Course # / Title: MBU 111.11
Course Credit Hours: 3
Semester: Summer
Instructor: LARRY E. WACHOLTZ, Ph.D., MA, BA, AA.
Instructor Contacts: OFFICE-224 Barbra Massey-460-5437,
larry.wacholtz@belmont.edu
Instructor Office Hours: M-F 11:15-1pm
Class Location  .11-M-F MC 200a 9:30-11:15
And Meeting Times: Thursday July 8 at 9:30

Course Description:

MBU 1110. Survey of the Music Business (3). This course is a general overview and a study of the major functional areas of the music business. Attention is given to the theoretical foundations and practical application of current business practices in the music industry including supporting organizations and the revenue flow from music consumer to creator.

Course Outcomes: At the end of this course, the student will be able to:

- Diagram and demonstrate an understanding of the music industry revenue streams and their corresponding components, personnel and departmental functions.
- Identify and understand the basic concepts and historical development of intellectual property rights and current application to licensing requirements within the revenue models.
- Examine and/or analyze basic music business agreements used within the revenue models.
- Evaluate and compare current trends and business models or evolving technologies with traditional existing revenue models.
- Discuss the ethical responsibilities and possible ethical abuses within the revenue models.
- Appraise the value and development of entrepreneurship and related industry strategies for career opportunities.

Performance Tasks: During this course, the student will:

- Name and discuss the major revenue streams of the music industry and explain/describe key areas and players
- Name and discuss the role of key roles within the revenue stream as well as identify career options in the industry.
Name basic contracts clause/terminology defining basic industry operations and relationships
Name key major entertainment conglomerates and identify country of origin as well as general effect of the merger on the industry.
Explain the basics of early and current copyright law with respect to the music business and broader entertainment industry
Compute basic calculation pertaining to studio production budgets, record royalty payments, concert promotion expense/bid/offer sheets, and basic publishing splits and songwriter shares, as well as mechanical royalty calculations under the statutory and controlled composition clause rates
Calculate a basic master recording budget.
Write/discuss the effects and industry uses of new technologies such as MP3.com, Napster, and Internet marketing, digital file sharing and downloads and discuss possible effects and existing model

Assessment Tools: During this course, outcomes mastery will be evaluated by:

- Estimate the cost difference between a mechanical license at the statutory rate and the controlled composition rate for a million units.
- Appraise a typical songwriter/publishing deal to determine the songwriters and publishers share of income.
- Assess the difference in value of the copyright ownership between a staff deal and an administrative deal over several years.
- Display the financial contribution of a record label to an artist’s career by completing a recording budget based on (a) the type of session, (b) stages of the recording, and (c) the cost of the recording team and studio.
- Estimate the recording artist royalties per each unit sold based on the Suggested Retail List Price, with a packaging fee, and producer points.
- Formulate the cost-of-doing business variances for a label by comparing the break-even points for a label and recoupment for an artist.
- Design a concert promoters bid sheet and assemble a bid for a concert event at Belmont University’s Curb Center.
- Formulate financial break-even points and projected gross profits from a concert event at Belmont University’s Curb Center.
Testing & Assignments:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Credit</th>
<th>Description/Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Test One-</strong> Industry overview and copyrights</td>
<td>25 %</td>
<td>Based on reading assignments, lectures and submitted in-class review of the topics.</td>
</tr>
<tr>
<td><strong>2. Test Two-</strong> Songwriting, the single song contract and music publishing</td>
<td>25 %</td>
<td>Based on reading assignments, lectures and submitted in-class review of the topics.</td>
</tr>
<tr>
<td><strong>3. Test Three-</strong> Record labels, mega entertainment corps.</td>
<td>25 %</td>
<td>Based on reading assignments, lectures and submitted in-class review of the topics.</td>
</tr>
<tr>
<td><strong>4. Test Four-</strong> Recording studio budgets, unions, etc. Management, Concert touring, promotion and production</td>
<td>25%</td>
<td>A comprehensive test comprising multiple-choice questions that will measure the depth of the student’s knowledge base of the topic and short-answer questions that assess the student’s assimilation of knowledge gained from lectures and reading assignments.</td>
</tr>
</tbody>
</table>

Course & Classroom Policies

Attendance & Participation: Class attendance follows university policy as stated in the current Undergraduate Bulletin. Class participation is expected; attendance and absence will be noted.

Materials:
Students will be provided handouts, reading assignments and website research assignments.

Handouts
Definitions/graphs
1. The Creative System and Business System
2. The Revenue Streams
3. Songwriting/music publishing royalties stream splits and shares
4. Songwriting/music publishing copyright ownership splits and shares
5. Recording/performance scales
6. The Management team
7. Bid sheets

Reading Assignments
1. Contracts
   a. Single Song Agreements
   b. Song/writer/publisher deals
   c. Record Label Deals
d. Artist Management Deals
e. Booking Agent/Riders
f. Merchandise/Corporate Sponsorships Deals
2. Copyright Acts
3. Provided handouts
4. Soundscan
5. DBS
6. Licenses
7. Types of Deals
8. Types of Publishing Companies/labels/Promotions
9. Math (Breakeven points-Floating)
10. Recoupment
11. Trade Magazines
   a. Billboard
   b. Variety
   c. Pollstar
12. The 4 p’s
13. Bid sheets

Website research
1. www.Loc.gov
2. www.IFPI.org
3. www.RIAA.org
4. www.forbes.com (celebrity 100)
5. www.myspace.com
6. www.youtube.com
7. www.facebook.com
8. www.hfa.org
9. www.nmpra.org
10. www.bmi.com
11. www.ASCAP.com
12. www.SESAC.com
13. www.AFTRA.org
14. www.AFM.org
15. www.SAG.org
16. www.Equity.org
17. www.vivendi.com
18. www.timewarner.com
19. www.naras.org
20. www.themokinggun.com
21. www.billboard.com
22. www.variety.com
23. www.pollstar.com
Grade Evaluation Scale: As per CEMB policy, the grade assignment scale for this course is:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Percent (GPA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>94 (4.0)</td>
</tr>
<tr>
<td>A-</td>
<td>90 (3.7)</td>
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<tr>
<td>B+</td>
<td>87 (3.3)</td>
</tr>
<tr>
<td>B</td>
<td>84 (3.0)</td>
</tr>
<tr>
<td>B-</td>
<td>80 (2.7)</td>
</tr>
<tr>
<td>C+</td>
<td>77 (2.3)</td>
</tr>
<tr>
<td>C</td>
<td>74 (2.0)</td>
</tr>
<tr>
<td>C-</td>
<td>70 (1.7)</td>
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</table>

Final grades below 70% will not apply to the major.

Honor Code: It is the responsibility of each student to abide by the Belmont University Honor Code. “In affirmation of the Belmont University Statement of Values, I pledge that I will not give or receive aid during examinations; I will not give or receive false or impermissible aid in course work, in the preparation of reports, or in any other type of work that is to be used by the instructor as the basis of my grade; I will not engage in any form of academic fraud. Furthermore, I will uphold my responsibility to see to it that others abide by the spirit and letter of this Honor Pledge.”

Accommodation of Disabilities: In compliance with Section 504 of the Rehabilitation Act and the Americans with Disabilities Act, Belmont University will provide reasonable accommodation of all medically documented disabilities. If you have a disability and would like the university to provide reasonable accommodations of the disability during this course, please notify the Office of the Dean of Students located in Beaman Student Life Center (460-6407) as soon as possible.

Class Schedule:

Week One

TOPIC-1
CREATIVITY
CREATIVE SYSTEM
  - Songwriters-
  - Vocalists-
  - Musicians-
  - Producers-
  - Engineers-
BUSINESS SYSTEMS-
  - Publishers-
  - Recording Studios-
  - Labels-
  - Promotions-
  - Publicists-
  - Managers-
  - Booking Agents-
  - Promoters-
  - Mass Media-
Click Media-
ASSOCIATED CAREERS-
TYPES OF BUSINESSES-
  Sole Proprietorship-
  Partnerships-Joint Ventures-
  Corporations-
ENTREPRENEURSHIP-
REVENUE STREAMS-
  Songwriting/Music Publishing Revenue Stream-
    Songwriting Revenue Chart
  Record Label Revenue Stream-
    Label Revenue Chart-
  The Management /Touring Revenue Stream-
    Management/Touring Revenue Chart-
FINANCIALS-
CAPTURING EMOTIONS AS SELLABLE PRODUCTS-
LAUNCHING THE PRODUCTS-
EVENT MARKETING-
THE NEW MUSIC BUSINESS-

TOPIC-2-PROTECTING CREATIVITY
COPYRIGHTS-
HISTORICAL PERSPECTIVE-
STATUTE OF ANNE-
CONSTITUTION (ARTICLE-1, SECTION 8)-
EXCLUSIVE RIGHTS-
  Reproduction-copies-
  Derivative Works-
  Distribution-
  Public Performance-
  Public Display-
  Digital Transmission (Audio-Public Performance by Digital Transmission)-
TYPES OF COPYRIGHT OWNERSHIP-
PHONORECORDS-
SOUND RECORDINGS-
ACT OF 1790-
ACT OF 1831-
ACT OF 1909-
ACT OF 1976-
ACT OF 1992-
ACT OF 1993-
ACT OF 1995-
ACT OF 1997-
THE DMC-
ACTS OF 1998-
SONNY BONO-
P2P EFFECTS ON COPYRIGHT OWNERS-
SUPREME COURT DECISION ON PEER-TO-PEER FILE-SHARING ACT OF 2004
NOTICE OF INTENTION NEIGHBORING RIGHTS GENEVA (1) GENEVA (2) (PHONOGRAMS CONVENTION) PARIS BRUSSELS THE BERN CONVENTION WTO AND WIPO NOT PROTECTED

TOPIC 3 COPYRIGHT REGISTRATION POOR MAN’S COPYRIGHT COPYRIGHT REGISTRATION A WORK-FOR-HIRE AUTHORSHIP FIXATION PROCESS PUBLICATION THE UNITED STATES COPYRIGHT OFFICE CERTIFICATE OF REGISTRATION REGISTRATION PROCESS ELECTRONIC REGISTRATION COPYRIGHT REGISTRATION FORMS MUSICAL ARRANGEMENTS SAMPLING FAIR USE RIGHTS COMPULSORY LICENSE RECAPTURING ASSIGNED COPYRIGHTS KEY DEFINITIONS

TEST ONE

WEEK 2 TOPIC-4-THE SONG BUSINESS THE SONG BUSINESS ENTERTAINMENT AS EMOTIONAL COMMUNICATION Stimulus-Response Relationship Cognition Expression of Creativity CONSTRUCT THEORY HISTORICAL PERSPECTIVE SONGWRITING AS A PROFESSION CAREER SONG WHAT TO “LOOK FOR” IN A MUSIC PUBLISHER PROFESSIONAL SONGWRITING ORGANIZATIONS WHAT PUBLISHERS “LOOK FOR” IN SONGWRITERS
TOPIC 5 - SINGLE SONG AGREEMENT
SINGLE SONG AGREEMENT - SAMPLE CONTRACT -
WRITER -
PUBLISHER -
ROYALTIES -
NAME & LIKENESS -
ROYALTY PAYMENTS -
INDEMNIFICATION -
NOTICES -
SEPARABILITY -
NOTICE OF BREACH -
CONTROLLING LAW -
SINGLE SONG AGREEMENT CONTRACT NEGOTIATION POINTS -
ADDITIONAL TERMS -

TOPIC 6 - MUSIC PUBLISHING
PITCHING SONGS TO PUBLISHERS -
THE BUSINESS OF MUSIC PUBLISHERS -
   Major Publishers -
   Independent Publishers -
   Specialty Publishers -
   Foreign Publishers -
   Vanity Publishers -
DEPARTMENTS -
   Acquisitions -
   Legal -
   Administration -
   Payroll or the Royalty Department -
   Creative -
THE NATIONAL MUSIC PUBLISHERS ASSOCIATION -
SONGCASTING -
SPLITS AND SHARES -
VALUE OF COPYRIGHT OWNERSHIP -
BUSINESS EQUITY OF THE COPYRIGHT -
SINGLE SONG CONTRACTS -
TYPES OF DEALS -
   Work for Hire -
   Staff Writer -
   Co-Publishing -
   Administrative Publishing -
   Shark Deal -
CERTIFICATE OF REGISTRATION -
CERTIFICATE OF RECORDATION -
ARTIST LINE -
ROYALTIES / SPLITS / OWNERSHIP CHART -
LICENSES -
Mechanicals-
Sync (Synchronization)-
Blanket (Public Performance)-
Print-
Transcription-
THE HARRY FOX AGENCY-
MECHANICAL LICENSES-
HOLDS AND FIRST USE RIGHTS-
THE STATUTORY RATE FOR MECHANICAL LICENSES-
THE CONTROLLED COMPOSITION CLAUSE-
COVER TUNE MECHANICALS COMPULSORY LICENSE-
FOREIGN MECHANICAL ROYALTIES-
INDIRECT ROYALTY “SPLITS”-
RECOUPMENT-
MEMORANDUM OPINION ON RINGTONES-
SOUNDCAN-
SYNC (SYNCHRONIZATION) LICENSE-
PERFORMANCE RIGHTS ORGANIZATIONS (PRO’S)-
ASCAP-
BMI-
SESAC-
AFFILIATION/MEMBERSHIP-
BLANKET LICENSE-
BLANKET LICENSE FEES-
DIRECT PAYMENTS-
COLLECTIONS-
THE FAIRNESS IN MUSIC LICENSING ACT-
IN THE PIPELINE-
PAYMENT RATES AND SCHEDULES-
PRINT LICENSE-
TRANSCRIPTION LICENSE-
BEST EFFORTS-
TERMINATION OF CONTRACT-
REASSIGNMENT PROCESS-
TEST TWO

WEEKS 3 AND 4
TOPIC-7-LABELS
MEGA ENTERTAINMENT INDUSTRY-
HISTORICAL PERSPECTIVES-
TRADITIONAL MEGA’S-
   Bertelsmann, AG-
   The Walt Disney Company-
   EMI Group, PLC-
   Sony Entertainment-
   TimeWarner-
   Vivendi/Universal-
MEGA ENTERTAINMENT-DIVISIONS-
MEDIA-ENTERTAINMENT DISTRIBUTION-
   News Corp-
   Comcast-
   Viacom-
360-MUSIC -ENTERTAINMENT CORPORATIONS-
   LiveNation-
TYPES OF LABELS-
   Major Labels-
   Affiliate Labels-
   Independent Labels-
   Vanity labels-
   Specialty and Virtual Reality Labels-
   Promotion Branding Labels (PBL’s)-
IMPORTANT HISTORICAL RECORD LABELS-
   Columbia Records-
   RCA Records-
   Capitol Records-
   Warner Bros. Records-
   Motown Records-
   A&M Records-
   CREATIVE BUSINESS MILIEU-
FIVE FUNCTIONS OF SUCCESSFUL LABELS-
   Finding and Signing Talent-
   Creating a Product-
   Distribution-
   Promotion-
   Publicity-
FOUR P’S OF MARKETING-
WHAT ARTISTS LOOK FOR IN LABELS-
WHAT LABELS LOOK FOR IN ARTISTS-
GETTING NOTICED-
DIGITAL DISCOVERY-
SHOWCASES-
PITCH MEMO-
DEAL MEMO-
TYPES OF DEALS-
   The 360 Deal-
   Traditional Major Deals-
   Development Deals-
   Indie Label Deals-
   Vanity Label Deals-
   Shark Deals-
ROYALTY POINTS AND PACKAGING FEES-
RECORDING LABEL-RECOUPMENT-
RECORD LABEL-BREAKEVEN POINTS-
RECORD LABEL-PROFITS-
MARKETING PLANS-
  Marketing Plans-Product Platforms-
  Marketing Plan-Price-
  Marketing Plan-Promotion-
    Radio-
    Clear Channel-
    Cox Radio-
    NPR-
    Advertisements-
    Music Videos-
    Internet and Cell Phones-
  Marketing Plan-Publicity-
    Stories and Interviews-
    Appearances-
    Tour support-
    Internet and Cell Phones-
  Marketing Plan-Placement/Distribution-
    Traditional-
    One-Stops-
      Mass Merchandisers-
      Rack Jobbers-
      Record Clubs-
      Television-PI (Per Inquiry)-
    Digital Music Distribution-
    Internet Websites-
      Cell Phones-
      Satellite Direct Distribution-

TOP RETAIL OUTLETS-

DIGITAL RIGHTS MANAGEMENT (DRM)-

SYNERGY OF SOCIAL WEBSITE DISTRIBUTION-
  www.myspace.com
  www.facebook.com-

SYNERGY OF DIGITAL DISTRIBUTION-CELL PHONES-
  Apple’s iPhone-
  Rhapsody-
  SYNERGY OF LEGAL & FREE DIGITAL DISTRIBUTION-
  www.SpiralFrog.com-
  www.qtrax.com-

LABEL ADMINISTRATION-
  Chairperson of the Board or C.E.O.-
  President-
  Vice-Presidents-
  Administrators-

DEPARTMENTS-
  The Legal Department-
  Personnel/Payroll/Royalty-
  Artists and Repertoire (A&R)-
Development-
  Creative Development-
  Artist Development-
  Product Development-
Marketing & Sales-
  Free Goods-
  Promotional Copies-
RECORDING INDUSTRY ASSOCIATION OF AMERICA
THE INTERNATIONAL FEDERATION OF
  THE PHONOGRAPHIC INDUSTRY-
PIRACY-

**TOPIC-8-THE RECORDING DEAL**
SAMPLE RECORDING CONTRACT-
  Exclusive Services-
  Term-
  Recording Commitment/Delivery-
  Recording Procedure-
  Grant of Rights-
  Marketing Restrictions-
  Advances-
  Recording Fund-
  Royalties-
  Accounting-
  Notices-
  Licenses for Musical Compositions-
  Events of Default-
  Injunctive Relief-
  Collective Bargaining Agreements-
  Warranties and Representations: Indemnities-
  Approvals-
  Videos-
  Marketing & Publicity-
  Group Provisions-
  Definitions-
  Assignment-
  Assignment of Publishing Interest in Recorded Songs-
  Merchandising-
  Confidentiality-
  Miscellaneous-

**CONTRACT TERMS**
WORLD CHARTING COMPANIES-
**TEST THREE**

**WEEK 5**
**TOPIC-9-THE RECORDING BUSINESS**
CREATING MAGIC-
RECORDING VARIABLES-
The Recording Team-
Type of Session-
Stages of Sessions-

THE RECORDING TEAM-
Producers-
    Independent-
    Label Staff-
    Major Artist Producer-
Musicians-
    Garage/Jam Band Musicians-
    Working Musicians-
    Road and Event Artists-
    Studio Musicians-
Audio Engineers-
    Entry-Level-
    Second Engineers-
    Staff Engineers-
    Major Artist/Independent Engineers-
Signal Flow-
    Basic Tracks/Tracking-
    Overdubbing-
    Mix-Down-

RECORDING ARTISTS-
Royalty/Label Artist-
Virtuosos-
BGV’s (Background Vocals)-

TYPES RECORDING STUDIOS-
Master Studios-
Project Studios-
Demo Studios-
Post-Production Studios-
Computer Based Studios

SCHEDULING SESSIONS-
UNIONS-
    The American Federation of Television and Radio Artist (AFTRA)-
    The American Federation of Musicians (AFM)

TYPES OF SESSIONS-
Master-
Low Budget-
Limited Pressing-
Demo-
Non-Union-

A.F. OF M. RECORDING SCALES -
THE AF OF M TRUST FUND-
AFTRA RECORDING SCALES-
NON-UNION RECORDING SESSIONS-

STAGES OF A RECORDING SESSION
  Pre-Production-
  Basic Tracks-
  Overdubbing-
  Mixdown-
  Mastering-

RECORDING BUDGET-
  The Recording Budget Chart-

PRODUCTION BUDGET-

PROMOTION BUDGET-

PUBLICITY BUDGET-

BREAK-EVEN POINTS-

LOWERING THE COST OF PRODUCTION-

COMPUTER BASED RECORDING BUDGET-

STUDIO TERMS AND EQUIPMENT-

TOPIC-10-ARTIST MANAGEMENT

MARKETING CULTURAL ICONS-

NON-LABEL ARTISTS-

FAME-

IMAGE-

SHAMELESS SELF-PROMOTION-

SELECTING A MANAGER-

TYPES OF MANAGERS-
  Heavyweight/Heavy Hitter-
  Middleweight-
  Lightweight-

SELECTING A MANAGER-

MANAGEMENT DUTIES-

NON-MANAGEMENT DUTIES-

ARTIST MANAGEMENT RELATIONSHIP-

POWER OF ATTORNEY-

COMMISSIONS-

TERMINATION OF CONTRACT-

MANAGEMENT TEAM-

BOOKING AGENTS-

TALENT BUYER-

ATTORNEYS-

BUSINESS FINANCIAL MANAGERS-

ROAD MANAGERS-

STAGE MANAGER-

PROMOTION-ARTIST PERSPECTIVE-

PUBLICITY-ARTIST PERSPECTIVE-

PUBLIC RELATIONS-

ELECTRONIC PRESS KITS AND BIO’S-

TV APPEARANCES-
PUBLICITY BUDGETS-
STAGE NAMES-
TOUR SUPPORT-

**TOPIC-11-THE ARTIST MANAGEMENT DEAL**
SAMPLE PERSONAL MANAGEMENT AGREEMENT-
TERM-
MANAGER’S SERVICES-
NON-EXCLUSIVITY-
AGENCIES & PUBLICITY-
MANAGER’S AUTHORITY-
RECEIPT OF ARTIST’S COMPENSATION-
MANAGER’S COMPENSATION-
EXPENSES, LOANS & ADVANCES-
OFFERS OF EMPLOYMENT-
NOTICE OF BREACH-
BUSINESS ENTITIES-
MANAGER’S OTHER BUSINESSES-
BINDING EFFECT-
ARTIST MANAGEMENT CONTRACT TERMS-

**TOPIC-12-CONCERT PROMOTION**
PROMOTERS-
SELECTING A PROMOTER-
SELECTING AN ACT-
TOUR QUESTION LIST-
TYPES OF CONCERT PROMOTION/ARTIST DEALS-
  - Straight Guarantee-
  - Guarantee Plus a Percentage of the Net (Gate)-
  - Guarantee Versus a Percentage of the Net-
  - Guarantee Plus a Bonus-
CONCERT PROMOTION PROCESS-
VIRTUAL CORPORATIONS-
DEPOSITS-
PROFIT MARGINS-
BID SHEETS-
BID SHEET EXAMPLE-
SPONSORING RADIO STATION-
MERCHANDISE-
RIDER-
I.A.T.S.E.-
ROADIES-
TICKETMASTER-
THE NON-PROFIT MUSIC MARKET-
POLLSTAR & SOUNDSCAN-
BILLBOARD MAGAZINE-
TOPIC-13-THE RIDER
SAMPLE EAST COAST RIDER-
LECTURE POINTS-
TEST FOUR/FINAL EXAM