

How To Handle Your Music Business

As you might know already that, finding the right name can take a lot of time and few know that it can end up becoming a waste of time, where if you do not own, your own name is very dangerous cause you can spend countless hours, months, and maybe years promoting your stage name to find out that it has already been owned or trademarked by another artist anywhere else in the world. In return you will have to find a new name or spend tons of money to use a name that somebody else owns, which can also make you look foolish to any record labels as well as prevent you from signing, when you are pursuing or being pursued for a record deal. Simply because if a certain major record label did not check if somebody is using that stage name already and then they put your album out, then that same person owning the name legally can and will sue the record company, instead of suing you, just for the usage of that name. (Quick note) if you are ready to sign a record deal, then you should be aware that the record company that plans on signing you to a contract will take ownership of your stage name, publishing and copyrights all for themselves with out you ever taking ownership. Which is the only way for the record company to protect their investments, as in this typical clause of contract it forbids the artist from utilizing his or her name to advertise or promote other records made by other artist or firms? As this restriction might seem natural and the right to do. However if the artist is likely to produce or perform on records of other artist, he or she may seek to trademark all associated names. So now the first step into owning your stage name which is basically owning your self, is to trademark, and do not be confused about trademarks and copyrights, because the difference between the two is that copyright protects the expression of and the usage of words, whether its in a printed or in a musical format. Whereas a trademark serves as something like an identification badge that protects the name that is attached to a particular service or product like a recording artist and it keeps the public from confusion as to the source or identity of the products or sources involved. For example say if I called my self-50cent and then I put out an advertisement saying that my album is going to drop next month then I would be able to make money based on his name alone. But if he didnt own the name 50cent by trade marking it, then I would be able to use his name, and then trade mark it to prevent him from ever using it again. The differences between Copyright and Trademark

COPYRIGHT U.S. Copyright Office - The copyright lasts as long as the life of the author and 50 years after his death. - Certificate issued by the government without a search for other conflicting names. - The notice of copyright can be used from the first publication. - The copyright is needed for published and unpublished music at any time. - Originality is needed for a valid copyright. - And whoever uses the copyright does not need to supervise the person using the copyright.

TRADEMARK: United States Patent and Trademark Office - A trademark last for 10 years which has to be renewed. - A certificate issued by the government only after a search for conflicting names, a notice to the public of the pending application, and an opportunity for objections to be filed. - You will receive a notice indicating a registered federal trademark. - Registration not allowed until proven in use. - Originality is not needed for a valid trademark.

The next phase I want to get into is to incorporate and this very important cause this is where you must separate your personal life from you business and it also earns respect from record labels. Incorporating is to enable you to become the actual business. Incorporating will help you to separate your personal identity from your business. Sole proprietors and partners are different in which you are subject to unlimited personal liability for business debt like any monies being owed to the record label for putting out a album that didnt sale. Once incorporated, the shareholders of a corporation (which can be family or friends or your business team) have only the money they put into the company to lose, and usually no more. Corporations can offer protection to its owners. For example, if you want to open an independent label or studio of any kind and do not want your involvement to be public knowledge, your best choice may be to incorporate. If you open as a sole proprietorship, it is hard to hide the fact that you are the owner. And as a partnership, you will most likely be required to register your name and the names of your partners with the state and/or county officials in which you are doing business. A corporate structure communicates permanence, credibility and stature to the record companies. Even if you are the only stockholder or employee, your incorporated business may be perceived as a much larger and more credible company. Seeing, inc. or corp at the end of your business name can send a powerful message to the record executives, suppliers, and other business associates about your commitment to the ongoing success of your venture. Basically incorporating would ensure ownership of oneself and the products that the person creates, whether its is musical, books, movies scripts, jokes, poems (etc.) in which it will also allow you to pay separate taxes on all musical profits, apply for business loans on whatever you might need as well as pay all the people that works for you like, your agent, manager, business manager, lawyer, stylist, producer, and so fourth. Now you will need to take your incorporated name and then you need to sign to one of the three Performing-Right Organizations, which are something like a union for songwriters and publishers. A.S.C.A.P Founded in 1914, ASCAP equally shares its revenues with songwriters and music publishers. It collects on a general basis to all stations, be it radio or television for use of ASCAPs entire musical catalog. With the fee being based on the gross receipts of the station, which they are basically paying ASCAP to play your songs on the their station. There is no fee to sign up to ASCAP as a songwriter or a publisher. But what is needed to sign up with ASCAP as a song writer is that you must have had at least one song commercially published or recorded, and for any publisher who has had at least one song commercially published and/or recorded and publicly distributed for at least one year, B.M.I As for BMI, which is a major competitor of ASCAP, is actually owned by 300 broadcast stations. BMI was started in 1940 by broadcasters as a move toward increasing broadcast industry bargaining power with ASCAP as well as become an alternative to songwriters and publishers who are not affiliated with ASCAP. So with BMI, operating just like ASCAP, it charges broadcasters a licensing fee to play music created by BMI registered artist. Unlike ASCAP, BMI pays all the money it collects unto its affiliated songwriters and publishers. With some set aside for operating costs and reserves. To sign up with BMI as a song writer or a music publisher you must have had at least one song commercially published or recorded, and for any publisher who have been currently working in music and had at least one song commercially published and/or recorded and publicly promoted and distributed for at least one year, and the terms for an publisher affiliation is 5 years and the terms for the song writer affiliation is 2 years. SESAC It is well known that SESAC is the smallest company out of the three Performing-Right Organizations in the country. SESAC is a

private silencing company started up in 1930. Where SESAC is different from BMI and ASCAP is that it pays 50 of the profits after first taking out some money for expenses and then keeping the rest of the profits for themselves. What further makes SESAC different from the other two companies is that in SESACs collection of payment to artist, is not based on how many times that your song plays on the radio unlike BMI and ASCAP, but instead on the position of the song on the charts. It also pays based of the growth of your catalog of copyrighted songs (basically how many new songs you write and submit to them) and additional bonus payments to song writers and publishers in respect to a certain song, are paid for crossovers (songs on more than one type of chart), being on the charts for any long period of time and for any music that has achieved a top 10 spot on the charts. (Quick Note) remember that no certain song writer or publisher can collect money from more than one Performing-Right Organizations for the exact same songs at the exact same time, as double memberships is not allowed or even a split membership as far as being a certified song writer with ASCAP and being a publisher with BMI.

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