A person with tattoos is seen from behind, working at a large mixing console in a recording studio. The person's arms, covered in tattoos, are visible as they adjust knobs on the console. A clipboard with papers is resting on the console. In the background, a large studio monitor is illuminated. The scene is dimly lit, with the primary light source being the monitor and the console's internal lights.

# PERFORMER'S GUIDE TO LICENSING & DISTRIBUTION

*part one*

# MUSICIAN'S GUIDE TO LICENSING & DISTRIBUTION

distro • licensing • royalties • sync • streaming

## Make Money Selling Holiday-Themed Music or: It's the Most Wonderful Time of the Year (For Indie Music)

### ▼ ABOUT THE AUTHOR

**Michael St. James** is the founder and creative director of St. James Media, specializing in music licensing, publishing, production and artist development.

*Bells*, or say, *Jingle Bell Rock*, you'll need a mechanical license.

### RADIO

Alternative and specialty radio is going to want a lot of new, quirky songs. Acoustic and vocals are fine on these, but a garage recording works too as long as the vocals are clear.

The local corporate station in your area that starts playing 24 hours of Christmas music way too early (you know the one) will be much more open to covers.

College radio and Americana is going to want original, authentic recordings. That does not mean mandolins as such, just a real band performance of an artful song.

### THE PLAN: 9 STEP UNDER \$50

1. Pick two holiday covers, and write one original song. Rehearse them.

3. Get a Dropbox. License any cover you need to at Harry Fox, or let Limelight do it for you (<http://songclearance.com>).

2. Record them (live, at rehearsal, at home). Take a few photos of ornaments, band in Santa hats, ugly sweaters, etc.

4. Rip the songs down and tag them: Christmas, (subgenre like "Rock"), holiday, seasonal, etc. Have a high quality .wav, a 128 and 256 (kbps) Mp3 or AAC version ready to go.

6. Go to <http://distrokid.com> - pay \$19.99/year, and put all of your new holiday recordings on iTunes, Google Play, Spotify, etc. (use those photos)

7. Make a simple YouTube lyric or photo video (or real video if you have more time and money).

8. Get some CD-Rs with thin cases for \$9.99. Do not use sticky labels. No need to get them printed if you're not releasing them commercially. Some radio stations will still want you to actually send a disc. Don't go crazy; send what you have if they ask. Mostly send .wav links.

9. Local specialty shows usually are on Sunday nights, so submit to them first. Get your links (or mailers) to the other stations next. Hit the assistant PDs.

**Happy holidays! Go get 'em!**



## Happy Hanukkah! Merry Christmas! Happy Kwanzaa!

I know, I know, it's only November; so what's with all the holiday brouhaha? Simple, these next few months could explode your musical career, if you follow just a few steps right now. First, this is an important reminder about timing. The actual music in the music industry is usually being produced 3-6 months prior to you hearing it. Sometimes even more **[editor's note - same lead time applies to print magazines, too]**.

You know that "song of the summer" "Blurred Lines"? It was actually recorded in August 2012. True.

It's also true that holiday music is produced very early. Music publishers and licensors refer to it as "Christmas in July" because we see briefs for placements that early. But, here's the trick: fresh holiday music is needed by the shit ton, every year, and it doesn't matter how big of an artist you are to get played. Read that sentence again. *It does not matter* how big your Twitter account is, whether you've sold 100,000 records, or even whether you've toured yet; your music has just as good a shot as anyone else's. Specialty shows, local terrestrial radio, college stations, streamers, ad companies, brand agencies: they all need new holiday music. They need it in freaky indie form, as traditional covers, and cheeky originals; they need it all. And sometimes, they need it very quickly to replace older holiday music.

Bear in mind, at least two Christmas albums will be released on October 29th this year, one from Duck Dynasty featuring George Strait, and another from Restless Heart. They will be out as of this article's publication! You're already too late for a big release. But, you probably have gigs in November and December booked, right? Surely you must know a few Christmas covers for those high paying gigs, right? So, record them in rehearsal, or at an early show this month. A studio recording would be nice, but not necessary here.

Here's the plan and your mission, should you accept it. Three songs, everywhere online for stream and sale, and picked up on radio.

### SONGS

Lyrics are the game. There are orchestras and plenty of Kenny G-types taking care of the instrumental music. Focus on words. People listen to words during the holidays. Perhaps more importantly, Program Directors and Producers will be hearing thousands of these, so the lyrics you write (or the covers you choose) will make you stand out, for better or worse.

### COVERS

These popular holiday songs are verified Public Domain, you do not need a license to record, release, and sell them: *Deck The Halls*; *The First Noel*; *Hark! The Herald Angels Sing*; *Jingle Bells*; *Joy To The World*; *O, Come All Ye Faithful*; *Silent Night*; *The Twelve Days of Christmas*; *We Wish You A Merry Christmas*.

If you really want to do a cover of *Silver*

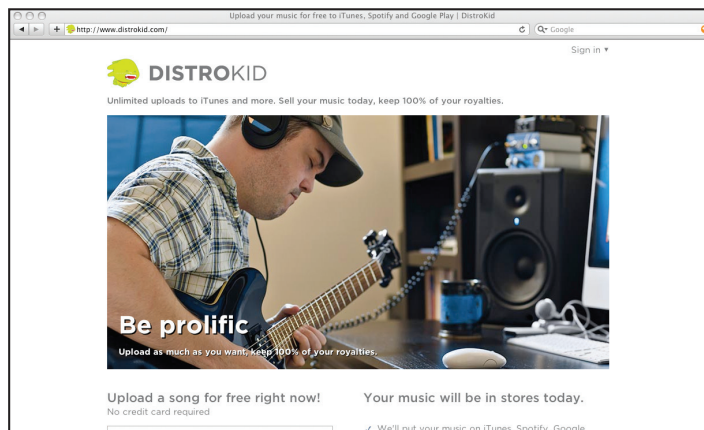
# MUSICIAN'S GUIDE TO LICENSING & DISTRIBUTION

*distro • licensing • royalties • sync • streaming*

## A Million Dollar Record Label for \$20/yr with DistroKid

### ▼ ABOUT THE AUTHOR

**-Michael St. James** is the founder and creative director of St. James Media, specializing in music licensing, publishing, production and artist development.



### plans to take Fandalism bigger, or take it in a different direction?

I'd like to do more live gatherings & events. I organized a "Fandalism Open Jam" in Washington Square Park in New York City that attracted about 400 musicians. It was amazing.

### One of my favorite apps of yours was "Punch Your Friends." Any plans to take Fandalism or DistroKid into the app world?

I definitely want to make a Fandalism app, and also a DistroKid app. I haven't started either, but should get around to it sooner or later.

### It's clear that DistroKid is about more than money. Why was it important to you to build and launch it?

Musicians shouldn't have to make decisions or plunk down cash every time they record something and want it in stores. They should be able to easily upload everything they record, all the time, whenever they want. That's the goal of DistroKid, and why it's just \$19.99 per year for unlimited uploads.

### What are the things (music and photo file formats) our readers need to know about the DistroKid upload process to get started today?

Nothing special, really. To make it really easy, DistroKid lets you use any image on your computer for your artwork. So uploading your artwork is just like uploading a pic to Facebook. Also, DistroKid lets you upload music in many different audio formats. That's it; the goal is to make it super easy.

### You're known for being a one-man team by relying on automation. Do you have any advice for musicians on how they can apply the same method to their career?

For every successful thing I've built, I've probably built five things that nobody cared about. So I'd tell any musician, 'Pump out a ton of stuff! As much as you can.' All you need is one hit to take off, and then parlay that into more hits.

**Head to [www.fandalism.com](http://www.fandalism.com) and join for free, and check out [www.distrokid.com](http://www.distrokid.com) to upload and start selling tonight.**

Steve Jobs' nightmare has come true; it's now possible for "just anybody" to get on iTunes. At an Apple special event way back in 2003, Jobs was defending criticism of iTunes' small catalog (then only 400k tracks) by saying, "This number could have easily been much higher, if we wanted to let in every song." He finished this way, "Well, we don't want to let that stuff on our site!" Derek Sivers famously wrote about it here:

<http://sivers.org/itunes>

CD Baby, and other third party distributors, did successfully get independent music into iTunes. But it was complicated and costly, with setup fees per album and song. In 2010, Philip Kaplan set out to change that by launching a social music site, Fandalism, which also teased an offer for any member to get a single song on iTunes and major stores for free. 600,000 musicians have now signed up.

That service is now called DistroKid. Here's the simple deal: For just \$19.99/yr., musicians can upload as many songs and albums for streaming and sales to all the major stores. That's it. No setup fees or revenue share, and full reporting is included. Sell a million downloads, and it's still just \$19.99.

I had a chance to chat with Philip Kaplan (@pud), founder of Fandalism and DistroKid, about both services. As a member, I personally recommend you sign up for Fandalism, and plunk down the \$20 to get all of your songs on Spotify, iTunes, Google Play, and Amazon (more soon).

### Performer: We're all musicians here. You're listed as a drummer, but I've seen some awesome guitar shredding from you on Fandalism; are you currently in a band?

**Kaplan:** I'm the drummer for Coverflow, a Silicon Valley-based cover band. We play rock versions of contemporary pop songs. I also do some stuff on my own, but Coverflow is my main band.

### Fandalism is a great idea; is DistroKid now officially a standalone, or are they both meant to work together?

Thanks. Fandalism is a social network for musicians. DistroKid - which allows musicians and artists to sell their music on iTunes & other stores, originally started out as a feature on Fandalism. After a couple months, I decided to spin DistroKid out as its own standalone service. It makes more sense to me that way.

### Aside from the killer cost, what sets DistroKid apart from other digital distribution partners?

DistroKid is the only service that can get your music on iTunes usually within 2-4 hours after you upload it. Other services usually take days. Also, DistroKid has a user interface that's a lot cleaner and more modern. It's much easier to use than anything else out there.

### How is Fandalism being received (full disclosure: I'm a member). Are there any

# MUSICIAN'S GUIDE TO LICENSING & DISTRIBUTION

*distro • licensing • royalties • sync • streaming*

## ONErpm, YouTube, and Your Music – Let's Make Some Noise (And Money)

There's a saying in the startup world by founder Marc Barros of Contour Cameras: **"The best product does not always win, the product everyone knows about does."**



I often repeat the quote above when I speak at music business gatherings because I think it's so analogous to our industry. This is why "My Humps" was a Top 5 song in the U.S. and track three on your latest CD is not. That's harsh, I know. So, how do you get *everyone to know* about your music? In short, the answer is, and has always been, distribution. But what does that mean today?

There are plenty of companies that will distribute your music to online platforms for sale or streaming. You can even do this yourself with a little research and motivation. Simply having your music "available" is the old definition of distribution; being on iTunes or Spotify does not necessarily drive sales, increase fans, or lead to licensing. But, being on YouTube can. What's more, if it's done right, you can generate revenue, gain fans, and cultivate channel partners all by just "distributing" your music on YouTube.

With that in mind, this month we're focusing on **ONErpm**, a leading digital music distributor. What separates them from the pack - and why I think you should know about them - is their growing YouTube Network partnership. I spoke with ONErpm's CEO, **Emmanuel Zunz**. We discussed his company's vision of the music industry landscape, and their newly launched YouTube elevated networks program.

**You run a global company; what kind of trends or changes in the music business do you see?**

Yes, it really is a different story everywhere. We have been primarily active in Latin America and Brazil. For instance, in Sao Paulo, iTunes is relatively new (launched in December 2011) and not that big. Social media is the primary driver of music discovery in Brazil, and YouTube is a huge driver of it.

**I know ONErpm is listed as a distribution company, but it seems you are more in the service area with widgets, Facebook sales, and now the YouTube Partner program. How do you see your company?**

I think we started as distribution, then moved into services with direct-to-fan, and now we are a pushing partnerships, or a combination of all our offerings. We look at this as an opportunity to help artists, no matter where they are in their career. We offer free distribution packages, fair royalties, and low pricing to make it simple. But we also work with bigger artists and labels, so we want to make sure we're offering value to everyone.

**Let's get into the YouTube Partnership, how long have you been doing it, and how effective for artists has it been?**

### ▼ ABOUT THE AUTHOR

**-Michael St. James** is the founder and creative director of St. James Media, specializing in music licensing, publishing, production and artist development.

We started it in January and it is already a big part of our business. Our YouTube Network already has 100 million plus views monthly and is growing rapidly. Results have been encouraging for those artists using our YouTube Premium Partnership. On average, the company has been able to more than double the revenue of what our artists earned as a Standard YouTube Partner - which is our free service.

**So, you're proving that YouTube can be a great place to distribute music to fans, and also make money doing it.**

Oh yeah. YouTube is by far the biggest and most popular destination for music on the web. Period. Through Content ID, YouTube has given control back to the rightful content owners enabling them to earn significant income. Our goal is to find artists who are serious about their careers and music, and then partner with them to maximize that potential and grow their business.

**How do our readers get involved with ONErpm YouTube Partner Program?**

To participate in our Standard YouTube partner program, artists simply upload their music at no cost, and we deliver the audio files to YouTube with the correct copyright information. YouTube then scans its site for any videos using that work and then generates a claim for each video so artists can start earning advertising revenue. Artists have a dashboard so that they can see where and how their music is performing. Additionally, ONErpm's elevated Network of Channels option offers several added benefits: a premium percentage share of advertising revenue, Content ID for videos (which is more lucrative than audio alone), cross-channel promotion to expand views, and a greater selection of ads with higher CPMs that run against the videos. ONErpm keeps only 30% of royalties it collects and directly pays the artist 70%; we think that's a good pretty good deal.

For more info and to sign up, visit [www.onerpm.com](http://www.onerpm.com)

# MUSICIAN'S GUIDE TO LICENSING & DISTRIBUTION

distro • licensing • royalties • sync • streaming

## Why A Million Plays on Pandora May Only Net You \$16 An Intro to Online Royalties in Today's Marketplace

### ▼ ABOUT THE AUTHOR

**Adam Barnosky** is a Boston-based attorney and writer. For industry trends, legal updates, or to request an upcoming Legal Pad topic, find him on Twitter @adambarnosky.

### DISCLAIMER

The information contained in this column is general legal information only and should not be taken as a comprehensive guide to copyright law. Consult your attorney for all specific considerations.

THERE'S NOTHING BETTER THAN A PAY DAY. With a multitude of income-generating avenues available for musicians on the Internet, there is no shortage of ways to make money online. How much you can make, however, is a different story. This month's Legal Pad looks into online streaming, the dollars and cents behind the services, and how these services may affect you - the performer - in years to come.

### BACKGROUND

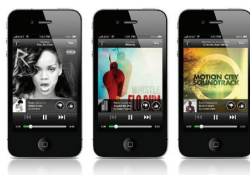
While there is money to be made, don't bank on online services alone to make a living. In recent months, there have been various stories of artists making as little as 0.001 cents per play. Hypebot recently featured an article by singer/songwriter David Lowery declaring that he'd been paid only \$16.89 for over 1 million plays on Pandora. Enough to buy a few pairs of strings, but not exactly the payday you might imagine for the size of the audience reached. Lowery details his frustration with the process:

*"Soon you will be hearing from Pandora how they need Congress to change the way royalties are calculated so that they can pay much much less to songwriters and performers. For you*

*civilians, webcasting rates are 'compulsory' rates. They are set by the government (crazy, right?). Further since they are compulsory royalties, artists cannot 'opt out' of a service like Pandora, even if they think Pandora doesn't pay them enough. The majority of songwriters have their rates set by the government, too, in the form of the ASCAP and BMI rate courts - a single judge gets to decide the fate of songwriters (technically, not a 'compulsory' [one], but may as well be). This is already a government-mandated subsidy from songwriters and artists to Silicon Valley. Pandora wants to make it even worse."*

It has been reported, however, that Pandora pays

more to labels per stream, with labels receiving approximately 12 cents per 100 streams (Lowery's cut comes after the label's take and is watered down from splits with multiple songwriters/performers). Keep in mind that these rates are not set in stone. Every five years, the royalty fees paid to artists and record labels are set by three judges serving on the Copyright Royalty Board, an arm of the Library of Congress. The CRB follows guidelines in various copyright laws passed as new radio and online formats developed in prior years, and it has become stricter as a result of aggressive music industry lobbying (i.e. the efforts by Pandora to lower its rates).



### STANDARD ROYALTY RATES FOR STREAMING SERVICES

It's not all bad news and many sites pay more than Pandora, depending on their model. New sites are launched daily that provide streaming or download capabilities. Several models exist: fee based, ad supported, and user-generated are three of the more popular models. Here are a few of the more popular sites and some of the fee structures they maintain:

SERVICE	MODEL	ROYALTY RATE (APPX.)
Pandora	Ad Supported	12 cents per 100 songs
Grooveshark	Ad Supported	None
Sirius/XM	Subscription	12.5% of the subscription
Spotify	Subscription	35 cents per 100 songs
iHeartRadio	Ad Supported	22 cents per 100 songs

### CHANGES IN THE INDUSTRY

There may be more changes on the horizon for streaming services. It has been reported that tech/music giant Apple has opened discussions with record labels and industry leaders about obtaining rights to launch a music streaming service. Based upon their other forays into the music industry (monetizing digital downloads with iTunes), it is not difficult to see this as a game-changer. That said, there has been some push back from labels because Apple is offering a significantly smaller amount of money per stream. Their proposed rate has been reported at 6 cents per 100 streams (HALF of that paid by Pandora). Apple wants to make their new service, predictably called iRadio, bundled with iMatch, which allows iTunes users to make their music available on all iOS devices.

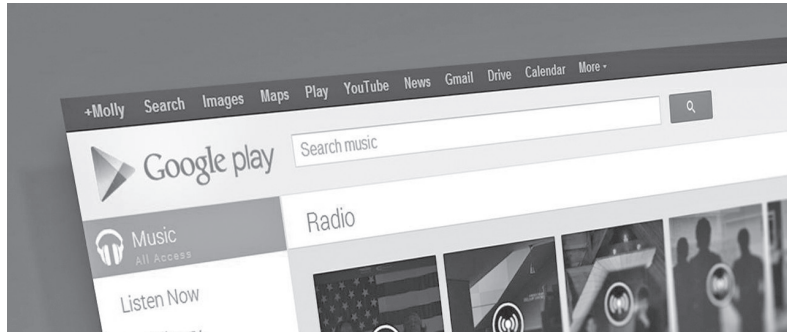
On a (somewhat) positive note, services that provide no royalties or payments of any kind to artists are beginning to feel the heat. Last year, Grooveshark was sued by all four major record labels for failing to pay royalties. Grooveshark, which relies on its 35 million-plus members to upload their music libraries to the streaming service, is somewhat protected under the Digital Millennium Copyright Act (which may avoid penalties if it removes infringing content within a specified timeline after notice). However, Grooveshark is not an innocent party in this practice. During the course of the lawsuit, emails showed that the company's employees led an effort to post more than 113,000 pirated songs. Another email reportedly from Grooveshark's chairman Sina Simantob says: **"The only thing that I want to add is this: we are achieving all this growth without paying a dime to any of the labels."** That about says it all. The Grooveshark suit, which is anticipated to settle, is still being actively litigated.

# MUSICIAN'S GUIDE TO LICENSING & DISTRIBUTION

*distro • licensing • royalties • sync • streaming*

An Interview with Google Music Guru Tim Quirk

## Reach New Fans with Google Play Music All Access



If you read this column, you know we try to cover as many new music platforms as we possibly can with one goal: getting your music to new fans. This month, we take on one of the big boys: Google Play Music All Access [editor's note – this is quite the mouthful]. Google Play Music is free for anyone to use. For \$9.99, you can get "All Access," allowing you to stream unlimited music (ad free) from their catalog of over 18 million songs coupled with your own, spawn radio stations by song, and control your playlist in real-time (unlike Pandora), on any device (iOS support coming very soon).

We chatted with the legendary Tim Quirk, 'Google Play Head of Global Content Programming' – in short, he is Google's music guru. We talked about Google Play Music and specifically, the All Access service.

**Performer Mag:** I liked the ability in Radio to swipe away what comes up in playlist, also the obvious cloud integration for any device, any time. Aside from those features, what, to you, makes All Access different?

**Tim Quirk:** I'd start with those two things: controlling your listening experience and being able to do that from anywhere, on any device at any time; that's significant. The fact is that with All Access you're combining your collection with everything else in the world. That's the difference.

**Performer Mag:** Walk us through how All Access came about. What is the ultimate goal of the service?

**Tim Quirk:** We started with the Music Locker for your collection, and then we tried to solve the problems with syncing to limited devices, and after, added the music store. We found that a lot of people never bothered to download MP3s, and were instead adding them

into playlists. For instance, you might be at work and find a song you really like, it may not be a good time to download - find a song and now it's in your collection. We wanted to make the availability of music super dead simple. The latest piece of the process was All Access – the ability to add your own collection to the rest of the world's collection. Our goal is literally "All Access." We want you to be able to listen to every recording in music history, anytime, from anywhere.

**Performer Mag:** How are the habits of music fans changing?

**Tim Quirk:** I was at Rhapsody before we called these things "services," and I learned a lot from that experience. I think many people saw it as a warehouse, but we built it as a service instead of as a product. We feel like we need to convince music fans of that "service as a value" concept; it's an ongoing education.

**Performer Mag:** How has that education changed since joining Google? Is it getting better?

**Tim Quirk:** Yes. The ability to mix and match stuff - like storage, downloads, and radio - is powerful. Basically, All Access seamlessly matches

what you already own with what you can possibly own. Gmail is a good example of how we approach music. Most people don't refer to Gmail as "my cloud-based email storage solution," they just use their Gmail; it's simple and always there. We're trying to be the Gmail of music: simple and seamless.

**Performer Mag:** You're an infamous music junkie, so how do you like using All Access?

**Tim Quirk:** Our ultimate goal is to give people music, recognizing that the same people don't want to use music the same way at the same time. For me, I like listening to songs, and maybe once a decade, I'll get into a mood to hear all of the KISS albums, well...maybe up until *Love Gun* [editor's note #2 – everything after *Love Gun* is amazing, too, for the record] and then I'm done. But, it's only once a decade, and I don't want, or need, all of their albums to follow me around. So, with All Access I did just that, and then moved on.

**Performer Mag:** How can our readers (musicians, songwriters, artists) best get their music into the Google Play Music system and available on All Access?

**Tim Quirk:** First, there is no "preferred" method of getting into Google Play Music. I always say, "Metadata is Merchandising." You absolutely want it to be absolutely correct. For artists just starting out, or very independent, we have the Artist Hub on Google Play ([play.google.com/artists](http://play.google.com/artists)). We also work with aggregators if that fits your current situation better. The most important piece artists must get right is "genre." There's a big difference between being inspired by Led Zeppelin and sounding like them.

The fact is, people who subscribe to services spend more on music than those who do not. Quirk is trying to "make average citizens crate-digging music junkies," so get your metadata in order and get your music on All Access now.

### ▼ ABOUT THE AUTHOR

**-Michael St. James** is the founder and creative director of St. James Media, specializing in music licensing, publishing, production and artist development.