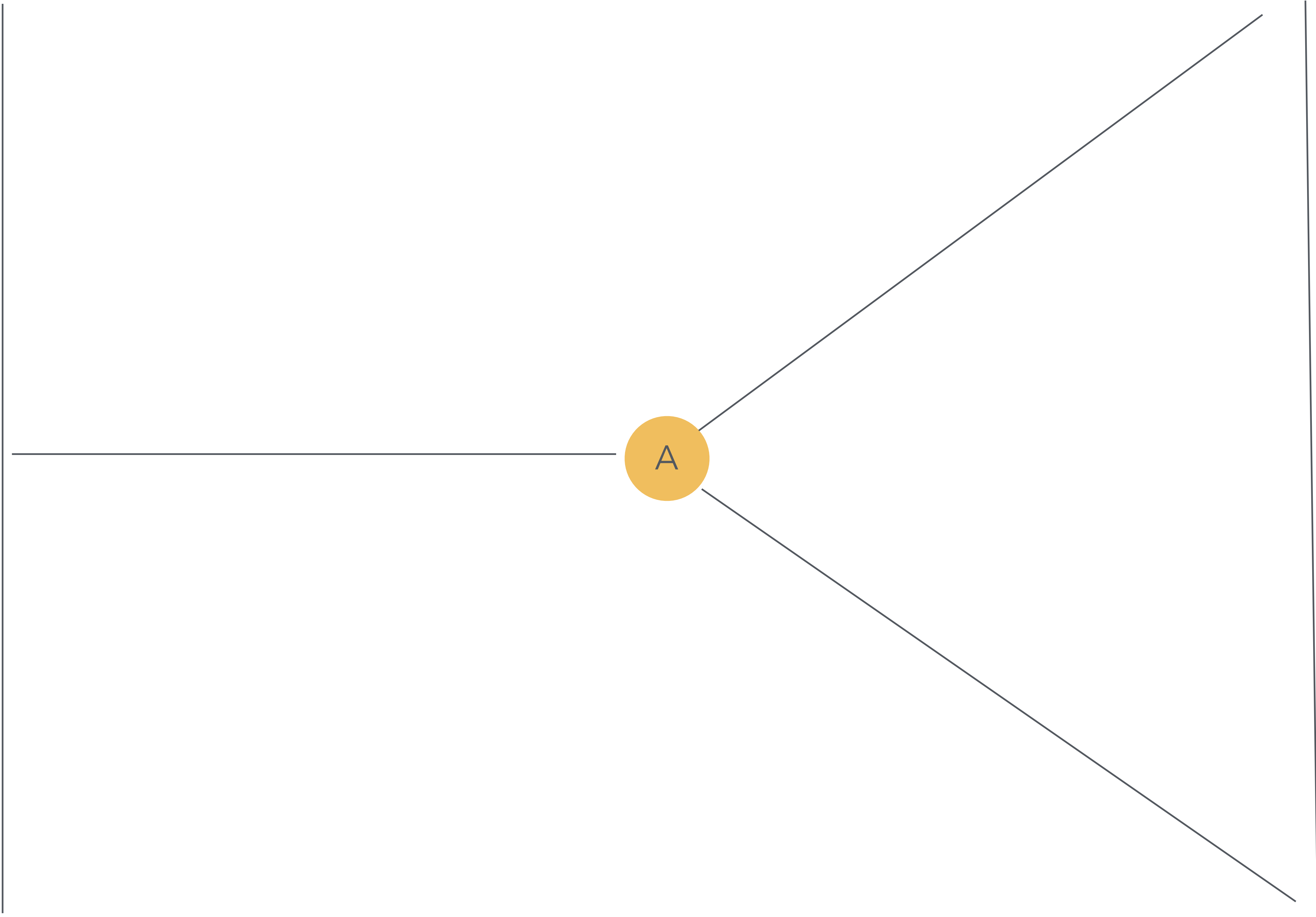


Lecture 27.11. Stuttgart

1. Structure of music business



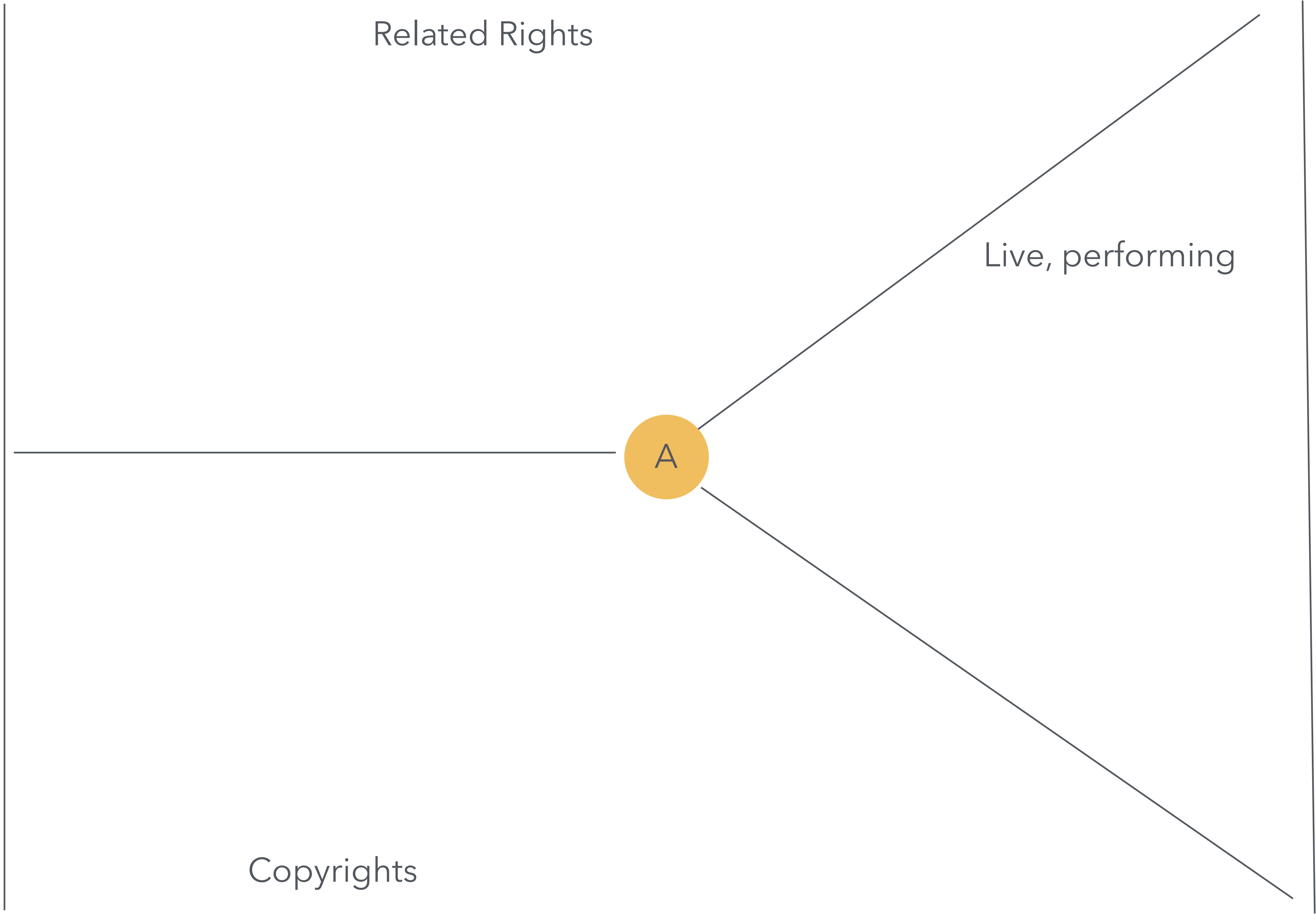


Related Rights

Live, performing

A

Copyrights



Related Rights

Live, performing

Fans

Audience

Festival-

A

Agent

Venue

Salary

Fee

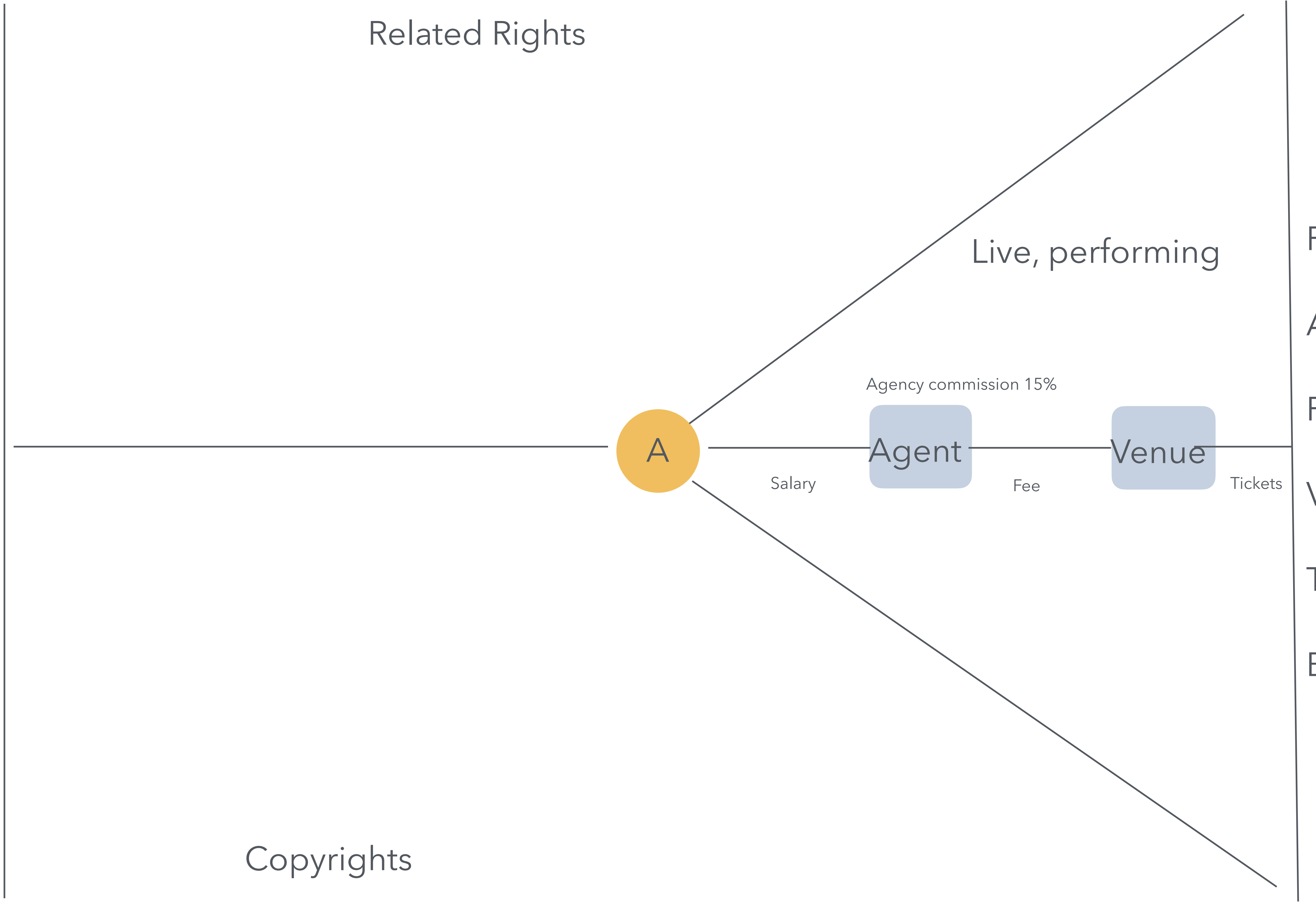
Tickets

Visitors

Ticket

Buyers

Copyrights



Related Rights

Label

ROYALTIES OF THE
PHYSICAL SALES OF
RECORDINGS



A

Agency commission 15%

Agency

Salary

Venue

Fee

Tickets

Live, performing

ROYALTIES OF THE
PHYSICAL SALES OF
SHEETMUSIC



Music Publisher

Copyrights

Fans

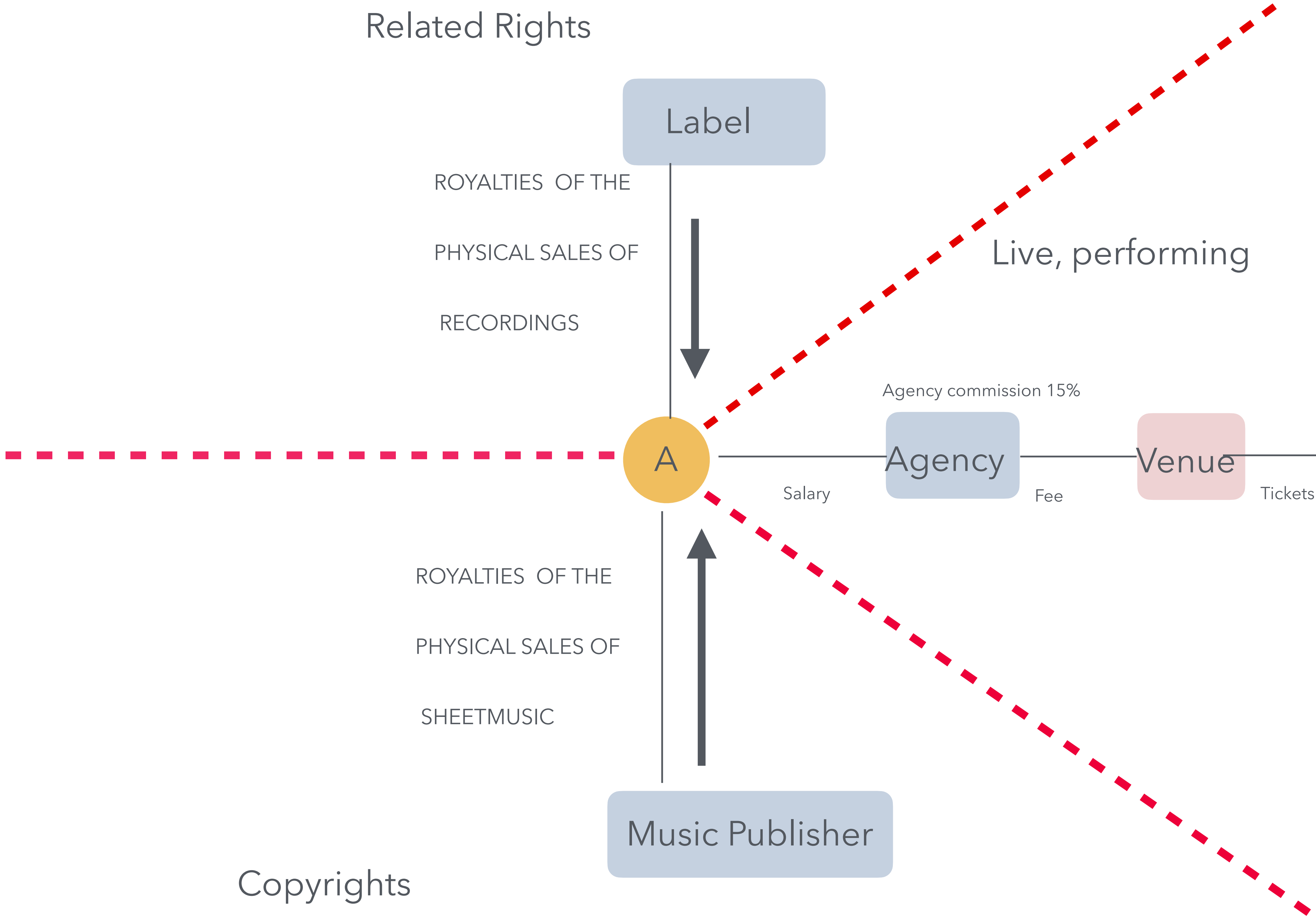
Audience

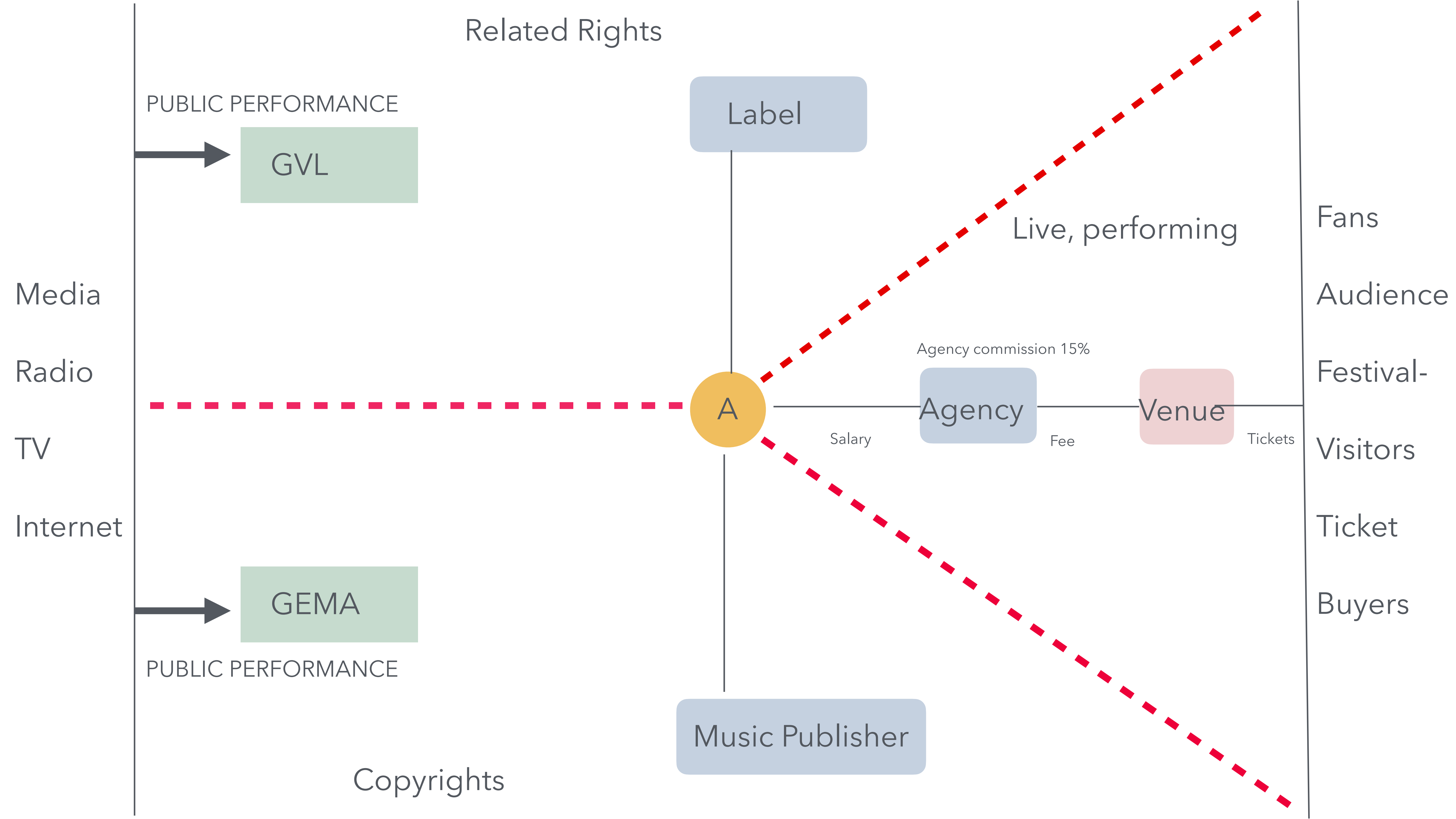
Festival-

Visitors

Ticket

Buyers





Related Rights

PUBLIC PERFORMANCE

GVL

Label

Live, performing

Fans

Media

Audience

Radio

Festival-

Agency commission 15%

A

Agency

Venue

Salary

Fee

Tickets

Visitors

TV

Internet

Ticket

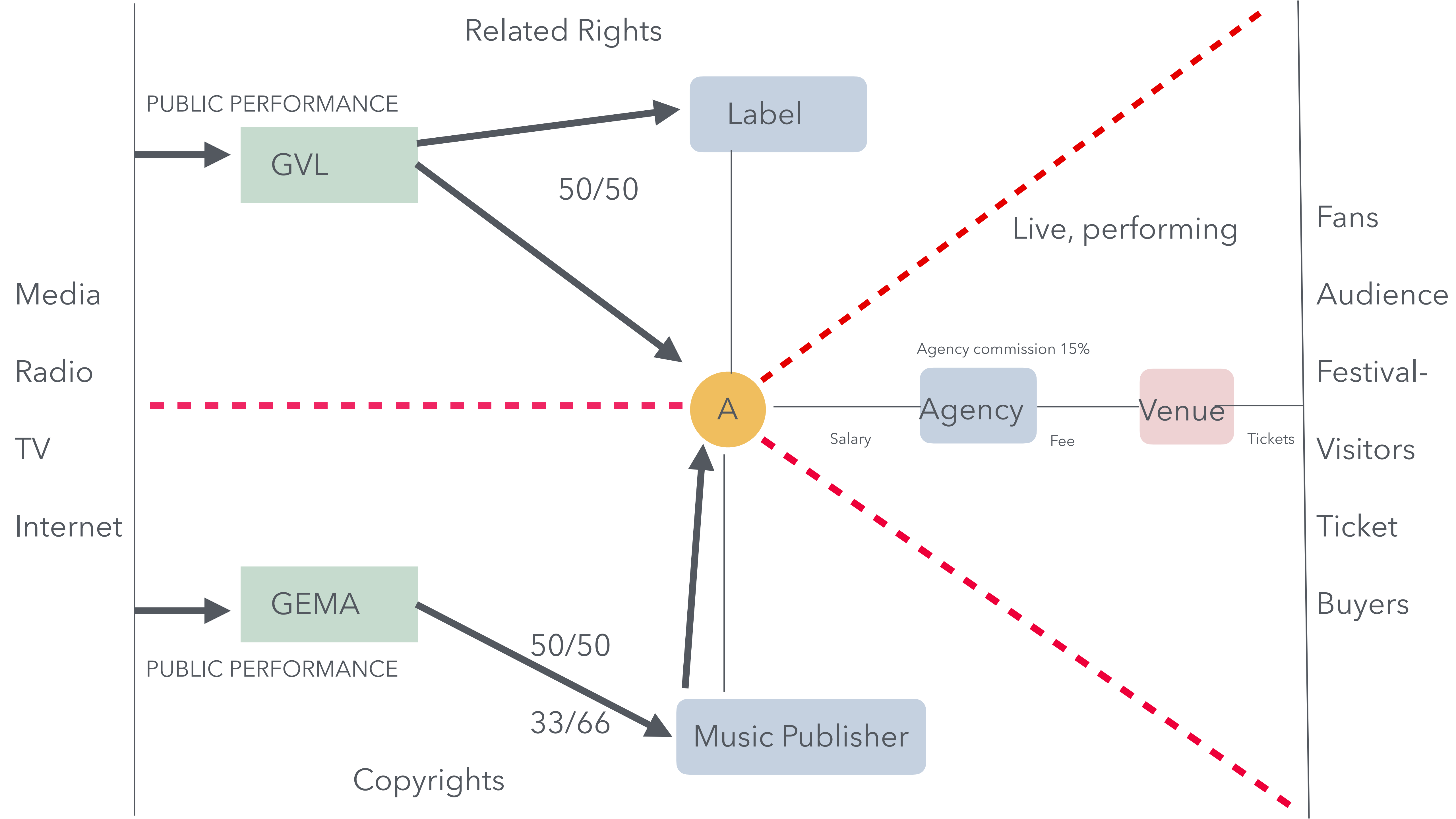
GEMA

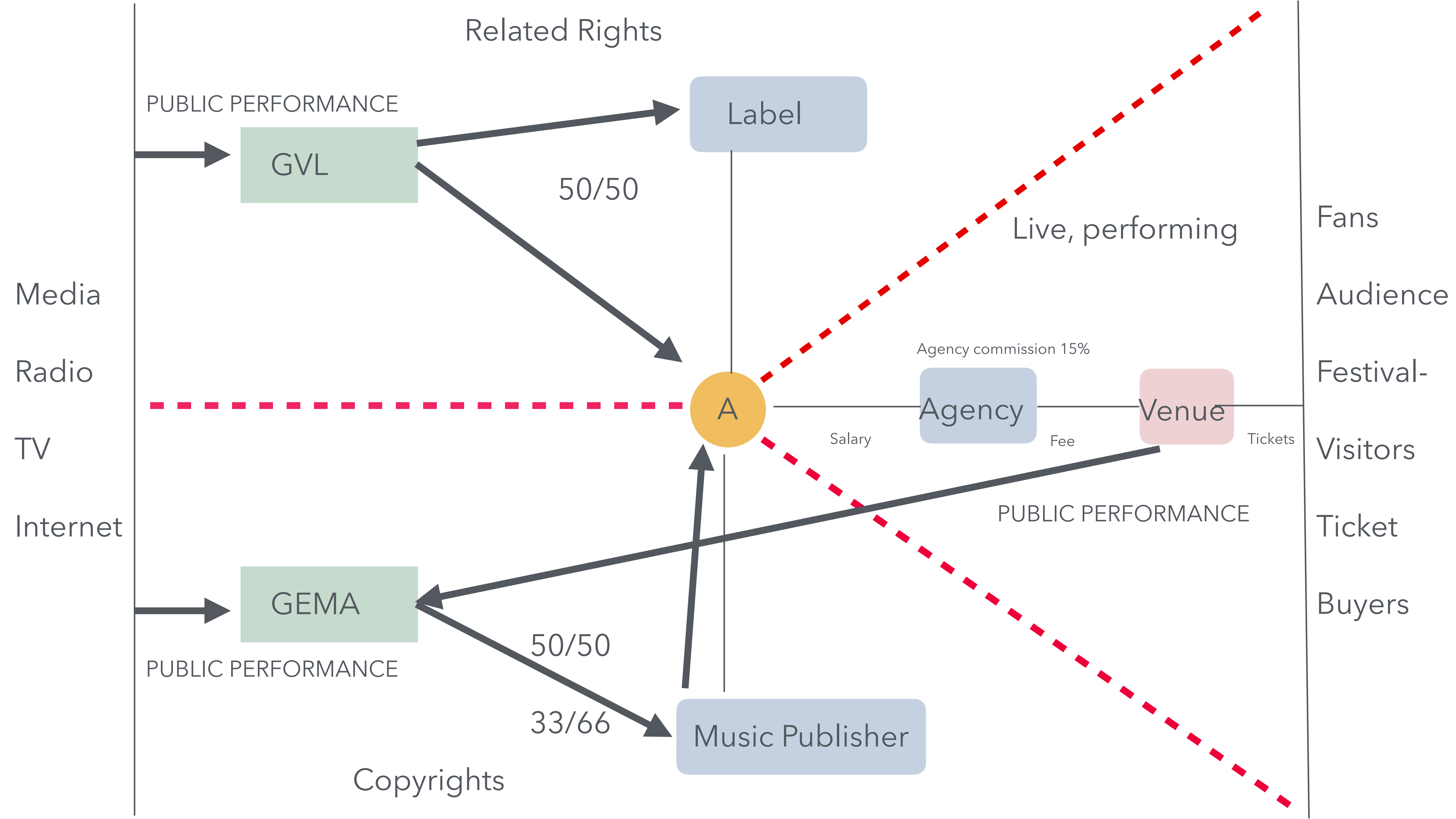
Music Publisher

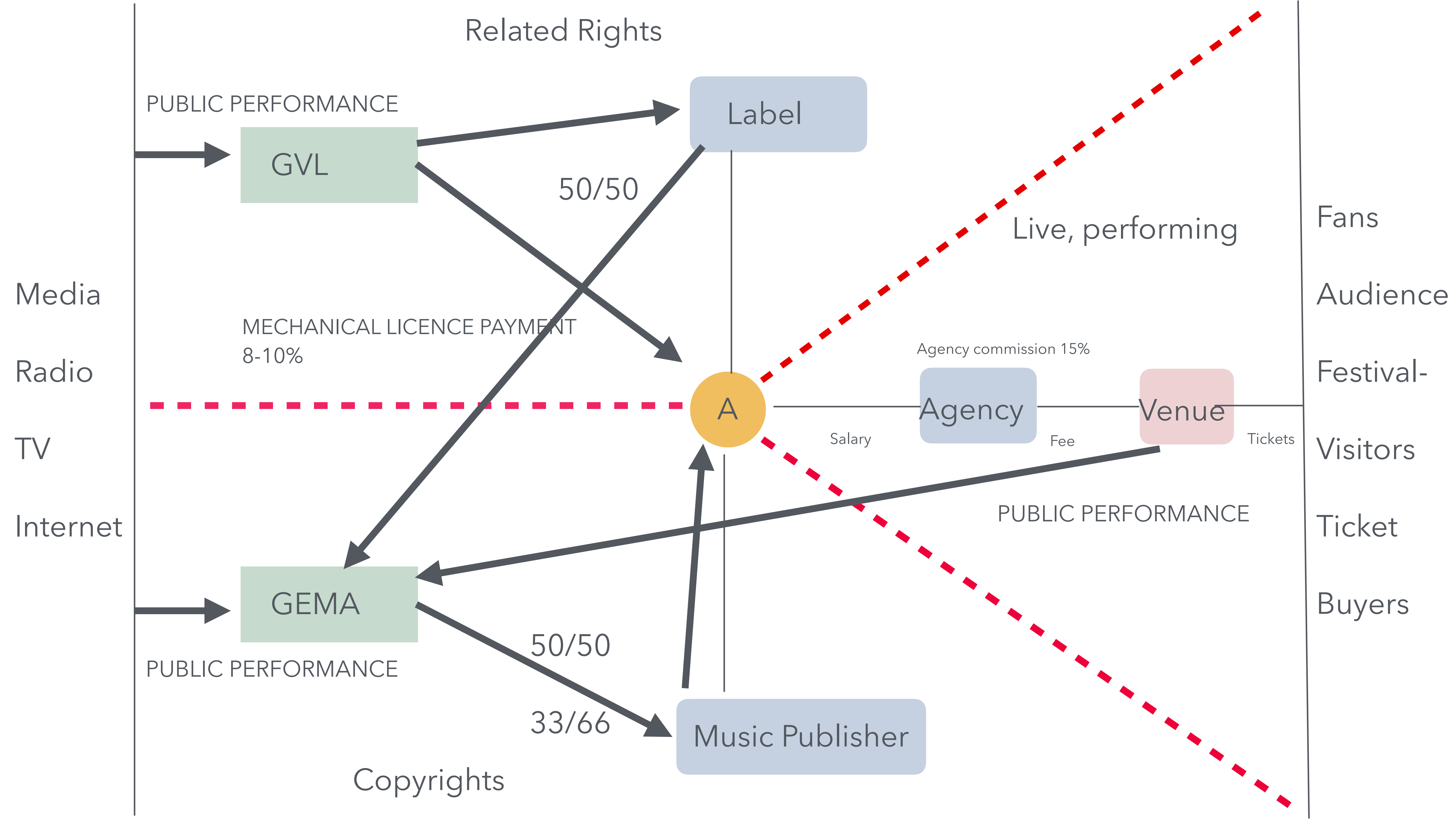
Buyers

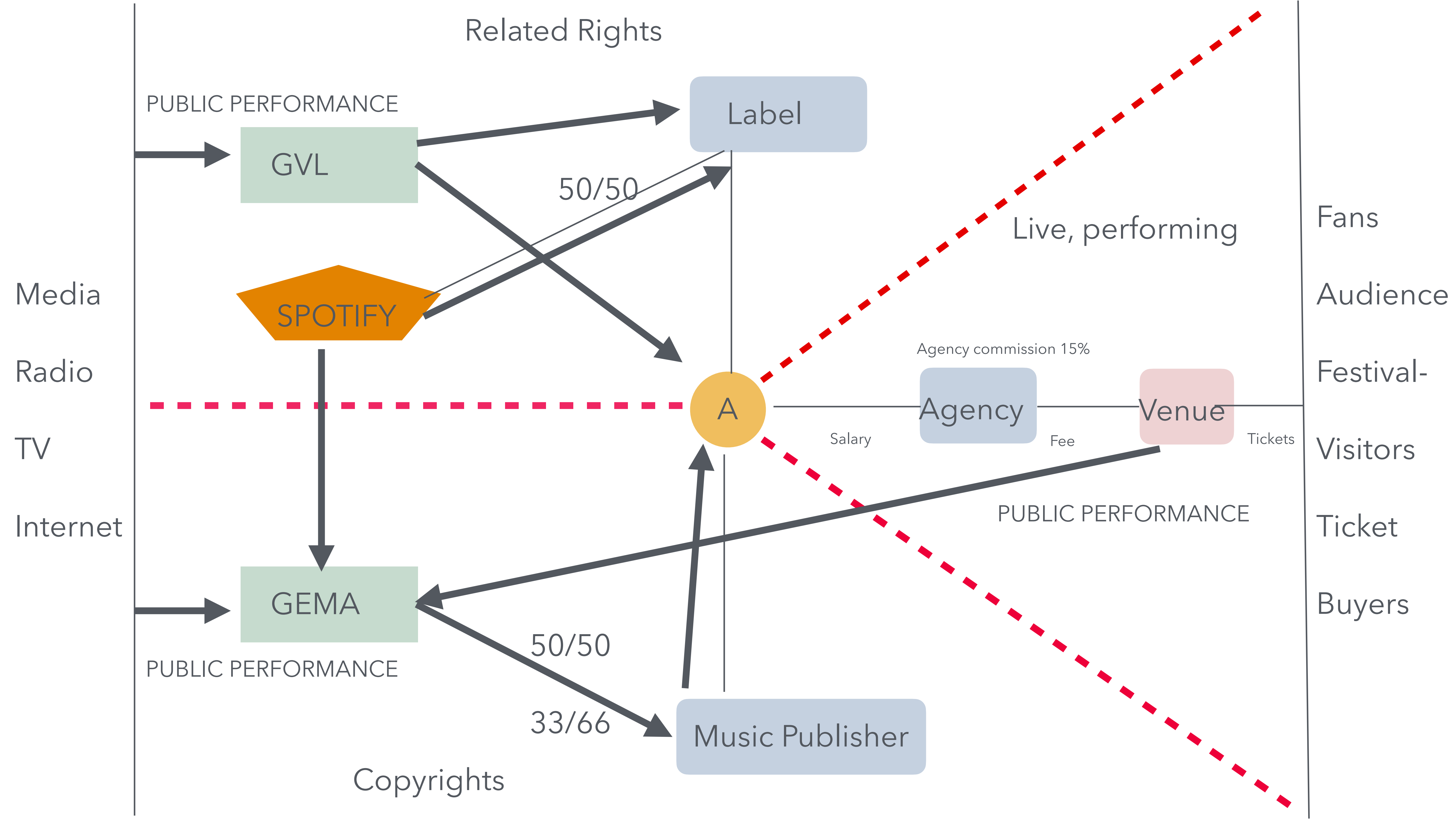
PUBLIC PERFORMANCE

Copyrights









Q

History of the music publishing

Part one

Harri Karvinen / Tamk

Questions?

Why do we have this kind of filthy business as Music publishing?

We already have those record companies and agencies to do almost everything in the music business!

Is there any sense in signing a publishing deal?

Are they cheating us?

1880 Indian wars are over.

...and now cities on the east and west coast are connected by railroad.

American culture unifies all around the country

The Industrial Revolution began and with strong impact, especially in the USA



Printing houses

Printing house companies are established in every country. Some of them are printing local newspapers or books.

There is over capacity very soon, and they must print special products to print.

Some printing houses started to print sheet music and started to market those products locally. They are the first music publishers.

Earliest Music publishing agreements

Publishers asked local songwriters to compose and write their songs on paper.

They promised to make copies of the sheet music, market sell and split all incomes with the author.

This is how we got our first hit songs.

It was a very similar kind of business to the business of recordings later.

American family life

Music performance was the only way to consume music on those days

A Piano was a common piece of furniture in the middle-class American family

They needed sheet music to play the piano and lyrics to sing along

Those were the days:
www.youtube.com/watch?v=ZngG1w5ONWE



Competition getting tougher

Printing houses hired salesmen to sell and supply sheet music to nearby towns.

**Soon these salesmen took the whole business over
These salesmen are the next generation of music publishers.**

They established their own companies developed the business and expanded their market areas.

Best succeeded publishers will take over the market

The music industry developed and settled down in New York, Manhattan in 1890 - 1900

"Tin Pan Alley" was raised in Manhattan, the concentration by music publishers

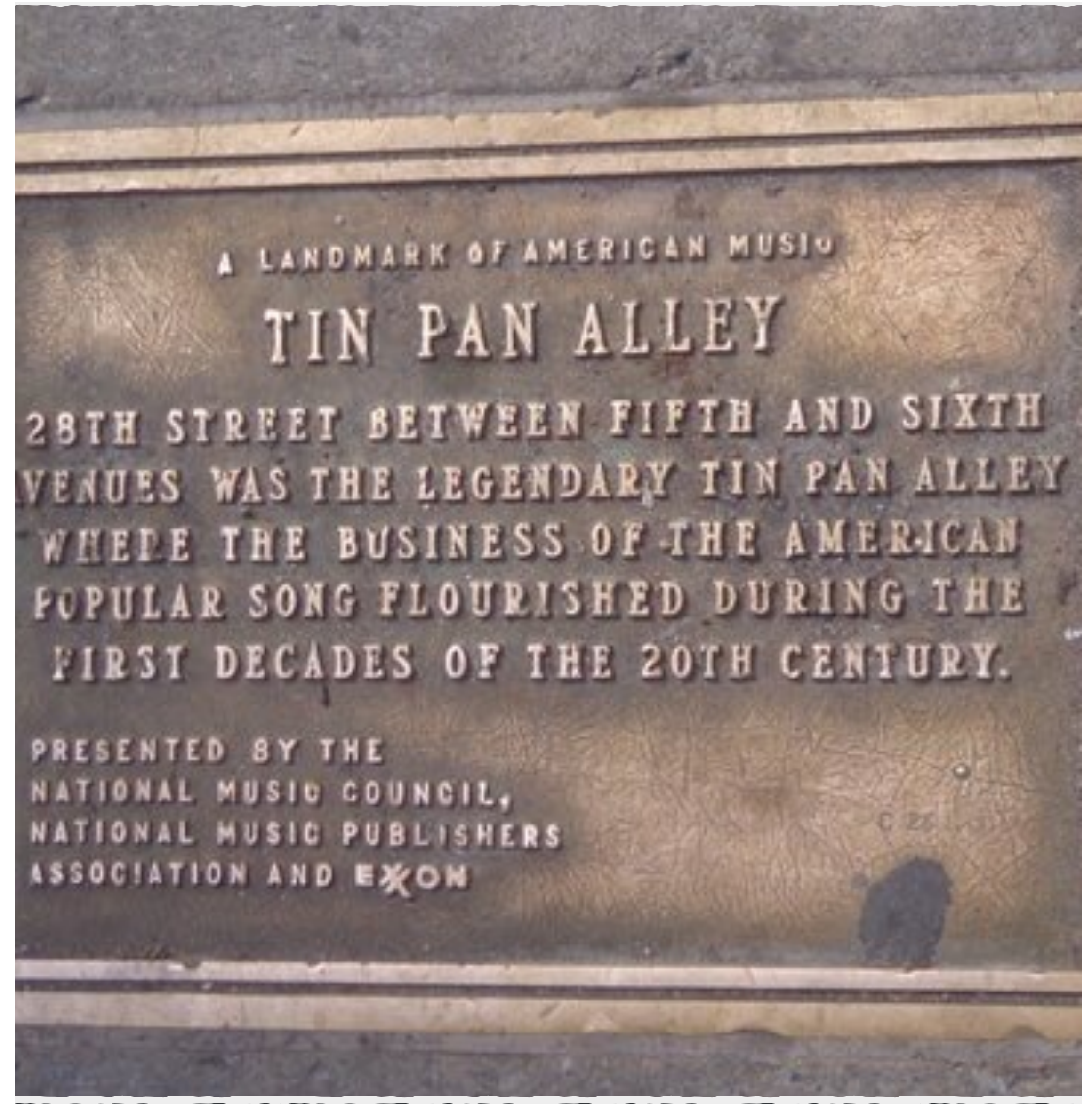
The most successful song work of the 1890s, "After the Ball" written by Charles Harris, sold over 2 million copies. 1907, "School Days" written by Gus Evans, sold over 3 million copies

<https://www.youtube.com/watch?v=kmUx6Dvxb9Q>

Tin Pan Alley

The name "Tin Pan Alley" was given by the journalist of the local newspaper. He went to make a story about the publishing industry and he listened to the music cacophony in the street when tens of pianists were composing their own music at the same time.

In those days all windows of offices were open to the street and the innovation of air condition machines came later.

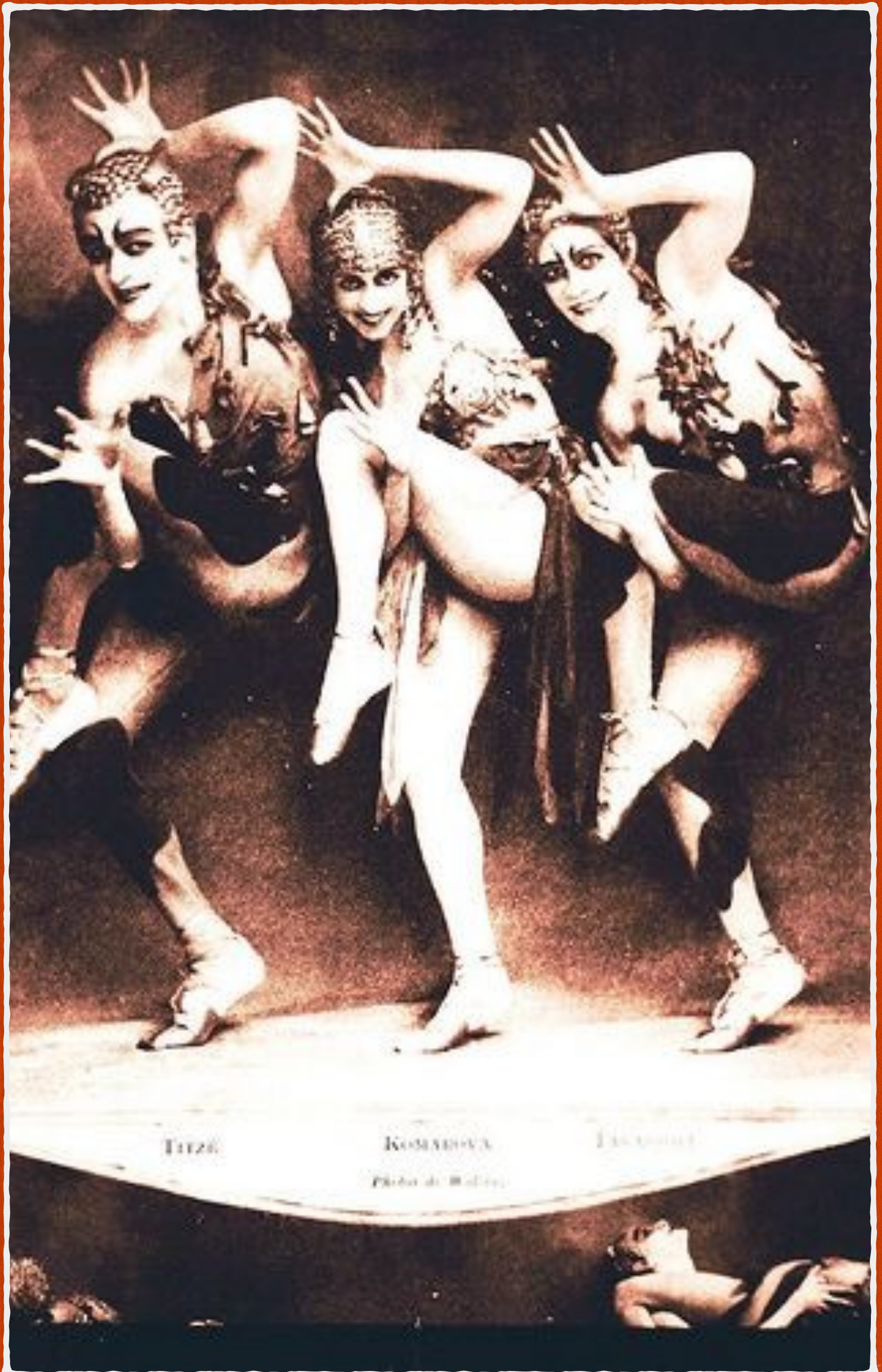


NY, Vaudeville

Many music agencies located near Tin Pan Alley, organized big vaudeville concert tours in major cities. Artists and musicians travelled by train around the country.

Music publishers took part in these tours also and sold sheet music.


The front page of the sheet music was added by a picture of the performing artist, to promote sales.



THE SENSATIONAL BASE BALL SONG

TAKE ME OUT TO THE BALL GAME

WORDS BY JACK NORWORTH
MUSIC BY ALBERT VON TILZER



HENRY FINK

5

THE YORK MUSIC CO
ALBERT VON TILZER, Mgr.
40 WEST 20TH ST., N.Y.

Ann Matthews

Loan Crawford

IN

MONTANA MOON



Metro-Gwynne Mayer
ALL TALKING PICTURE

THE MOON IS LOW
MONTANA CALL

Silent films

In the same theatres, where Vaudeville was visited, were presented also silent films. A new amazing innovation.

They had an orchestra playing music as the movie was presented.

And the orchestra always need sheet music to play songs

<https://www.youtube.com/watch?v=pbUrsot6oeY>



the first problems related to the music publisher's role

At the beginning of 1910 modern copyright law started to develop. (ASCAP founded 1914)

Agreements of mechanical right compensations from Pianola.

Publishers have more incomes and compensation now when there is no need to use sheet music in music performance

Later publishers got the same income from record companies for their released mechanical music



the second problem related to the music publisher's role

In 1925's electrically powered Gramophones were launched to the market. Already in 1904 first music records were manufactured by Shellac. In 1925 customers started to use gramophones and records.

At the same time, radio stations started to use more records, before that they used to ask artists to perform on radio.

The publisher's assumption was that music on radio would increase sales of sheet music.

But the reaction of consumers was the opposite

Publishers started to ask for performing licenses, and radio stations accepted and started to pay for performing payments to ASCAP and later also to BMI

Record Companies and Hollywood 1920

Some of the music publishers gave up the publishing business and started to run new business; record companies.

The film Industry in Hollywood added audio to movies and started to use music.

Publishers started to ask for extra synchronizing payment from the film industry for the use of songs in movies. And so did later record companies of using tracks in movies. (related rights)

Later Hollywood industry started to publish their song by themselves.



1930

- Golden years of Musical movies
- Golden years of Radio and Records
- Golden years of Music Publishing Business

American family sold their piano and used money for the gramophone and radio

Meanwhile in Germany

- January 1902, the Law Concerning Author's Rights to Works of Literature and Musical Art
- GEMA established in 1933, but before this current organization there was 1902 - 1933 organization named GDT (The Consortium of German Composers) Founders e.g. Richard Strauss and Hans Sommer.
- Jazz music came to Europe
- First records came to sale and first popular artists touring and performing around Europa



Break

History of the music publishing

1945 - 2020

Harri Karvinen Tamk 2023

RECAP

- Initially, music publishing involved the exchange of sheet music.
- Eventually, some publishers ventured into running record companies and influenced copyright laws.
- To keep the business afloat, they introduced a mechanical license, followed by public performing rights and synchronisation licenses.
- These measures shaped the music publishing industry, but new challenges arose as music consumption patterns evolved.

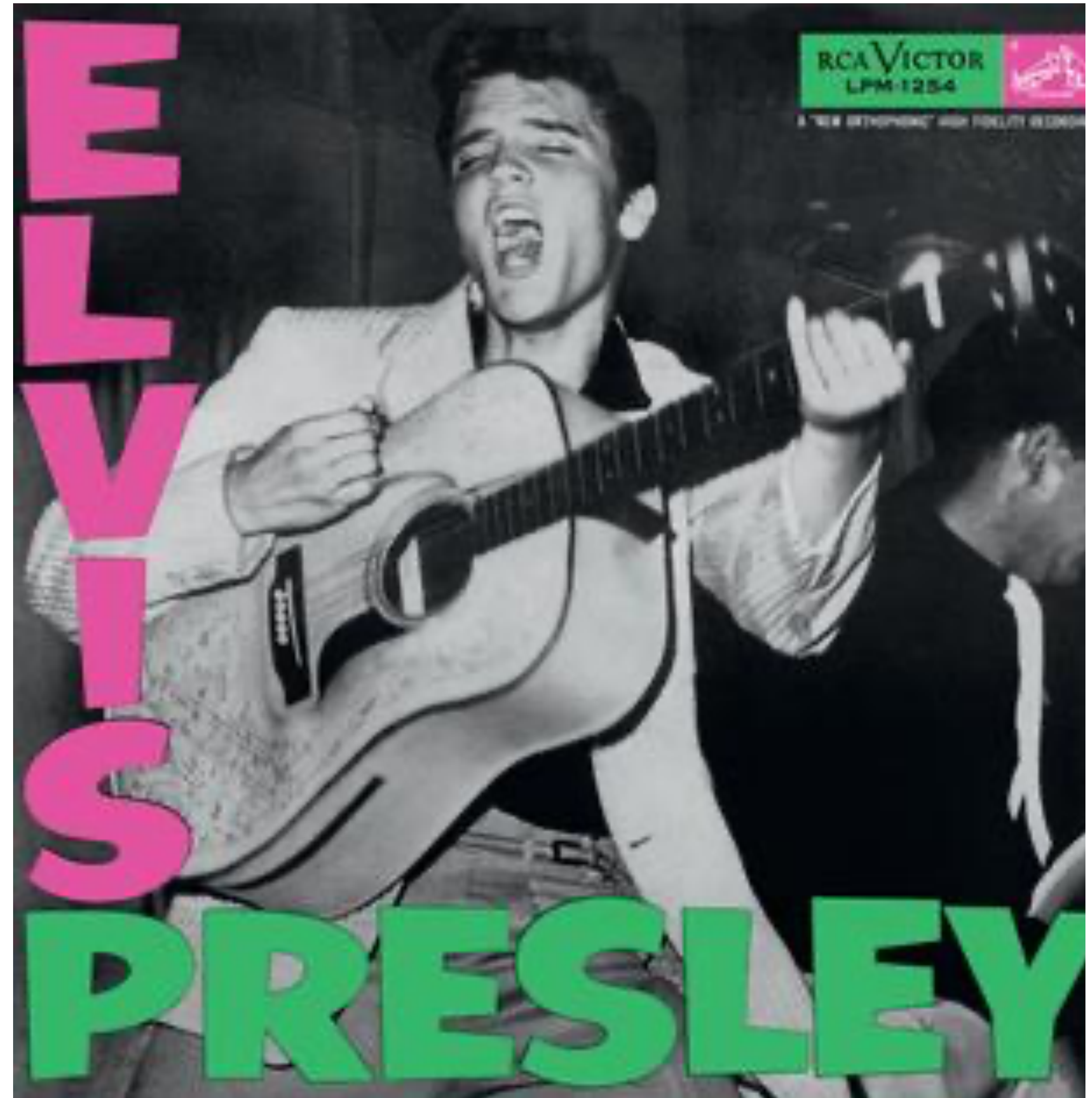
War is over

1945 - 1959

- TV became a common furniture for families and at the same time a new youth culture emerged.
- Young people in the USA and Europe began rebelling against traditional gender roles.
- They created their own music, which we now refer to as Rock'n Roll.
- It is important to note that music prior to 1950 was typically quite conservative.

Elvis Presley

- He combined gospel, country and bluegrass.
- His genre was rockabilly.
- He made his breakthrough by performing on television.
- Publishers and composers didn't know anything about rock music and they didn't understand the potential of the TV.
- <https://www.youtube.com/watch?v=LSZrBXpzs18>
- and fans screamed!



But very soon they learnt...

- TV added value to the story of the artist, and Elvis took advantage of the situation
- However, as publishers began to recognize the significance of the youth market, they hired composers to create rock songs, leading to a dilution of the genre's rebellious spirit.
- Tragically, the day when the music died occurred on February 3rd, 1959, when Buddy Holly, Ritchie Valens, and J.P. "The Big Bopper" Richardson were killed in a plane crash. Don McLean immortalized this event in his song "American Pie."

Jukeboxes

- The term jukebox came into use in the United States beginning in 1940.
- Jukeboxes were most popular, particularly during the 1950s. In Finland 1970s. Radio stations were conservative.
- They were key-holders. Record companies produced singles, and jukeboxes made hit songs.
- <https://www.youtube.com/watch?v=wP1cZ3rbkRg>



1960 and more problems

- From Liverpool comes a group named The Beatles. Four musicians with too long hair.
- They don't need songs, they can write hit songs themselves.
- So they don't need publisher agreements? And all the other new bands are following them.
- In Europe, we got the term "Yeah-Yeah!" In rock music 1963 "La Fille avec Toi" by Françoise Hardy. The Beatles did it a year later with the song "She Loves You".

Flover Power

- A new Youth revolution starts again, Woodstock, Vietnam, Sex, Drugs, Hippies, Love and Peace.
- <http://www.youtube.com/watch?v=gp5JCrSXkJY>
- The publishing business is polarized; small companies are sold to bigger ones
- The role of the business is changing. The Publishers started to pay big advances against agreements. They are “financiers and bankers”.
- And that is how they survived once again.

Caroline and Luxemburg

- Radio Caroline is a British radio station founded in 1964 to circumvent the record companies' control of popular music broadcasting in the UK and the BBC's radio broadcasting monopoly.
- They broadcast music from the 1960s, with an emphasis on album-oriented rock and "new" music from "carefully selected albums".
- Radio Luxembourg was a commercial broadcaster in Luxembourg. It was an important forerunner of pirate radio and modern commercial radio in the UK.
- It was an effective way to advertise products by circumventing British legislation which until 1973 gave the BBC a monopoly of radio broadcasting on UK territory and prohibited all forms of advertising over the domestic radio spectrum.
- By the way, radios are now key-holders and the new format is an album.



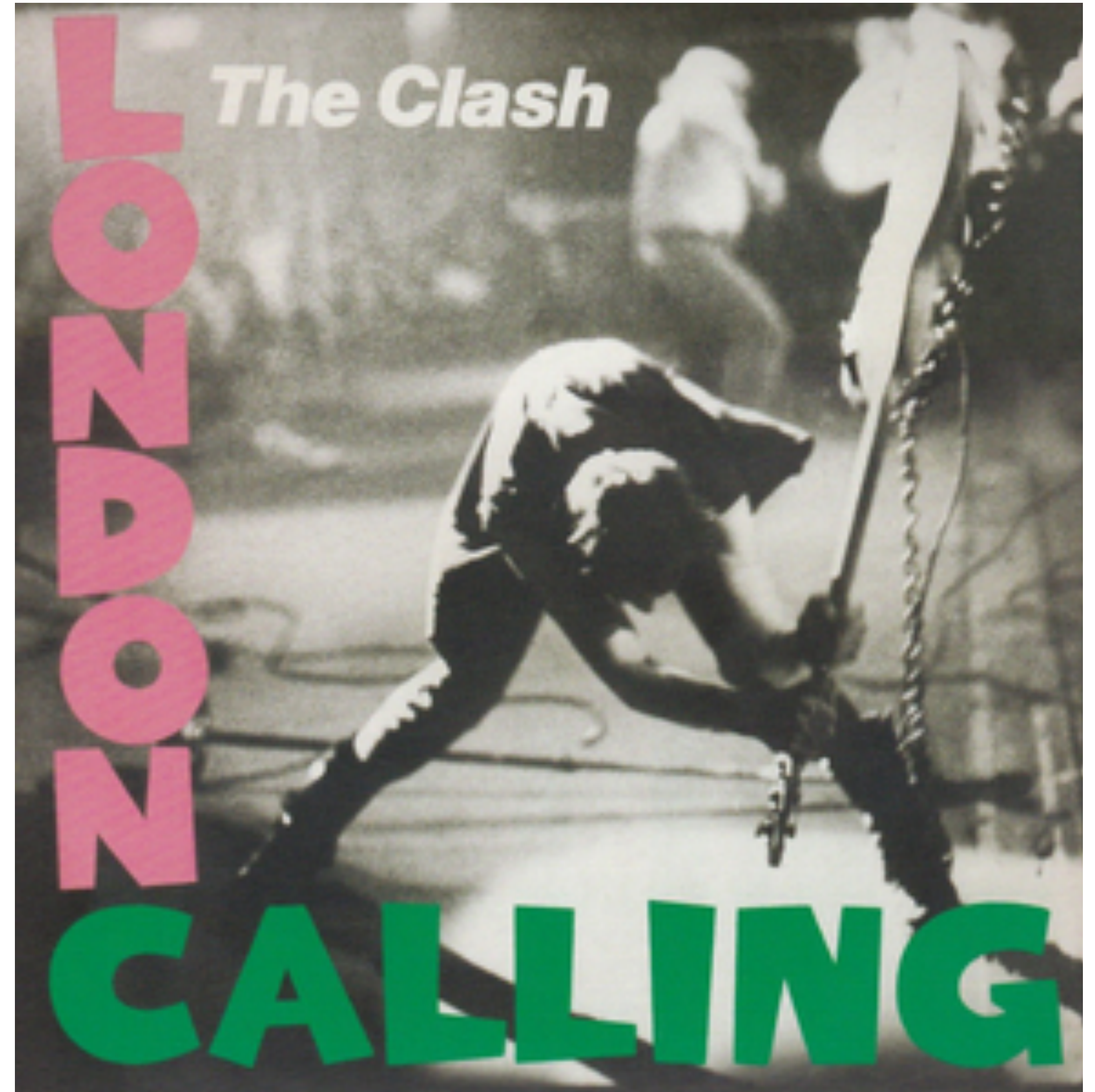
1970 AND GRAZEE SLADE-SHOES

1970

- Progressive rock music, Hard rock, and Disco music Especially bands from the UK are popular.
- But music also became too ambitious
- And because of that, punk rock in 1977 in New York, London, LA, Paris, Hamburg and also here in Tampere

PUNKS

- Everybody can buy a guitar and learn to play it, write songs and become a rock star
- They don't need sheet music, they don't know how to read notes, they don't know how to tune a guitar and they don't understand music theory.
- http://www.youtube.com/watch?v=B_mIlvUSTig



- Punk bands developed and learned to make music.
- Cd's replaced vinyl albums and c-cassettes.
- The CD player replaced the record player
- We have MTV, videos and other commercial radio stations. They are now the key holders
- <https://www.youtube.com/watch?v=W8r-tXRLazs>
- Music is global and publishers have larger market areas
- But they are behind the main business, record companies have more power.

Record companies are the winners

- Record companies sold old catalogues in new formats, and they ended vinyl album production.
- We got the web, but downloading is forbidden: DRM. On June 27, 1994, Geffen Records made history when it released the first major label song for exclusive digital download. The song was Aerosmith's "Head First," an unused cut from the Get a Grip session. Ten thousand CompuServe subscribers downloaded it in eight days. It is three minutes and 14 seconds long. It took 60 to 90 minutes to download.
- Pirate Bay and mobile phones became more common and it changed our life.

2000. Record companies are in trouble

- We got downloading, iTunes and iPod,
- We got MySpace, Last.fm, YouTube, later Facebook, Twitter, Instagram
- Record sales collapsed
- We got more gigs and bigger festivals, live businesses were winners, and so did we think.
- Computers and mp3-players replaced cd-players downloading replace cd`s
- But record companies are not able to sell music again to consumers
- In 2009 we got Spotify and later Deezer and Apple Music.
- Law of the Copyright developed
- Publishers stay in the background and wait for the upcoming moment shortly.

2010 - 2025

- What is going to happen in the business? Streaming services rules the markets, downloading is OUT.
- Does the music have any value?
- Who is the winner? Publisher or record companies? Or the artist?
- Publishers are in important position now?
- 11 years old kids don't know any of the bands, but they can name lots of European DJs.
- What is going to happen to The Law of Copyrights or Copyright organizations?
- <http://www.youtube.com/watch?v=7UCm6uyzNE8>

2020 - future

What will happen when the Music Industry is going to adopt AI?

- Who are the key holders?**
- How consumers are using music?**
- Or are they using music at all?**
- What is a hit?**
- What is the format for the music?**
- What is the radio in future?**
- What is the media in future?**
- Is the normal length of the song still 3 minutes or is it 3 days?**

