

8 STEPS TO PROFITING FROM DIGITAL MUSIC DISTRIBUTION



Digital Distribution makes it easy for musicians in the Caribbean to place their music before a worldwide audience and profit from additional royalties. Here we outline the stages of preparing to monetize your music through digital distribution.

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1 SELECTING AN AGGREGATOR

Individual artists will require the services of a digital aggregator to assist them with preparing and uploading their music for digital distribution. Examples of popular digital aggregators include: Tunecore, CD Baby, and Symphonic Distribution. Aggregators may either charge an upfront fee (sometimes an annual fee) or a percentage of royalties or both.

2 SELECT YOUR FORMAT

The digital aggregator will provide guidelines with respect to the appropriate format for your songs (usually .WAV, .AIFF or FLAC files) and artwork. You will also need a UPC Barcode and ISRC Code. These are usually provided for free, but you are advised to get your own unique codes.



3 OBTAIN BARCODE

The digital aggregators will also require a barcode for your release. There are two types of barcodes, however, the UPC (Universal Product Code) is considered better for the US market. Barcodes are provided by the digital aggregator but artist may also purchase their own.

4 SECURE ISRC CODES

An ISRC Code is a unique 'digital fingerprint' that stays with an individual recorded track forever. Digital aggregators can issue ISRC codes for recordings, but, it is recommended that owners of sound recordings obtain their own codes that are aligned to their countries of origin.



5 IDENTIFY TYPES OF ROYALTIES

Monetary compensation is due to you in the form of royalties for use of your songs by online music services. Typical royalties include mechanical royalties for copying your songs onto the servers for streaming or download, in addition to performance royalties in the case of streaming services making your music available to the public. Royalties are also due to the owners of sound recordings (Master royalties).

6 GO AFTER YOUR MONEY

The digital aggregators listed in 1 above are now offering services that collect mechanical royalties for online uses of your songs. In the case of performance royalties, legal digital services will have licenses from Performing rights organisations (PRO) in their territories. These PROs will then remit these royalties to your local partner agency. (eg COTT in T&T)



7 SECURE YOUR MASTER ROYALTIES

Owners of sound recordings, are compensated from the actual sale and streaming of the recordings and paid by the digital aggregator. In terms of digital performance royalties for artists and owners of sound recordings, SoundExchange is the agency that collects this revenue for uses of your recordings in the US by Internet Radio companies and services such as Pandora which are non- interactive (the user cannot determine what they want to hear on demand).

8 DEVELOP COLLECTION STRATEGY WITH YOUR LOCAL AGENCY

It is recommended that songwriters and composers who are members of COTT and other regional agencies with reciprocal partnerships have a discussion with their agency on the best path to follow in terms of collection of revenue from international sources.

