

Independent Artist Music Group (IAMG) NEWSLETTER

Feb 21, 2022

Volume 1 Number 5



Cartoon by Don Fraser of the UK (English Teacher/Song Writer) from his blog *Struggling Muso* (2016)

IAMG Kickoff Meeting is next Wednesday - 7:00 PM Feb. 23rd!

The kickoff meeting will be held at Gracie's Tax Bar, February 23rd. Gracie's is located at 711 N. 7th Ave, Phoenix, AZ 85007. Meeting will start promptly at 7:00 PM. Agenda to follow.

The music industry has had a history of many hands in the pie, with the original creator of intellectual property getting the smallest piece. This is often due to several factors, but the most complex being licensing and how royalties are paid. I want to thank Sandy Hathaway for sharing her information about The Mechanical Licensing Collective (**The MLC**). Their Vimeo [webinar](#) on what their blanket licensing covers and doesn't cover is a must see!

Discussing music royalties is complicated as well as confusing. In the simplest sense, music royalties are payments made to recording artists, songwriters, composers, publishers, and other copyright holders for the right to use that intellectual property. U.S. copyright laws give artists exclusive rights to their work. However, music royalties are also generated for various types of licensing and usage with the four main types being mechanical, public performance, synchronization, and print. Although we can find other sources listing more than these four. And this is where a lot of confusion and complications arise as we try to decipher "how artists actually get paid for their original work"? Each type of source has separate and distinct copyright protections, value and limitations.

To begin to digest this confusion, we need to look at the Music Modernization Act which was signed into law October, 2018. The MMA was an update to copyright law and music licensing to facilitate the legal licensing of music by digital services. **The MLC** was created out of the Music Modernization Act (MMA) to administer blanket mechanical licenses to eligible streaming services in the U.S., and to pay the resulting royalties to songwriters, composers, lyricists, and music publishers. The MLC collects mechanical royalties from Digital Service Providers (DSPs) and funnels this revenue back to its membership.

But the MLC blanket license only covers mechanical royalties as they relate to reproduction and distribution rights for digital streaming, not mechanical royalties for physical products, performance or digital performance royalties, audio visual products or lyric related royalties, nor royalties outside the U.S. Overall the MMA and MLC were intended to collect a specific revenue stream and distribute these funds back to the copyright holder. However, The MCL falls short when we examine all of the various layers of copyright law and all potential revenue streams available and they are very transparent about this in their webinar "*How Self-Administered Songwriters Connect to Collect*" (October 2020).

The looming question becomes: Do original song writers need organizations like The MCL, Performing Rights Organizations (PROs), Digital Performance Rights Organizations (DPROs), Collective Management Organizations (CMOs), or Mechanical Rights Organizations (MROs)? All of these organizations tap into various lucrative income streams, and though songwriters may be able to handle their own publishing, and thereby keep all of the revenues, the Administration effort required to collect from these revenue streams is complicated.

Performance Rights Organizations are a staple of the music publishing pipeline, an integral part of the value chain for songwriters and composers. The livelihood of millions of authors all over the globe depends on those (and now other types) of collection societies — yet, there's a great deal of confusion in the music industry when it comes to pinpointing what precisely those bodies do and how they operate. Even The MCL recognizes the need for PROs and DPROs. One goal of IAMG is to help make sense of this complicated and changing landscape, become an advocate for the Independent Artist and act as a sounding board to our membership. Our main goal is to ensure Independent Artists are getting the most revenue they can for their creative works and intellectual capital.

But royalties will not be the only revenue stream the IAMG business model hopes to tap into. IAMG will pursue grants, sponsorship, and seek out specialized content banner advertisements to run on the IAMG websites. Phoenix is the founding chapter for this "proof of concept" with a vision to grow this association throughout the United States and establish other IAMG chapters. There is a tremendous amount of music yet to be discovered, produced, recorded and heard. Forming a collective of independent songwriters, excellent studio musicians, sound and recording engineers and producers, with related small business community support, we can create the synergy needed to take this effort to the next level. To borrow a quote from Eric Ramsey

*"Every artist these days - be they musician, visual artist, filmmaker, photographer, anyone in the creative fields - struggles with the current prevailing culture that does not value art for its own sake. Couple that with the fact that what is "popular" these days is often transient (given our society's impulsiveness and lack of patience - of which I am all to guilty!) and you can see why artists find it so difficult to sustain themselves". **

* Eric Ramsey Interview on the Otto D show, December, 18, 2018, Ep. 158, Star Worldwide Networks

Independent Artists Internet Business Model

Independentartistmusicgroup.org

iammusicradio.com

independentartistmusic.net

independentartistmusic.info

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