

# HIGHLIGHTS FROM THE PCAM HELPDESK

## Volume One

For many years, PCAM had a Telephone Helpline, where members could ring with questions or problems and get expert help and advice, along with the occasional caustic comment on the state of the industry, from long-time PCAM Committee member Tony Satchell.

Times change, and the telephone Helpline became an email Helpdesk, but the questions – and the quality of advice – have remained the same.

Because the questions brought to the Helpdesk usually reflect issues that many PCAM members encounter, especially those who are just beginning their careers, we thought it might be useful to create an occasional publication with Helpdesk Highlights, in hopes that both the questions and the answers might shed some light on day-to-day working practice.

The Q&As below have been grouped under topic headings **in red** and, due to the nature of the privileged information and industry NDA's (Non-Disclosure Agreements) the identity of the questioners (**A.B.C.**) in black and any jobs have been altered - The Helpdesk (**HD**) answers are **in blue**.

Enjoy!

-- The PCAM Committee

### **Topics covered (in order):**

***PCAM Website Overview***  
***Usage of Samples***  
***Usage Guidelines***  
***Charity Tracks***  
***Film Tracks***  
***Re-Licensing***  
***Overseas Usage***

**First**, we'd like to deal with an unhappy member's query – someone who was rather over-expecting from the PCAM website -- with an overview explanation which I hope will help all.

### **PCAM WEBSITE OVERVIEW**

**GP:** I've just bought a membership for your website. I have not deeply read the full content yet but I've read a bit of everything. And honestly, I was expecting something else.

I'm about to start my activity as an independent composer but I'm still confused with the pricing question and all the details relatives to how I have to charge for my music.

So I was hoping for something like a clear rate card for composers with ranges of prices for all types of works used today: cinema, musicals, plays, radio jingles, albums, video games and tv, sound design etc. A range of price by minute of music or by hour of work, so I could choose one formula instead of another. Also, when to ask for royalties and when to do a buyout, and if it's a buyout how to calculate the price.

In other words, all the tools I would need and could refer to easily to set my own full list of prices and not have to worry about pricing anymore.

I'm sure the information given on the site is interesting but I can't find the crucial information that I really need. And having paid for it, it's quite frustrating.

Maybe I'm wrong and I've missed it along the way and you can tell me where to find these things. And I have a question which might look very basic but it was not clear to me.

On the site I see more percentages than prices. What are the %ages referring to?

All in all, I've done a lot a searching over the net to find clear and effective pricing methods with true price lists but it's very nebulous and hard-to-find.

**HD:** I'm sorry that you feel so disappointed.

PCAM was set up by a group of commercial music professionals (all of whom give their time for free) in order to help and advise up-and-coming commercial music composers and producers. The website assumes some business knowledge and is not meant to be a bells-and-whistles guide to setting up a new business. I have to say that if you were starting a grocery store or whatever you also would not be able to find a single internet site that instructed you on a point-by-point basis how to buy or rent a property, brand your name, pin-point your market, stock the shop, price the stock etc.

Legally, PCAM cannot set prices (that would make us a cartel); all we can do is advise on the current market rates and conditions. Hence there are no fixed rate cards, only suggested charges based on percentages of your Composition Fee. It does clearly state this on the usage pages -- for example, "Usage guidelines are based on a percentage of the basic composition or arrangement fee for a one year period, per script, all media excluding internet (see 'Internet')."

Presumably you haven't done a commercial music course with a business module at university or college, as a lot of the concepts of composing and producing commercial music would be clearer to you. The "Advertising – How To Budget" page on the website, although aimed at TV commercials, is applicable to other commercial areas and media.

Commercial music is budgeted by job, not time, and the Production Fee (if you are not the composer) or Composition Fee is set by oneself. Current Composers' or Producers' Fees vary between £500-£5,000 depending on your confidence, experience and the job – the average is probably £3,500. The fees for a UK Commercial vary between £1,500-£25,000 depending on the media, the campaign and the composition/production work involved – the average is probably £15,000.

Here are some bullet points to consider when quoting a budget:

- Quotes for Demo / Test Tracks are for the **PRODUCTION** only.
- Quotes for Master / Final Tracks should always be divided into three parts: **PRODUCTION / COMPOSITION / USAGE**.
- **PRODUCTION:**
  - **Studio costs** (whether it's your bedroom or Abbey Road Studio 1), calculated on the estimated hours (multiplied by the charge per hour) that you'll need to record the track/s.
  - **Musicians** (whether they are all you or individually employed), calculated on a fee per musician or instrument played.
  - **Singers** (whether they are all you or individually employed), calculated on a fee per singer basis. The lead singer would normally get a larger fee than backing/chorus singers.
  - **Voice-Overs:** as above.
  - **Sound Effects / Foley / Beats etc** (whether created by you or bought or from a free library): charges for your time/expertise should be made. Make sure that any sound used from an outside source has been cleared for commercial broadcast.
- **COMPOSITION**
  - Your standard Composition Fee.
- **USAGE**

- **Recording Licence:** Your fee calculated on the agreed media, platforms and territories the track/s will play out in and the Term (i.e. length of the licence in months/years).
- **Singer's Buy-Out:** As above
- **Voice-Over's Buy-Out:** As above.

When selling a track NEVER do buy-outs; you should only licence tracks for a "Term" (i.e. a number of months/years). Copyright and the royalties earned are your birthright and shouldn't be given away.

## USAGE OF SAMPLES

**AH:** I'm a member of PCAM and have a quick question. Can I pitch music where I've sampled another artist, as long as that sample has been cleared?

There's a resource called Tracklib that has a catalogue of tracks you can sample for a fee. I never use samples but if I could legitimately use this resource when I'm pitching tracks then it could prove really useful.

**HD:** If a sample is cleared you can certainly use it in a pitch or a master.

BUT you need to carefully check the conditions of clearance. Many so-called "cleared" tracks are only cleared for non-profit or non-broadcast use and there is no point pitching a track which couldn't be used as a final.

**GC:** I'm in the process of working on some Audio Branding/Audio Logo for a large food company. They have said that they want to own the IP of whatever we come up with, which is fine as we've negotiated a pretty hefty buy-out for it.

I'm after some advice on the legality of the transfer of ownership of any sounds from sample libraries we use. Is it legal for us to transfer the IP of what we create over to another party if the work we produce contains sounds from libraries like Omnisphere? I'm not sure what libraries we may end up using but want to make sure I have all legal bases covered.

**HD:** Firstly, I would never ever sign over my IP rights to any one at any price.... OK, I might for millions, but certainly not for a "hefty" price!

Secondly, you can't sign over rights you don't have! Whether or not you can use samples in commercial recordings depends on that particular library's licensing agreement -- but either way they own the IP, not you.

## USAGE GUIDELINES

**AS:** I was wondering if I could have some help with a request we've had with licensing one of our tracks. Currently the licence covers the entirety of Europe, but we would like to extend the licence for Turkey by an additional 6 or 12 months.

Just to clarify, it's a single music track to be used for TV and online advertising.

**HD:** The PCAM recommended rate for 1 x Year Turkey (all media) is 75% of your Composition Fee. So your charge would depend on your Comp Fee (current range is £1,500-£4,000). Normally we try not to split the year's licence, but if you want to I would suggest weighting and not pro rata.

If you were a PCAM member you would've been able to look that up on our website! Well worth the joining fee!

**CS:** I have a quick question regarding your usage guidelines.

In the UK section you have social media including YouTube at 50%, but then go on to say internet usage is 600%. With the added confusion that most social media is worldwide, are you able to clarify what we should be charging clients?

**HD:** Yes, it is a tad confusing, and you're correct!

Sometimes clients want to use a track or campaign solely on one or two particular social media sites and don't intend to run campaigns on any other internet platforms. So, in these sorts of cases, it was felt to be unjustified to charge the full 600% internet fee, and the agreed usage platform could be locked down and documented in the PCAM Contract "Special Stipulations" box.

There is a big difference between a heavyweight internet campaign and some specialist targeted promo (this would obviously be up for discussion/agreement with your client), and the seeming anomaly reflects this. PCAM percentages are only guidelines and you can (and should) charge whatever percentages you want or feel justified in charging.

**DR:** I'm a PCAM member and was wondering if you have any guidelines for end sting usage. It's for a big UK supermarket brand. We've created an end sting for them that they potentially want to run across all their new ads for the foreseeable future. The instrumentation could change each time they use the ad. They want to use it on tv and radio ads. Is there a guideline you can recommend for this type of usage?

**HD:** If they are paying "proper" money upfront, I personally would charge them a single fee for any amount of commercials during the One-Year Term – it's much neater.

On the other hand, you would certainly be entitled to charge per commercial if you so wish. To me it would depend on what sort of production and composition fee you're getting!

**DR:** Thanks for your answer. Would you charge them for the sting per different ad they make per year, or just charge as one advert for the year? Say they do 10 ads per year -- would you charge them 10 UK rates?

**HD:** You should treat a sting exactly the same as a three-minute song – good stings are harder to write and even harder to pull off successfully!

So, I would definitely charge them the standard PCAM rate for a UK All-Media Commercial -- and probably offer a discounted five-year licence for the cost of three years (ex-production costs obviously).

You should never offer an "In Perpetuity" licence as your work is not a hobby -- it is your (and your family's) future!

**JD:** We've been asked to licence a track for 2 years or 5 years for online worldwide usage. The original fee was £6350 for composition, Foley and five-year internal usage.

Any idea what we should be charging for this?

**HD:** The recommended rate for Internet Usage is 600% of your Composition Fee per year. Seeing as your original fee was so small (and maybe a favour?) I'd quote a proper price for the internet usage now.

I'd guesstimate your fee breaks down approximately as Production Costs £1,350 / Composition Fee £2,500 / Internal Usage Fee @ £500 p.a. If I'm right about your Composition Fee, 2 Years Internet Usage would be £30,000 and 5 Years would be £75,000.

I personally would discount it (for paying up front) and charge them 1.5 times for two years and 3 times for five years.

The above rate is the market price; obviously you must charge only what you are happy with. But please don't go around underselling yourself and your talent.

**JD:** Not sure if you can help on this. We've just licensed a track for TV broadcast for the Nordics and India using your percentage suggestions. Just want to ensure we collect the maximum royalties for these projects. We have the clock numbers and registered with PRS -- is there anything else you would advise?

Would it be worth getting a list of channels and broadcast times from the agency? Or do you just trust PRS to collect these for you? Never had a problem with UK royalties but just wondering if it's different overseas.

**HD:** Clock numbers are only relevant for the UK; they are no use for foreign commercials. It's always worth getting a media schedule from the agency (if you can!).

## **CHARITY TRACKS**

**CM:** I'm a student composer and I was wondering if you could help me out with something (I'm a bit clueless!).

I recently composed some music for an advert for a charity. I got paid around a third of my usual up-front fee (which was fine, considering the cause) and then didn't hear back for a while.

They recently came back to me and mentioned that they wanted a licence to play the advertisement on TV+Cinema+Radio in the UK. I understand that this would normally cost £5k+, but I'm thinking that because it's a charity I should do it for a hefty discount/for free?

I'm independent, and just starting out, so could definitely do with the money. But at the same time, it's for a charity! Do you have any recommendations about what I should do?

**HD:** A UK TV/Cinema/Radio commercial would normally cost around £20-40K.

Charge what you like, but if you want a career in music you cannot afford to go around doing jobs for free or too cheaply!

The average yearly salary of a media worker in a charity is around £35k and a chief executive around £150k, so why should you be asked to work cheaply or for free?

If you wish to donate to that particular charity then do so, but at least treat your work as a profession. My advice is to charge a decent fee -- then you can afford to join PCAM!

## **FILM TRACKS**

**DB:** I'm very nearly done with completing my first film score -- would it be possible to take a look at the contract I've attached? It looks straightforward to me; however, he's been very persistent that I sign asap, so it's making me a little uneasy.

**HD:** If you want to be 100% sure of any contract you need to pass it through a lawyer. It looks fine to me except there doesn't appear to be any mention of Publishing or Writer's Royalties -- both of which you should own 100%.

The contract should have a clause in it saying (in effect) "DB shall remain the sole owner of all rights, title and interest in and to the musical works licensed to the producer hereunder, including all publishing rights therein." Also, in the Contract the producer should be made responsible for filling in cue sheets etc and they should acknowledge your continuing ownership of the Copyright.

**JA:** I recently composed some music for a film trailer. I was paid a one-off fee from the Licensee for the track but I will of course maintain 100% of the publishing and writer's share. Could you advise me of the right contract to use in your agreements section? From what I can see I think the BASCA Media Model Synchronisation Licence is the most appropriate but if you could double check for me I would be most grateful.

**HD:** I'm sure that's absolutely OK but personally I always use the PCAM contract, which can be adapted to cover anything.

**JA:** Thanks for getting back. Could you advise me on a PCAM contract that can be adapted to cover anything like you mentioned in your previous email? I'm new to PCAM so any advice would be appreciated.

**HD:** We only have one contract available to members on the PCAM website (well, two actually – one for Original Composition and one for Arranging an existing work), but basically they are the same. The PCAM contract is geared towards advertising but as I say can be easily altered to cover anything.

As this is a film trailer you might be happier using the BASCA licence, which I don't personally know but will be fine.

## **RE-LICENSING**

**DB:** In 2017 I was contracted to compose a piece of music for "B" for France. Today I have been asked to renew the rights for a 10-second TV use (the original license was for one year only online).

Firstly, do I have the master and publisher usage rights under the original contract terms? And if so, is there a going rate for the renewed 10-second TV usage?

**HD:** The Agency has no moral rights to your work and by the look of it they didn't even pay for the production and anyway the contract is only for one year. The paltry £1,000 fee paid I would assume is solely for a Composition Fee (and a low one at that!) so I would assume you wrapped the Usage/Licence and Production Fees in for free – it's a crap contract. In future please use the PCAM contract downloadable from the PCAM website.

**DB:** Secondly, the online ad is still online; does this mean that I should be paid a further fee for the additional year it's been live?

**HD:** Yes, you should definitely be paid a further fee for the unlicensed use as they've broadcast your copyright illegally!

**DB:** Thirdly, I didn't originally register the song on PRS or PPL; am I too late to do so?

**HD:** No -- you can licence it now with a back air-date. Why didn't you do it at the time? You cannot blame PRS/PPL for failing to pick up past royalties even though the French Agency has an obligation to register all on-air works which they often fail to do.

## **OVERSEAS USAGE**

**EH:** I've been looking on the PCAM website for advice on overseas usage and thought it would be good to clarify that my understanding is correct.

I am putting together a quote for TV only in the UAE. If the composition fee is £2500 would the recommended 30% for UAE be the usage fee to cover all media excluding internet for 1 year -- making the total fee £2500 composition plus £750 usage to cover all media for 1 year = £3250?

**HD:** Spot on!

**KG:** A client who has paid the composition fee for use in the UK in conventional TV ads has asked permission to run the ad on YouTube in the USA.

Does the 600% rule for advertising in general in the USA apply in this case?

**HD:** In theory yes, but I would probably charge them an extra 350% of composition fee (the combined rate) for one-year USA internet ONLY.