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- E Chapters that are essential to this workbook.
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Please note

Any details or photographs of equipment, software, manufacturers or suppliers do not constitute a recommendation or endorsement by DWP, but are intended to provide typical reference examples only.



THE BUSINESS OF PERFORMANCE

WHAT IS IT?

This chapter covers the economics of live performance. In other words, how money is made and lost through gigs.

We will look at small gigs, medium sized and large scale gigs. We will also look at merchandising and club nights.

WHY DO I NEED TO KNOW ABOUT THIS?

The business of live performance is substantial. Hundreds of millions of pounds are spent each year in the UK on gigs, concerts, festivals and music shows.

There are many jobs available in this expanding area of music, and money can be made from performing live, whether it's in a local pub or a huge arena.

However, gigs can end up costing money rather than making it! Being aware of the possible pitfalls can help you to 'breakeven' at a gig.

YOU MUST HAND IN YOUR WORK BY

TO



HOW LONG should this assignment take?

Every person works at his / her own pace.

As a guide, this should take you 2 hours to read and research and another 2 hours to write your answers and discuss them with your tutor.

/

HOW

will I be assessed?

Your tutor will assess your work. He / she will give you feedback on how you have done. If your work needs further work to be passed, then you will be given the chance to do further work to bring it "up to scratch". For more details, please refer to your music provider's own guidance.

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WHAT do I do now?

Read the TASKS below. Then read the NOTES AND GUIDANCE section Carry out the TASKS

TASK

1 Find venues in your area.
Find out about three venues in your area that are suitable for you to play at. What kind of deals do they offer bands / acts?

VENUE 1

What kind of deal will they offer?

VENUE 2

What kind of deal will they offer?

VENUE 3

What kind of deal will they offer?

2 Planning and costing a gig or event. Imagine that you are hiring a local venue (capacity 200 people) for a gig. Consider some of the following headings and find out what some of the costs are. You can then decide if it is viable (worth staging).

ITEM	COST	ESSENTIAL OR OPTIONAL?
Venue hire		
Door staff		
PRS licence		
Equipment hire (backline, decks etc)		
Equipment transport		
Flyers, leaflets and marketing		
Internet site / ads		
Telephone		
Gathering database		
PA system		
Lighting rig		
Vehicle hire		
Food and refreshments		
Sound engineer		
Stage dressing		
Projection		
Other staff		
Your own time!		
TOTAL GIG COST (estimated)		

Ring van hire companies, printers, PA companies and get the best quote.

3 Profit and Loss

Now let's work out how many tickets you need to sell to actually break even.

Remember that you may have to give some tickets away as guest list. You may also be able to get some extra income through sponsorship. For example, a local business might sponsor the production of the flyers in return for their logo on the design. You may also consider getting some T- shirts or other merchandise produced for sale at the gig.

Do your workings here:

TOTAL INCOME	£ AMOUNT
Ticket sales	
Sponsorship	
Other income (e.g. merchandising)	
TOTAL EXPENDITURE (Total gig cost from table in Q3)	
PROFIT OR LOSS (Income - Expenditure)	



Think – when a promoter puts on a show, they are considering the same things. It's a useful exercise for you to do a business plan in advance, as it may help you to avoid losing money!

4 In the early stages of your career, its very difficult to make any money from gigs. If it's an event you are having to pay for and stage, ask yourself;

Will it be beneficial to your career?

Will I meet new people useful in my network

Can I sell anything to them

Can I make new and useful friends/contacts

Am I going to gather more database contacts

These are some of the extra benefits you may gain from putting on a gig.

NOTES AND GUIDANCE

THE BUSINESS OF PERFORMANCE

Financial arrangements for acts that play live are many and varied, ranging from "pay to play" in small venues up to large "stadium" shows.

Much will depend on the type of act and more importantly their status. The most obvious distinction is whether or not they have a recording contract or not and if so, how popular they are!

A band performing cover versions in pubs, clubs or at functions will expect to be paid a fee, as financial reward is the main aim when they play gigs. Once an act wants to become successful through performing their own material, then the circumstances and the purpose for gigging alters, a fact that some promoters take advantage of.



HOW GIGS WORK

SMALL SIZE GIGS

Unsigned nights are a good way to start out. These usually involve the acts (often 3 or 4) taking responsibility for a good turnout by entering into an agreement with the promoter to ensure the sales of a minimum number of tickets. The details of this vary, from the band buying a specified number of tickets from the promoter, to a flyer or ticket system where fans are identified by which flyer/ticket they present at the door, and an amount of each ticket money going to the band they have come to see.

By these methods the promoter thus minimises his own risk, by sharing the responsibility for promoting the event, and spreading the financial risk between himself and the bands.

He still has to hire the venue and equipment, but he doesn't have to pay any guaranteed fees to the bands, or provide any catering.

The artist's objective behind this is to eventually impress a record company A&R man in order to secure a recording contract. A singer / songwriter might also put on a gig with the objective of impressing a music publisher and securing a publishing contract. Building a mailing list and selling CDs and merchandise will all help to achieve this. Making lots of money at gigs should not be a priority.

If you want to set up your own event, you have to start thinking like a promoter, hiring the venue and equipment, and taking responsibility for the advertising. All the risk will be yours. So you will of course work really hard to try and get as many paying customers into the show as possible!

A step up from these kind of unsigned band nights can be to play at the events organised by small promoters who deal with smaller touring bands, the kinds of acts you might read about in NME who are touring their first small single or album release.

These acts will be getting a small guarantee from the promoter, and often this will have been organised via an agent. The promoter will be looking to put one or two local bands on as support acts, hoping that they will bring their fans along to fill out the venue. The local bands might get a small fee, or have an arrangement where they sell a certain amount of tickets and get a share of the ticket money, similar to the unsigned nights mentioned above. Supporting a 'name' band can do your reputation a lot of good, so in many cases you're not so bothered about the money as you are about building up your credibility and 'profile'.

" Pay to Play"

For many unknown acts wishing to get their first gig, "pay to play" is a well known option. A venue or promoter will give you tickets to sell, but there will be a minimum number you MUST sell in order to play, above that number you receive a share of the profits. The problems arise if you don't manage to sell enough tickets, the promoter often asks you to pay the shortfall. You should try and avoid having to end up paying a promoter to put you on.



Universities pay well and provide enthusiastic audiences. Approach the Events committee with a demo. Once you have played at one it is easier to get bookings at another.



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MEDIUM SIZED GIGS

Objective – to extend the fan base and use the tour to promote and sell a new album. Will often combine gigs with regional radio and press interviews.

Once your act is established, you will be in a position to take offers from promoters who think they can make a success, and profit, from booking you for a show. The promoter will work out how many tickets he thinks he can sell, and this will be based on your market value, or how popular you are. The promoter needs to be sure that he has correctly anticipated this, so that the event makes money.

Bad situations arise when a promoter thinks he can sell 500 tickets at £10 each (worth £5000), lays out costs of £4000, expects to make £1000 profit, but only sells 300 tickets, thus losing £1000. The promoter will generally expect you to have a current record release around the time of the event, so that advertising by the record company, along with reviews which a new release generates, will complement the promoter's own advertising for that particular show.

Shows like this are nearly always part of a tour. This will have been coordinated by the agent who will have a booked a number of shows with different promoters around the country. It's important to understand that this level of show has often been booked many months in advance, and the agent will have explained to the promoter about the expected timings of the new release, and guaranteed that there will be a focused promotional effort by the record company. This gives the promoter the confidence to agree to taking the risk on a particular act, and this is where trust enters into the relationship.

Acts at this level will have a booking agent who will be in charge of putting the tour together by liaising with local promoters. The promoters will estimate how many tickets they can sell, armed with knowledge of how heavily the act will be advertised in magazines and "plugged" on radio. They will then negotiate a fee with the agent. Occasionally a percentage of takings, once an agreed attendance figure is met, can also be arranged. This means someone with a counting machine stood by the entrance all night. In this situation a promoter can easily lose money if they over estimate the act's pulling power.

This sort of tour may lose money; the aim is to sell albums. The act will travel on a "sleeper coach" or use a splitter van and hotels. They will have a small road crew with a tour manager to look after them. They will certainly have their own sound engineer and may even bring some lights and a technician. The crew will be paid a fee for each day on the road, including travel days, and be given "PDs". Short for "per diems", these are an amount of money per day for food. Session musicians will be paid in the same way as crew, important staff are given retainers to keep them on call at all times.

The "rider" will be an important aspect of life on the road for this act. This is not just a list of strange requests from temperamental musicians, it is essential to be given good meals every night. Also in the rider is the "tech spec or technical rider", this lets the promoter know how many channels the desk should have and what equipment they must provide.

Sound Engineers

To spend a lot of money putting on a show, only to have it ruined by a poor mix is bad planning. It is a false economy not to spend extra money on an engineer who knows your sound and will make the performance a success

If you are a signed artist, the record company, by means of an additional advance called "tour support", may, meet the cost of this whole operation. This will be recoupable against album sales in the usual way.



Managers should not take commission on tour support, only profit from the tour after expenses.



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STADIUM ACT

Objective – to sell more albums, build on the already huge fan base, as well as make money from merchandise and ticket sales.

The amounts of money and organisation involved are immense. The act will have their own PA, lights and stage show. They will travel with coaches for crew and articulated lorries full of equipment, even bringing a catering company along with them! Setting up the show will start early in the morning and last all day. Local "humpers" will be drafted in to help with the load in and load out. A production manager will oversee the logistics and liaise with venues, tour manager and stage manager.

Some record companies now take a cut of "live" revenues, including merchandise, when they sign megastars e.g. Robbie Williams.

Support acts at these large events must pay for the privilege of playing in front of so many potential new fans. This is called a "buy on". The support must still pay for its own engineer, crew, transport and sometimes a separate mixing desk. Not surprising then, that smaller acts with record contracts get these slots.

MERCHANDISE

Selling T-shirts and CDs can make the difference between breaking even and losing money. The value of merchandise should not be underestimated at any level of gig.

Giving the sales person a share is a good motivator.

T-shirts – a simple logo, slogan or design with few colours will be much cheaper and more effective.

Large / Extra-Large / "Girls" tight fit are the most popular sizes.

Some venues charge you to sell merchandise.

Some door staff help themselves to t-shirts, even some takings.

Use the sales area to add to your mailing list – A&R are often excited by large mailing lists.

Have a demo or a business card ready just in case.

Big names licence their merchandising rights to a manufacturer in return for an advance and then royalties – just like a recording deal.

CLUB NIGHTS

DJs will often have to play for free to get a "foot in the door" at a venue. Try offering your services where there is no DJ at present.

If you are a DJ and you fancy becoming a club promoter, then a lot of the information for unsigned acts will also apply to your circumstances. The big difference is that instead of concentrating on one show, you intend to BUILD a night. This means you must budget for a month or more, not just one event.

Do some market research, find a scene not catered for in a particular place or on a particular day of the week. Try to corner a niche market.

Pick a venue that isn't too big, doesn't have very expensive drinks, is easily accessible at all times of the night and doesn't have a big competitor too nearby.

When you hire the venue make sure you know what is included and what isn't, watch out for guaranteed bar spends. This is equivalent of pay to play, in that the venue wants to achieve a certain amount of expenditure at the bar and will ask you for the difference if it is not met!

Work hard at your promotion, make sure you are in all the magazine listings and go for originality with your fliers.

PRS

The PRS will pay its members for songs they have written that are performed live. As of January 2004 they have run the Gigs and Clubs Scheme, for songwriters registering 10 or more UK shows via e-mail. Check their web site for details.

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How did you get started?

I started by putting on local bands, and more specifically organising a 4 day battle of the bands style event. I worked hard on each small event I was putting on, which meant I had more and more bands contacting me.

Some of the typical things you have to do in a day

Answer phone calls from bands wanting to play at various venues in Manchester.

Answering emails from agents: placing offers for their bands, or booking them into venues.

Speak to my gig rep, making sure everything is ok with the gigs they are running.

Sending details of flyers to designers or printers.

Meeting bands at my gigs, making sure important ones are treated well.

Any hints or tips at all

Look at what is going on around you, and think of small but important ways you can improve on what other people are doing.

When you're starting out, you need to do every job as well as you can. Dont take on too much, and risk harming your reputation

Don't get upset when problems arise. This is inevitable, but just think once you've dealt with the problem once, when it arises again, you'll easily be able to find the solution.

WANT TO KNOW MORE?

LINKS

New Deal for Musicians has no responsibility for or control of the following sites. The inclusion of any site does not necessarily imply New Deal for Musicians approval of the site. To access any of the sites please click on the link or search using keywords from the name of the link.

www.dfes.gov.uk/ukonlinecentres/ Find Internet access that's close to you.

www.gig-guide.co.uk/index.html Information on gigs in the UK
www.vocalist.org.uk/musicians_job_listings. html Music industry job listings
www.ukbands.net/index.php Information portal for bands
www.entsweb.co.uk/directories/ UK Directory of music sites
www.musictank.co.uk Online music business network and information site
www.mcps-prs-alliance.co.uk Website for the UK Collection societies whose members are songwriters, composers and music publishers
www.bbc.co.uk/radio1/onemusic Loads of relevant information about moving forward in the music business
www.bbc.co.uk/radio2/soldonsong/guide/ Sold on Song's guide to songwriting and the music business
www.getsigned.com Tips and advice on the music industry – US based site.
www.bemuso.com A comprehensive resource site for independent artists, DIY record labels and self-publishers. Information and opinions about the music

industry. Lots of stuff on doing it yourself.

BOOKS AND MAGAZINES

Guide to Survival & Success in the Music Business

The Association of Independent Music's guide to the business in an interactive CD-Rom format. Available from www.musicindie.org - free to members

The Music Management Bible

Music Managers Forum

Publisher: Sanctuary Publishing

ISBN: 1844920259

MORE TASKS

- 1 If you feel that you would like to promote your own events, try answering the following questions:
 - Is the venue recognised?
 - Is it easy to get there?
 - Are the drinks well priced?
 - Is the fee competitive?
 - Can I tap into an existing event? (If you can find an existing event that you can piggyback onto, it will make it easier for you when you get started)
- 2 Draw up an itinerary and a budget for a short tour of four gigs (one local and three out of town). Remember to include travel, accommodation, per diems etc.
- 3 Find an act from another town that you could possibly swap gigs with.
- 4 Compile a list of ten venues nationally, at which you could play.
- 5 Find an act with that you could share a gig venture.
- 6 Find out about T-shirt printers and wholesalers. Find out how much it would cost to design and print 100 T-shirts.
- 7 Find out about two sound engineers who would be willing to do your live sound. How much do they charge?
- 8 Look on the MCPS PRS web site to find out how money is paid to songwriters for live shows. How much does it cost to become a member and what criteria must you meet?

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