



DIFFERENT TYPES OF MUSIC CONTRACTS

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RECORDING AGREEMENT

Recording Agreements are most commonly associated with what comes to mind when someone mentions getting a "record deal". These types of agreements are generally executed between a record label and an Artist (or a group of Artists). In a Recording Agreement, an Artist transfers to the label, the Artist's sound recording copyright(s). In exchange, the label agrees to manufacture, finance, promote, market, and license the Artist's recordings to distributors, such as streaming services.

CO/PUBLISHING AGREEMENT

A publishing (or co-publishing) agreement involves a songwriter assigning all or a portion of the songwriter's ownership in his or her songs to a publishing company in exchange for a share of future royalties. Traditionally, publishing companies are not involved in the actual recording of the music, but rather promote the writer's songs to secure commercial releases, monitor and protect the use of the songs, and pitching songs for placements in media. Publishers are highly incentivized because the more opportunities a publisher can secure for a song, the more money the publisher makes.

DISTRIBUTION AGREEMENT

A Distribution Deal (or "Distro Deal") is when an Artist gives a company the right to distribute copyrighted sound recordings. The main difference between distribution and publishing, is that distribution involves the administration of sound recordings, while publishing involves administration of compositions (written music). Distribution companies make already recorded music available to the public by granting the rights to purchase and resell an Artist's music to stores, online digital media and streaming platforms.

PRODUCER AGREEMENT

One of the most common contracts in the music industry is the Producer Agreement. These agreements can occur between a Producer and an Artist, or between a Producer and a record label. Typically, a Producer agrees to produce, arrange, record and generally oversee the master recording session(s) of a track or tracks, in exchange for a fee, advance, royalty, or some combination of all of the above. Among other things, the producer agreement will lay out the number of tracks to be produced and the producer's ownership percentage in the recording(s). The amount of revenue a producer will generate usually depends on the producer's status at the time.

SYNCHRO LICENSE

A synchronization license ("Synchro License") occurs between the owner of a composition and the person or entity who wants to use the song (the "Licensee"), allowing the licensee to use the song in a visual format such as a movie, tv show, video game, etc. The potential licensee will contact the owner of the copyright (typically the distribution company if a distribution deal is in place), and the owner will usually offer the rights for one-time use, in exchange for a fee. The range of fee negotiation for synching depends on the prominence and popularity of the song, and how it will be used.

MANAGEMENT AGREEMENT

A management agreement is a contract between an Artist (or group of Artists) and a manager or an agent, in which in exchange for a fee (typically a commission), the manager or agent agrees to provide a range of services geared toward developing an Artist's career. Typically, a manager is someone with deep connections in the music industry, who can help secure revenue generating opportunities for their Artists. Some management agreements give the manager power of attorney as well as some form of creative control, giving the manager wide sweeping authority over the types of projects an Artist can work on.


SONGWRITER AGREEMENT

A songwriter agreement generally establishes the relationship between the writer of a song and the publisher. Typically in these agreements, many of the rights to the song are assigned to the publisher, with both the writer and the publisher sharing in the royalties. Songwriter agreements can appear in both exclusive and non-exclusive forms. Due to the fact that often times several writers will collaborate together on a song, it can be extremely important for a writer to not only have an agreement in place with the publisher, but also with his or her fellow co-writers as well.



THE 360 DEAL

One type of contract you will hear mentioned quite often in the music industry is the "360 deal". While there is no set definition for the term, a 360 deal generally refers to an agreement between an Artist and a record label (though not limited only to labels), where the label shares in all the streams of revenue an Artist generates, not just the revenues from the songs themselves. 360 deals often include the label receiving a share of songwriting, merchandise, touring and live performances, synching and even an Artist's name, image and likeness. 360 deals are typically structured on an exclusive basis, meaning an Artist cannot give away the same rights to any other person or entity.



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