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SIX REVENUE STREAMS FROM A SINGLE SONG

1. Copyright - Form PA is generally filed by singer songwriters and music composers to protect the musical composition and lyrics of an original work. The copyright occurs when the song is 'reduced to a tangible form' either written or recorded. A copyright generates royalties when it is licensed or sold. Ideas are not copyrightable. The copyright is a legal relationship between the author or the owner of the song and the US Copyright Office.

2. Publishing - Two separate revenue streams stemming from domestic or foreign distribution. Generally, the business relationship between copyright owner and publisher is a 50/50 % split of all royalties generated by the copyrighted work. A publisher's duty is to market a song, in return the publisher is paid publishing royalties.

3. Performance Royalties - Two different types of Royalties for the writer and the publisher not for the performer of the song! Three collection organizations exist: ASCAP, BMI, SESAC. These membership organizations collect the royalties from the license to perform the song. A song may be performed live (in a venue) or performed via a recorded medium (audio and /or video). See below.

Live Performance - Performances in clubs, theaters, stadiums, on live television, on live radio, or on live internet webcasts (ASCAP, BMI, SESAC). Venues must be licensed from ASCAP, BMI, and /or SESAC to allow performances (including jukebox and DJ performances) of music at the venue.

Recorded performance - Mechanical Royalties are paid by the record label as a mechanical license fee for cd, vinyl, and tape duplication of the song. Eight point six cents (8.6

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Producing quality educational books, lectures, seminars and television & radio programming for artists and entertainers since 2000

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cents) is the 2006 current statutory fee per duplication for a Compulsory Mechanical License. Cross-collateralization (profits from one project are used to pay the debt of another project) of projects by the label occurs in this business arrangement.

Controlled Composition Clause reduces mechanical royalty payment for the singer songwriter. The adjusted rate is popularly known as the Three-quarter Rate (3/4 Rate). The composition is controlled by the artist, or the producer, or a production company. This clause also allows for cross-collateralization of projects.

4. Synchronization Royalties - TV shows, Commercials, and movies. No set amount for the fee, it is always negotiable based on industry standard.

5. Print rights- liner notes in cd, sheet music, songbooks.

6. Miscellaneous - Advertising jingles and merchandising rights. Examples are 'Rudolph the Red Nosed Rain Deer' merchandised as a toy; or the song 'Stand By Me' used for a movie title and in the soundtrack for the movie.

END