

MUM 2702

Professor: Calle

Assignment: Songwriting/Publishing take-home assignment

Date: Tuesday, February 26, 2002

Due Date: Tuesday, March 5, 2002

Instructions: Please complete the assignment below and turn in on March 5<sup>th</sup> at the beginning of class.

Notes: You will probably need a calculator. Please be neat, thorough and show your work.

If you are so inclined, you may use a spreadsheet program like Microsoft's Excel.

### **TERMS OF CONTRACTS AND OVERALL PARAMETERS**

Your first solo CD contains 10 songs.

You compose 2 songs that appear on your first solo CD.

Each song last 3:30 and 5:45 respectively.

The record company prints an initial 10,000 units of the CD.

For the first quarter, one of your songs receives 2,500 spins monthly around the world.

Your music licensor is BMI or ASCAP.

During the second quarter, your music's administrator is offered a contract for the use of your music in a Budweiser commercial. The contract reads as follows:

Publishing advance = \$50,000

Also during the second quarter, Warner Bros. Publications offers your music administrator a contract for a print music deal.

The rates are as follows:

Publishing advance of \$5,000

Publishing share rate offered and accepted per arrangement is 20% of retail price.

Warner Bros. Publications then publishes and offers for sale the following titles through their catalogs:

1. 1 arrangement of each of your songs for young jazz ensemble at \$45 each.
2. 3 different arrangements (advanced, intermediate and beginner) of each of your songs for orchestra at a price of \$85 each.
3. 1 arrangement of each of your songs for marching band at \$50 each.

WBP sells the following number of copies of these titles during the first six months:

200 copies of the jazz ensemble arrangement

175 copies of the beginning orchestral arrangement

80 copies of the intermediate orchestral arrangement

120 copies of the advanced orchestral arrangement

350 copies of the marching band arrangement

Using the materials covered in class and the standard royalty rates found in the Passman book on page 213, answer the following questions for each scenario:

1. How much money does the publisher earn?
2. How much money does the composer earn?
3. Who pays the publisher for each income source?
4. Who pays the artist for each income source?

**SCENARIO #1**

You are an artist/songwriter and have decided to sign a contract with a publishing company. Your agreement is as follows:

<b><u>PUBLISHING ROYALTIES</u></b>	<b><u>MECHANICAL ROYALTIES</u></b>
Publisher receives 100%	Artist/composer receives 50%
Artist receives 0%	Publisher receives 50%

**SCENARIO #2**

You are an artist/songwriter and have decided to sign a contract with a publishing company. Your agreement is as follows:

<b><u>PUBLISHING ROYALTIES</u></b>	<b><u>MECHANICAL ROYALTIES</u></b>
Publisher receives 50%	Publisher receives 0%
Artist receives 50%	Artist/composer receives 100%

**SCENARIO #3**

You are an artist/songwriter and have decided to sign a contract with a record company. You have not found a publisher so you are stuck with the ordeal of forming your own publishing company. Your agreement is as follows:

<b><u>PUBLISHING ROYALTIES</u></b>	<b><u>MECHANICAL ROYALTIES</u></b>
Publisher receives 100%	Publisher receives 0%
Artist receives 0%	Artist/composer receives 100%

**SONGWRITING/PUBLISHING TAKE-HOME ASSIGNMENT SETUP SHEET**

Your CD containing 2 of your original songs.

Song #1 3:30 = .08

Song #2 5:45 = .08 + .0155 = .0955

Initial printing of 10,000 Cds:

Song #1 (.08 \* 10,000)

+

Song #2 (.0955 \* 10,000)

---



---

Total ?

Spins:

2500 spins for three quarters =  $3 * 2500 * .12$  (rate for airplay)

Publisher ( $3 * 2500 * .06$ )

Writer ( $3 * 2500 * .06$ )

Budweiser advance \$50,000 goes to publisher.

Print music:

Jazz ensemble arrangement =  $2$  (songs) \*  $200$  (units) \* (20% of \$45 = \$9)

or  $2 * 200 * \$9 =$

Orchestral:

175 (beginner) \*  $2$  (songs) \* (20% of \$85) =  $175 * 2 * \$17.50$

80 (intermediate) \*  $2$  (songs) \* (20% of \$85) =  $80 * 2 * \$17.50$

120 (advanced) \*  $2$  (songs) \* (20% of \$85) =  $120 * 2 * \$17.50$

Marching band:

350 (marching band) \*  $2$  (songs) \* (20% of \$50) =  $350 * 2 * \$10$

Using these formulas, you may now compute the correct amounts earned by the publisher and writer for each scenario respectively.

GOOD LUCK.

PC