

# Clearance Guide with Fees & Rates



#### Effective Date 11/1/2019

### **Getting Started**

We start every project with a consultation. This helps us fully understand the details of your project to ensure that we secure the rights you'll need, at the best possible rates.

Below are just a few of the project details we'll clarify during consultation:

- Project Budget Project Schedule
- **Distribution Plans**

### Our Approach

Licensing can be confusing and intimidating. We want to help you understand the copyright and clearance process so you can make informed licensing decisions for your project.

Copyright clearance is multi-faceted, detail-oriented work. Our intimate knowledge and experience in the entertainment industry coupled with our legal expertise allows us to provide complete licensing services.

## Copyright Clearance We separate licensing work in two phases:

<u>Phase 1</u>: Research and Negotiation <u>Phase 2</u> : Contract Administration



# Phase 1 Research, Negotiation, & Clearance

- To use a piece of copyrighted work, it's necessary to obtain permission from all parties that control an interest in the work. Mergers, acquisitions, and transfers in the entertainment industry are common, so ownership details frequently change.
- We'll determine the current copyright owner(s). Once we locate and confirm all copyright owners, formal requests are submitted for the work to be used in your project.
- If the material is available to use (in some cases, it's not), we'll then negotiate fees on your behalf. When Phase 1 is complete, you'll have all the details you need to go forward with your project.

# Phase 2 **Contract Administration**

- Once you've decided which copyrighted work(s) will be used in your project, we'll secure legal agreements from the copyright owner(s) and ensure that the specific terms cover all ways in which you will use the work(s) in your project. We'll ensure that everything is accurate, then hand off the contract for you to sign and pay.
- We'll keep detailed hard-copy records and provide you additional copies for your records. We'll also create and update detailed spreadsheets that will allow you to track the status of the work(s) being cleared for your project.

## One Song, Two Rights Every song has two separate copyrights:

<u>Publishing Copyright</u> : covers the intellectual property concerning the creation of a piece of music, commonly known as "songwriting credit".

<u>Master Copyright</u> : covers the fixed audio recording of a piece of music, including the performance and physical/digital recording of the song.

### Example Scenario

### Publishing Rights

#### Master Rights

Susan Songstress writes a song she titles "Cinephile", records a video of herself performing the song, and posts it to the internet.

As the original author of the music and lyrics, she owns the Publishing copyright of "Cinephile". As the performer and creator of the video she posted online, she owns the Master copyright of her recording of "Cinephile".

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Juan Cantante sees the video of Susan performing "Cinephile" and decides to record his own version of her song.

As the performer and creator of the new recording, he only owns the Master copyright for his version of "Cinephile". The Publishing copyright remains with Susan Songstress, as does her Master copyright of the video recording she posted online. J"() EF the Ir"() so fr the S out

### Usage Rights

Juan Cantante's version of "Cinephile" becomes popular in Europe, and Swedish filmmaker Franc Fjord Koppola wants to use the song in his next movie.

In order to use Juan's version of "Cinephile" in his film, Franc must secure both the Master copyright from Juan Cantante, as well as the Publishing copyright from Susan Songstress. Without both copyrights, Franc legally cannot use the song.

#### **Clearance Fees & Rates**

The clearance of a single creative work often involves multiple copyright holders. Note that the rates below are on a per copyright holder (not per creative work) basis:

Music (Publishers, Master Owners)	Image, Photo, Literature, Image, Corporate Logo	Footage Clips	Trademark Publicity (I and Liken
PHASE 1 – \$300.00	PHASE 1 – \$200.00	PHASE 1 – \$350.00	PHASE 1 – \$
PHASE 2 – \$300.00	PHASE 2 – \$200.00	PHASE 2 – \$300.00	PHASE 2 – \$

#### Payment Schedule

PHASE I payment is due once the first request is submitted or upon signing of our contract, whichever comes first. PHASE II payment is due once music is locked, confirmed, and licenses are requested.

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\$200.00
\$200.00

#### **Music Supervision**

Fees for music supervision projects are based on the complexity and breadth of the work involved, and are quoted on a flat fee basis.

We have deep resources to help you research music in specialized genres, find the best songs at the best rates, recommend the right composer, or source affordable options using stock and/or library music. We can also source music not available commercially, such as instrumental-only tracks, and spearhead remix and mash-up projects.

#### Payment Schedule

INITIAL payment is equal to 50% of total cost, then for projects \$5,000 and under — remaining 50% due upon project completion or 90 days after contract signing, whichever comes first; for projects \$5,001 and up — 25% due 90 days after contract signing, remaining 25% due upon project completion or 120 days after contract signing, whichever comes first.

#### **General Consultation**

Consultations are calculated on an hourly basis, at a minimum rate of \$200.00 per hour.

\*We accept payments by check, electronic deposit, wire transfer, PayPal and Venmo \*We offer a 10% discount to non-profits and friends & family referrals

1800 Bryant Street Suite 104 San Francisco, CA 94110 info@rightsworkshop.com (415) 561-3333



www.rightsworkshop.com