there were birds recorded singing for the beginning of a track or a loud “boom” sound; it can be taken and modified and used illegally without you taking notice. But most copyright agencies or publishers have a team in charge of seeking illegal use of content, and if they get caught in the act, having a Sound or Sound Design Elements License can help ease the process in whether or not it can be used due that it might not contain melodic or rhythmical notable elements.

Even so, this kind of license is not used that often as all the previous four also back up this type of elements in sound, even so, if you have a recording or audio track heavily charged with this kind of sounds it might come in handy.

**Can I License My music Online?**

Yes of course! There are many websites out there that work with a team of intermediaries to license music, tracks, sounds or whole CD’s; they should meet the following requirements though:

- Be transparent about the process
- Keep you up to date if there are any changes to the contract and how royalties or commissions are on a weekly or daily basis
- Be transparent about their list of potential clients and the website’s traffic flow

There are probably hundreds and hundreds of websites that offer licensing agreements but let’s see the most trustworthy and highly placed in the charts sites:

**AffordableSongLicensing**: Affordable Song Licensing is a website that has built a good reputation for its low cost on licensing cover songs only, they handle the process in a rather fast pace and deliver results in a matter of a few days.

**RumbleFish**: Rumble Fish works in a one-year term agreement in which you receive a 50% of commissions earned, they are specifically famous on the internet for having a pretty big and vast amount of stores, restaurants, hotels, and bars where they put your music in their playlists every day.

They also offer most of the licensing options there are, and they are very professional and fast-paced with every step of the process of granting a license.
How To Prepare Yourself To License Your Music

If there is a procedure for getting ready to license your music, you can find a step by step layout below. Many artists have to go through a learning curve where they are asked to do this all and are delayed on the process of getting their content licensed.

Let us see an example of a proper procedure to get yourself ready to license:

**Pick Your Music Tracks Wisely:** Ensure that your content is original, that you did not use any samples illegally or that you did not purchase the rights to use them.

Pick between 3 to 5 tracks and carefully study what they could be used for. This way you can select which types of license agreements you want to reach out for each of them. You can also ask your publisher to help you find out what are the best options for you; a professional opinion must never go to waste if it is within your grasp.
**Export To The Right Format:** Your music must be within the commercial standards as the following:

24 bit > 16 bit  
320 kbps > 256 kbps > 128 kbps  
WAV = AIFF > MP3  
48kHz > 44kHz for any music that will be used on video

**Have The Metadata Info ready:** Metadata information will be displayed on the file and the media players on computers and Mac, usually the metadata displays the following information:

- Track Name  
- Artist Information  
- Album Name  
- Genre  
- Recording or Release Date

**(Optional) Catalogue For Tracking Progress.** A Catalogue is for yourself, in which you can write for each track all valuable information that might come in handy for tags or keywords that can be proposed in an agreement, for example, to a youtube content creator, this is usually reviewed by professionals in online media management but can work as guidelines for attracting more people.

Also, it might come in handy for when you upload your content to a music platform or Youtube which can work as a promotion tactic at the same time.

**SECOND STEP: Getting Your License**

**Once you have your music set to go, the second step is to:** approach a full-fledged professional PRO (Performance Rights Organization) in the industry. As we mentioned, ASCAP, BMI, and SESAC are the most trustworthy out there for the United States. Remember that you only need to register with one of the three. There are others universally like GEMA for Germany.
Here are the Phone numbers for each:

**ASCAP** - American Society of Composers, Authors, and Publishers: 1-800-952-7227

**BMI** - Broadcast Music, Inc.: 1-800-925-8451

**SESAC** is an invitation-only Performing Rights Organization that represents the world’s top songwriters, composers and music publishers: 212 – 586 - 3450

Usually one of their professionals will walk you with the process, and they have a phone number to reach out for any doubts you may have.

It is important for this process you seek to hire a publisher, record label or other artists that have licensed their music before so that they guide you also through the process as they can give valuable information and ideas on which types of licenses will work best for you.

A publisher and a record label will be able to give you a list of options on potential clients or business. We cannot stress their involvement enough although, many websites grant you the possibility to upload your music for licensing deals that might purchase rights to your music. To be involved in big projects, publishers and record labels mostly publishers will help way more as they have years of experience and will be able to be in contact with you and strategically design better options for income and royalty earnings especially, if your work falls in the modern commercial standards (Pop Music, Indie Rock, Reggaeton, Trap, Hip Hop, Electronica).
Once You Have Your License

Now that your music has been licensed, hopefully under a record label or a publisher, you can start seeing about market strategies with them to present your material to studios, filmmakers, other artists, TV producers, and radio stations.

As an artist having your content licensed is a huge relief as it now belongs to you and only you legally. Plagiarism is out of the way, and anyone who wants to use your tracks will have to undergo the legal procedures from contacting your publisher to paying the fee and agreeing to the terms set. These terms can be negotiable. You will see that publishers offer a wide range of possibilities for how to set up your legal paperwork and make it an attractive offer for clients and ensuring you earn a fair amount of money.

An estimation on how much you can make from your music is usually between 5% to 20% in royalties, it might not sound as much, and at first it might not be, but remember that these contracts usually have either a time limit or can be signed with multiple clients, so it adds up over time. Do not stress yourself out if you do not get any petitions to use your work at first. It usually is a process that takes a couple of months, especially if you are new to the industry. But over time, it should steadily start to move faster and faster on how often you get deals. Usually, publishers work thoroughly on finding the right clients and over time develop a professional instinct on which projects to offer your music.
Music Publishing is the side of the music industry that basically takes care of administrating the money earned through the use of their work in commercial standards (Music used for commercials, Ads, Radio Stations or covers) when you have a license or copyright agreement for a song or composition. You have the possibility of selecting a Publishing company to administrate all of the revenue that your song is used for. Also, some publishing companies handle a team that ensures your song, album or work is not used illegally and takes care of all legal process in this scenario.
Of course, publishing companies vary from one another, and they all have a different work style. Some of them will be involved from the very beginning in the creative process and songwriting and will be very proactive up front suggestions on which songs may have the most potential; it is very important you do not confuse them with a Record Label. Music Publishing companies offer a wider spectrum of services although both seek to meet similar goals. These kind of publishing companies are good to seek out if you think your music has commercial potential and you would like to have support from almost every professional aspect in your music career.

Publishing companies that do not get involved in the creative process generally seek to buy a portion of your royalties and instead of seeking to generate opportunities for you to earn royalties they have a list of potential clients. This kind of publishing companies usually are bigger in the industry and have years of experience and work through an evaluation process where you submit your music, and they select what they are interested into. Instead of supporting you from the very beginning, they usually charge more but have a wider spectrum of possibilities. It is important to note that for this kind of publishing companies to take notice or interest in your work you should have a good repertoire of work for them to choose from and at least a couple of years of experience, this is not necessary, but it can give you a boost to be selected.

Do you need a Publisher Right Now?

It is important to mention that getting a publisher will always require timing from your part. Of course, the process is very personal but having a publisher is useful at a certain stage of your professional career as their main goal is to exploit and boost your music commercially, in a few words, the more music you have and the wider your repertoire and experience is, the more they can boost your music in the market.

Knowing all this, how can you choose the adequate publisher or publishing company for your needs?

There are a lot of indie artists who seek a music publisher as they realize that it is a very arduous job and it requires a lot of dedication and time as we mentioned before. We must also seek for publishing companies who have worked with similar music genres to yours or particular style, to begin with, and that have experience in promotional and marketing aspects in the location you are from. Also if they can expand this geographical barrier as much as possible, also if they work with solo artists or bands mostly they will know better how to handle opportunities for you.
Although some of these are particularities, here are a few general aspects a good music publisher must meet:

**Guidance & Opportunities:** A good publisher must be capable of offering guidance and tools for the artist or band to grow in every aspect of their musical career. Also, they must be capable of determining which songs have a potential value in the market today and must be up to date with what is most viral in your music genre.

Publishers who get involved in the creative process usually are proactive, as we mentioned. Specifically, this means that they will tell you if a certain part of a song could be altered or change to have a more effective impact in the market.

**Market & Promotion licensing Online and Offline:** They must be up to date with all forms of licensing agreements and promotion tactics that work effectively; you have all the freedom to ask them with whom they have worked with and show you the impact of their work.

A few things that they must know is how to produce and license printed music, producing demo recordings and licensing every aspect within them (the score, Lyrics & all material that is a part of it, including videos or small snips of audio of the process of recording such said album or song)

One of the most important is that they must be capable of monitoring and tracking your work and how it is implemented or used in all forms of media.

Making on-time payments for all royalty rights for the licensed material and being fully transparent about the process, it is sad to say that quite a few promoters and publishers tend to hide their work earnings from artists to make a larger profit for themselves, which leads us to the next point.

**Recommendation & Professionalism:** A good publisher will always be in other artist’s mouths. Seeking a good publisher will always have a 99.9% probability of being good if you got the contact from a recommendation from other artists. You also have full freedom to ask artists within your genre who are in a similar stage as yours in their career to recommend a publisher for you.

**Scouting & Planning Capacity:** A good publisher must have the ability to scout efficiently and fast, not only new artists but potential marketing, promotion and professional artistic options for you. Publishers usually are the first to suggest big changes for mutual benefit. A great publisher will already have a master business plan with a range of prices in which they will give you as many advantages as possible within a fair range.
Among the best things a publisher can get are live gigs, marketing strategies online that work efficiently by measuring when is the right time to publish or update social networks or Livestream options and options for music production ideas, photographers, image designers, and artists for albums or merchandise. Also, they usually have a good hold of excellent lawyers in the industry.

**TYPES OF CONTRACTS**

A Publisher sounds great so far; doesn’t he? Let us approach the more technical aspect of what kind of contracts they offer and how they can manage and administrate your artistic career a bit more in depth. Let us see the most common types of contracts, most of these may vary from publisher to publisher, but they will never be too far from one of the following:

**A Single or Hit Song Contract:** A single song agreement is a type of contract in which the publisher will only work with a single song. Also under legal rights, you are given the freedom to work with other publishers for that song. Also, most of the Single song agreements have a period.

**Sub Publishing Contract:** This kind of contract is the most beneficial when it comes to exposure. A Sub-Publishing contract allows other publishers to work with your music. Through your main publisher, this is usually dealt between them. With your consent, it is most beneficial in removing geographical and location barriers. Let’s say that if your music is being promoted and going through market campaigns only in the United States, a publisher from Germany can request a Sub publishing contract to offer your music in Germany and advertise, promote and market it freely, earning you a higher amount of sales and revenue.

A good publisher will be able to determine which publishers to contact to offer sub-publishing deals around the globe and make a correct estimation on how many to contact, how to talk to them and when to do so. For a publisher, it is very important to keep the hype around an artist they are working with for as long as possible. So subcontracts can help to grow exposure, but they also have the function to expand the life span of a track, song or album’s success to collect as much revenue as possible.
Exclusive Song Writer Agreement (ESWA) Contract: This type of contract can be part of a record contract or completely independent from it.

It basically grants the entire publisher's share of the money made to the music publisher, this means that any musical compositions made within a time period specified in the contract are solely directed to such said publisher and will not be shared with any others, and also you are not allowed to seek other publishers during this time period.

This kind of contract has the purpose of catching a big name. Artists or musicians with the potential to be as the publisher earn a larger revenue and it works in a short period. It can be a very good option as publishers who do this kind of contracts are usually experienced and confident enough in their clients' list for promotion and marketing.

Synchronization “Sync” Agreement: The Synchronization Agreement contract seeks to allow your music to be used specifically for commercials, TV Ads, Videos, etc.… all kind of visual material that requires a part of a song or sound for it.

This process is handled between your publisher and the TV or visual material owner that seeks to integrate your sound in their work; they should also mention specific details about the visual material as for how long it lasts. What is the purpose of using your material, and how prominent it will be? By this, we mean he has to explain if it will be background music or if it will play a major role in the visual content it will be attached to, once all of this is explained, they will have to pay a one time fee before all work. When the work is produced, and it starts making an income, the copyright value is split between two parties:

Master Sound Recording: Which will go directly to the record label as the value it holds is the original piece of music.

Composition: Which consists in the lyrics and all musical aspects (Rhythm, Melody, Chord Progressions and so on…) of a track or song, which belongs to the publisher, he took part in the creative process and all band members or solo artist.

In case of your song being requested to be covered by another band, the money earned is split. In the same manner, the contract must specifically explain to the artist seeking to cover how he should earn his share of the money and the process it will go through in legal terms, what he can and can not do with the track.
And this is pretty much the basics of how publishing your music works. As we mentioned before, do try to seek a publisher from a fellow artist you know and you can trust him in a professional aspect. It is of utmost importance that you also find a publisher who fits your budget, is enthusiastic about your work and who knows properly how to work with your music genre. A publishers’ work is to attract as many people as possible, to do so, they must know their potential crowd as well as possible and have an ample list of strategies for the market.

Surely finding the right publisher can be a tough task at hand, especially if it is your first time, but having all these guidelines to back you up should make the job easier to find the right one for you!