

# ENTERTAINMENT CONTRACTS IN THE MUSIC INDUSTRY



# THE AFRICAN MUSIC INDUSTRY

The Music Industry in Africa is the fastest growing industry on the continent and is estimated to generate over \$500 million per year by 2025 from streaming alone according to the World Bank. According to statistics, Nigeria's music industry is expected to be worth \$44 million in revenue by 2023. For an industry growing that fast and is that big, contracts are needed to manage the business relationships between the various players across the music industry.

# STAGES OF MUSIC CREATION

- Beat Making
- Song Writing
- Recording
- Mixing & Mastering
- Distribution
- Marketing & Promotions

## WHAT ARE CONTRACTS?

Contracts are agreements between two or multiple parties outlining the terms on which they are agreeing to engage with each other.

### **KEY CONTRACTS IN THE MUSIC INDUSTRY**

- ❖ Recording Contracts/Record Deals
- ❖ Distribution Contracts
- ❖ Management Contracts
- ❖ Publishing Contracts
- ❖ Producer Contracts
- ❖ Split Sheets

# KEY CONTRACTS IN THE MUSIC INDUSTRY

## ❖ RECORDING CONTRACTS

This is a contract between a recording company and an artist where the company invests in the music career usually for the ownership of any music created under that agreement

## ❖ DISTRIBUTING CONTRACTS

This is an agreement between a recording company, an artist and a music distribution company

# KEY CONTRACTS IN THE MUSIC INDUSTRY

## ❖ MANAGEMENT AGREEMENT

This is an agreement between the the Artiste & the Management who manage the artistes brand, business and general affairs of the artiste

## ❖ PUBLISHING AGREEMENT

Music publishing deal with the rights in musical and lyrical works, they are used to set out the legal relationship between writers and music publishers.

# KEY CONTRACTS IN THE MUSIC INDUSTRY

## ❖ PRODUCER AGREEMENT

This is an agreement between an Artist, a record company and a producer under which the producer agrees to make beats and musical composition for a sound recording

## ❖ SPLIT SHEET

This is agreement which states the contribution of his contributor to the music and what share of the music is owned by each contributor

# KEY TERMS IN MUSIC CONTRACTS

- ❖ Parties
- ❖ Term
- ❖ Rights Granted
- ❖ Exploitation Period
- ❖ Advance
- ❖ Royalties
- ❖ Exclusivity Clause
- ❖ Termination Clauses
- ❖ Dispute Resolution Clauses



# KEY TERMS IN MUSIC CONTRACTS

- ❖ Parties: These are the concerned individuals or entities involved in the contractual agreement
- ❖ Term: This is the duration of the contract after which the contractual agreement will come to an end between the parties
- ❖ Rights Granted: Music is an intellectual property which has certain rights embedded in it. Like copyright in the master Recording, copyright in the lyrical work or the composition, publishing rights, public image rights etc So this clause states the nature and extent of rights granted whether its a license or complete assignment of rights

# KEY TERMS IN MUSIC CONTRACTS

- ❖ Exploitation Period: This is the duration or period during which the artist's creative work(s) will be exploited to generate revenue
- ❖ Advance: This is the upfront money given to the artist or creative in order to compensate for the exploitation of his creative work
- ❖ Royalties: This typically refers to the revenue generated from the sale or streams of the master recording of the artist.

# KEY TERMS IN MUSIC CONTRACTS

- ❖ Exclusivity Clause: This clause restricts or prevents the artist from entering into a similar agreement with another party
- ❖ Termination Clauses: This refers to the terms of the contract, the breach of which would lead to a termination of the agreement between the parties or scenarios that may arise which would lead to termination of the agreement before the expiration of the term.
- ❖ Dispute Resolution: This basically states how disputes arising from the contract will be resolved.

# THANK YOU

