

Setting Up A Record Label

There are many artist-led record labels and it's certainly not a new concept for jazz musicians to record their music, manufacture the records and sell them at gigs. Traditionally, distribution in shops has been a small aspect of jazz record distribution and the main sales of records have been at gigs. Recordings can cost anywhere between £2k and £10k and even with the upper end of that budget most of the outlay can be recouped with the sale of 1000 records. This is an achievable target for most gigging jazz musicians, it just might not be over a few months, more likely to be over a few years. When doing this, it's a good idea to bear that in mind and make sure that you cash flow your recording projects and are realistic about the timescale in which it will take you to recoup. Nowadays, so many jazz musicians are selling on line and its really worth looking into the digital arena and organising yourself on that level.

Meanwhile here are a few questions to address if you are planning to set up an artist-run record label:

- What do you want to achieve? – is it primarily for you or would you like to put other artists out on the label as well
- Create an identity – think of a name and register it
- Define your market sector – if you fit comfortably within the jazz definition then this is straight forward but nowadays so much music sits between different genres – think about this as it will influence the market that you are aiming towards
- Setting up a company – you may want to set up a company or just run it as a trading as .. identity, whatever you decide to do, at the very least you must open a special bank account for the record label and keep a separate set of accounts to your own personal accounts. This is important from the financial record keeping point of view but also from tax perspective.
- Distribution
- Public relations
- Press and radio
- Cash flow
- Output – singles, downloads, album
- Staff – solo, partnership, interns
- Raising money – private investors, government links, grants

Copyright

As with the ownership of the copyright in the musical work, there is also copyright in the sound recording and the owner of that copyright receives an income stream for the use of the sound recording. In the UK PRS/MCPS Alliance administer these royalties and you should go to their website for more information. Here we will explain the key points around copyright as there is only ever one copyright owner.

What is copyright?

- The right to copy a work – *The right to prevent the unauthorised copying of a work*
- Copyright is a property right – *It can be treated in the same way as any other type of property (bought, sold and hired)*
- It is an economic right – *The creator and the owner have the right to earn money from its exploitation*
- Law of copyright – In the UK it is governed by the Copyright Designs and Patents Act 1988

Sound recording copyright

This is the ownership of the copyright in the recorded version of the musical and/or literary work.

Sound recording ownership

- The 1988 CDPA says that the first owner of copyright is the author.
- The author is defined as the person who makes the arrangements for a recording to take place or who pays for the studio and tape

Duration of copyright

- 70 years from the last day in the year that the composer died
- If a work is jointly composed the 70 years begins from the last day in the year that the last of the composers died.

Sound recording copyright

- Copyright in a sound recording lasts for 50 years from the date of recording or 50 years from the date of first release whichever is the longer.
- Permission to record
- Once permission has been granted on the use of a musical work, then anyone can record it with out asking permission - precedent created
- To get permission you can go to the publisher of the work or get a licence from PRS – dependent on the artiste planning to record it, and who the songwriter/composer is, it doesn't have to be expensive. For example a jazz artiste who was planning to sell a couple of thousand records and wanted to do a version of Wonderwall by Oasis paid just £37 licensing fee to record it. This is just for the recording, obviously any royalties generated for the playing of that version on radio or the performing of it at concerts would generate a musical work royalty which would go to the songwriters.

After Death

- Copyright passes into the public domain
- New sound recordings can be made which will have copyright in it, however the owner of the recording can not stop anyone else recording the same musical or literary work.

MCPS-PRS Alliance is the UK collection agency with agreements to royalty collection agencies in the rest of the world. check out their website for more information.

Why not visit the [Copyright](#) section of the OMBR for further information.