

have claimed this Directive will help creators and rights owners produce more world-beating music which in turn will feed the online 'pipes!' he stresses. "I believe that we will now begin to see greater co-operation across the creative industries with online services which will ultimately be to the benefit of all, including the consumer who will see even more choice and exciting new artists and writers emerge."

He adds: "The MMA similarly promised to herald in a brand new era for creators in the US and across the world. The recent appeal by Spotify, Amazon and other digital services (with the notable exclusion of Apple) has really dented our expectations and I am still trying to understand why these companies feel that 'screwing' writers and publishers in this way is either acceptable or productive in the long run. Their services depend on the creativity and the content that our writers and publishers produce; without new music they do not have a sustainable business model. I am personally very disappointed by this retrograde step."

The sync world is another area everyone is keeping a close eye on. Alex Kassner, for one, notes the "significant" sync fees that have come in "from places such as Chile, China and Russia and we had our first ever sync in the Lebanon".

Elderton says PeerMusic represents close to, "500,000 works in many territories" and points to their recent acquisition of Accorder Music as giving them access to over 100 production companies who want access to their repertoire which they, in turn, administer their rights including the theme music to many well known TV shows such as The Chase and The Great British Bake Off. Nor are they the only ones placing more importance in the sync world.

"Sync is very key to what I do, but I have some very well known songs which are attractive for syncs," says Fogarty. "Obviously having a share of Uptown Funk I have seen some extraordinary sync activity. However, it is very, very tough to get sync activity for lesser known works and indeed, even when I push relatively well known works it is hard, because music supervisors already have, in my experience, fixed ideas of what they want."

Fogarty continues: "I am very proud of a recent sync for our A\$AP Rocky featuring Rod Stewart song, Everyday, which was recently used in an Indian rap-flavoured movie, Gully Boy. Everyday was produced by Mark Ronson and samples Rod Stewart's vocals from the classic recording In A Broken Dream – NSA owns both master and publishing. So a rap god samples a rock god and the work gets into an Indian movie based around rap which shows that music has no boundaries – Rod goes to Bollywood!"

One thing Meehan stresses is the importance of recognising the potential value in all copyrights,

not just the "obviously syncable" ones.

"Whoever successfully solves the Rubik's Cube that is micro-licensing to user-generated content platforms is destined to be a king within the industry," Meehan predicts. "It's easy to turn your nose up at a licence fee of £1, but when three hundred hours of video are being uploaded every single minute on YouTube alone, there is a huge untapped market there. We're working closely with several partners to try and monetise it properly for our writers."

Yet, just as revenue streams continue to grow, so too does the market continue to consolidate. One thing that's striking is that indie publishers plan on remaining just that: *independent*.

"I've already sold my previous company, Minder Music, in 2015," says Fogarty. "Now I'm focused on acquiring works and building a new catalogue. I have no intention of selling anything at the moment."

"There's a lot of interest in the independent sector which, if you're a growing international company in that space, will naturally attract all kinds of offers," says Meehan. "At the moment, it is far more exciting to be a part of the sector than to sell. I think that strategic offers of global alignment are interesting and will continue to be ones that will be attractive to Sentric when they are on the table. We are here to empower and enable the creatives we represent, and that needs to be reflected in the deals we make and the partnerships we form."

At Kassner Associated Publishers, it's not just an indie affair – it's family.

"We are always being asked whether we want to sell but we are a family business in its third generation and would love to continue to a fourth," says Kassner. "There is so much history underpinning what we have built here over 75 years and if we were to sell that would be extinguished overnight, so we intend to keep it going for as long as possible."

"We seem to be approached more often than ever these days," concurs Elderton. "We have picked up a number of very important catalogues over the last few years and I probably get a call once a week on average from a lawyer or writer who is in the process of moving their catalogues and looking to put them with an active publisher with whom they can form a long term relationship."

"PeerMusic has been in business since its inception in 1927," he concludes. "With our international footprint, our own state of the art royalty and copyright systems (IRIS), excellent staff and executives, we are very well placed to benefit from the fall out of rights that inevitably happens when there is consolidation in the market."

So, yes, as Martin Bandier said, it may well be a "competitive" business, but by the sounds of it, indie publishers are punching above their weight.



"There's a huge space for indies who are ready to develop and nurture raw talent"

ALEX KASSNER
KASSNER ASSOCIATED
PUBLISHERS

THE FINAL ACCOUNTDOWN

Colin Young, founder and director of the Music Week Award-nominated chartered accountants and registered auditors, **CC Young & Co**, explains the importance of good accounting for indie publishers in 2019 and beyond....



Young at heart: Colin Young

"Good accounting for the independent publisher comprises three elements: 1) Completeness of income. 2) Timely delivery. 3) True and fair royalty statements. When I consider completeness of income to the songwriter, I view the objective of a good publisher to extend beyond the accounting on net receipts basis. I maintain that the obligations include ensuring a completeness of income. The publishers needs to effectively register the song, get out there and collect the income. Effective publishing is not a passive pursuit."

"With the advent of streaming, the billions of transactions multiplied by 17 bits of data attributable to each stream, multiplied by two as a consequence of part of the stream being classified as a mechanical, and part of the stream being classified as a public performance, mean that accounting is a challenge."

"Effective publishing is not a passive pursuit"

COLIN YOUNG,
CC YOUNG & CO

"The process of royalty tracking requires diligence, technical ability, sophisticated software and a big, big server. Only then is the publisher able to identify errors and omissions and ensure their remedy and the collection of outstanding royalties. This procedure requires a want for detail, a lust for numbers and a good accountant."

"Timing is everything. Delay in collection will harbour deficiency of income. YouTube strips the data after 30 days. No claim, no revenue."

"Don't assume the PROs are accurate, timely or complete. Often the initial registrations are inaccurate, sometimes as a consequence of a failing of registration by the publisher. Sometimes as a consequence of the transfer of registration data between reciprocal PROs, sometimes a failing between PROs to declare the income data accurately."

"The delay in distribution of royalties to the songwriter delivers unnecessary financial strain and is often indicative of poor accounting as a consequence of insufficient resources. As a rule of thumb: if they're late twice, audit."

"The collection and distribution of royalties needs to be accurate, complete and in accordance with the songwriter's agreement. For an independent publisher to be a credible and attractive proposition for future songwriters, the royalty accounting needs to be prepared with the fundamental objectives of producing a statement that is true, fair, accurate every time and delivered on time."