# **Basic Steps to Publishing**

By Susan Fontaine Godwin

When a songwriter creates an original music composition (music only or music with lyrics), the writer owns 100% of the song, until such time as he or she decides to assign or convey the song to another party, such as a music publisher. As the creator of the song, you are both the songwriter and the publisher, until you sign a songwriter agreement with a music publisher and give up the role of the publisher to that company. In most cases, that means that you assign 100% of the song to the music publisher with the agreement that you will always receive 50% of all revenue received by the publisher, and they will retain 50%. In this business relationship you are the writer, and the music company is the publisher. If you have co-written a song, be sure that you and the co-writers sign a simple letter of agreement stating what percentage of the song each writer owns, as well as who wrote the lyrics and who wrote the music. Then each writer is responsible for management of their percentage of the song, and each writer decides whether or not he or she wants to assign their song to a publisher.

If you are not a writer, but you are an individual or organization, such as a church, ministry or school that wants to start a publishing company to help promote and publish writers' songs, you would follow the same steps in setting up a publishing company. If you want to start a publishing business, where do you begin? As you develop and organize your publishing company, you may require professional help from an attorney, accountant or administrator, but here are some basic guidelines and simple steps you can follow to get the ball rolling.

### © Do I need to set up my publishing as a business?

Set up a music publishing business in accordance with the local laws of the state, city and/or country in which you reside. This may be as simple as establishing a sole proprietorship with a "doing business as" (dba) company name by obtaining a business license and setting up a bank account under the business name. You may choose to establish an LLC (limited liability company) or "S" corporation, which will be more complicated and may require the services of an accountant and/or attorney. If you want to set it up under a non-profit 501-C, you may do so, but once again there are tax and legal considerations in how you decide to structure it.

#### © How do I know what song catalog names are available?

Before you determine the name of your publishing catalog, the first step is to become affiliated as a publisher with a Performance Rights Organization (PRO), either ASCAP, BMI or SESAC in the U.S. You must first get your name of choice approved by the PRO of affiliation. You can apply for a PRO publishing name as a "sole proprietor," "partnership" or "corporation" business. Applications can be submitted by mail, fax or online. The application asks you to list three different names, in order of preference. You should hear within 2-3 weeks which name has been approved. Your business company name does not have to be the same as the publishing catalog name, but once it has been cleared by your PRO, you may use that name for your business name as well. If you are a writer and you're not already affiliated with a PRO as a writer, you should apply for writer membership as well. You will have two different applications and accounts set up for writer and publisher affiliation.

#### © Do I need to affiliate with more than one PRO?

Only if you are a publisher, and only if you have writers affiliated with more than one PRO. The publisher's PRO affiliation is determined by the publisher's songwriter(s) PRO affiliation; i.e., if one of the publisher's songs is written by a songwriter who is affiliated with BMI, then the publisher must register the song with the BMI publishing catalog. This may necessitate



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the publisher setting up at least three different publishing catalogs, one with each PRO. If all of your songwriters are with one PRO when you begin your publishing company, you can start with one publishing catalog with that PRO. As soon as you add a songwriter with a different PRO, however, you will need to affiliate with that PRO.

## © Are my catalog names different from my business name?

One name for the publishing business ... several names for publishing catalogs. This is why your publishing company name may be different than the publishing catalogs.

For example, Integrity Media, Inc. has several publishing catalogs:

- 1) Integrity's Hosanna! Music for ASCAP
- 2) Integrity's Praise! Music for BMI and
- 3) Integrity's Alleluia! Music for SESAC.

### © Non-profit ministry vs. for-profit publishing?

If you have a non-profit ministry, there are some important advantages to setting up your publishing company as a for-profit company, separate from the non-profit ministry. The IRS places many limitations and restrictions on a non-profit publishing company. It is advisable to consult with an accountant and possibly an attorney regarding what's best for your particular situation.

### © How do I get my songs set up with CCLI?

If your publishing copyrights are songs that may be used in church services, it's wise to affiliate your publishing company with CCLI and register your songs with their program. Inclusion of your songs in the CCLI SongSelect program for sheet music is determined and approved by CCLI based on church song activity reports and in the past required at least five churches to report use of your song(s).

Per their website, to become a registered Copyright Owner with <u>CCLI</u>, you need to complete an Owner Agreement and there is a one time fee.

# © Can I handle all the administration myself for my songs?

Determine if you will do song publishing administration in-house or assign it to a professional administration company. There are a lot of details that go into managing songs, including:

- 1) registration of songs with CCLI, PROs, US Copyright Office and overseas;
- 2) negotiating and issuing licenses;
- 3) collection and disbursement of royalties, and
- 4) protection of your copyrights.

