# Bennett

# LAW OFFICE

## **RECORDING ARTISTS:**

## HOW THE MONEY FLOWS

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# DISTRIBUTION COMPANY

(Pays the record label a percentage of receipts.

Depending on the agreement, could be gross or net.)

#### RECORD LABEL

### **PRODUCER**

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(Depending on agreement, may be paid by the Artist or the Record Label. Receives a percentage of the retail price of CD.)

#### RECORDING ARTIST

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(Typically paid a percentage of the retail price of the CD, less certain deductions.)

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 $\prod$ 

(Paid a mechanical license fee that is typically the statutory rate. The current statutory rate is 9.1 cents per song, per unit.)

**MUSIC PUBLISHER** 

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# MANAGER

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(Paid by the artist. Typically receives a percentage of gross receipts collected by the Artist.)

#### **SONGWRITER**

(Typically paid 50 percent of the mechanical royalty collected by publisher.)

### **BOOKING AGENT**

(Paid by the Artist. Receives a percentage of gross from all gigs the agent books.)

#### **ENTERTAINMENT ATTORNEY**

(Paid by his/her client. May either be paid an hourly fee or in certain situations a percentage of the "deal.")