

# TOP 10 Reasons Artists Don't Register with SoundExchange (and 10 reasons you should)

It's no secret that there are lots of artists (and labels) who have money waiting at soundexchange, and we get asked all the time: "Why wouldn't someone register to receive their royalties?" So below, we've listed the reasons we hear most often, along with the answers we give to each one. Here's a hint before you even get started: **There's no reason not to register.**

## 1. Too good to be true: Believe SoundExchange isn't for real, or that there are strings/payments attached to money.

We hear this one a lot. We've all received emails from third-world "princes" and mailings about free cruises or sweepstakes winnings. So when artists hear about SoundExchange, even from people they know, sometimes they disregard it as 'too good to be true!' Well, we're glad to be able to reassure you: SoundExchange is very real, and so is the money we distribute to artists and copyright holders: Since its 2001 inception, SoundExchange has distributed more than \$900 million\*. Registration and membership with SoundExchange are always 100% free, don't impact your rights to your tracks, and won't prevent you from making private licensing deals with any music-using service. We're a non-profit, and we just want to get you the money you've already earned.

## 2. Lack of education: Don't understand what SoundExchange is, where this right/royalty/revenue comes from.

SoundExchange, the non-profit performance rights organization (PROs) which collects and distributes digital performance royalties, is relatively young. Even the artists' and copyright holders' right to be paid a royalty when sound recordings are used has only been around since 1995. Many people who might potentially receive these royalties don't know how these royalties are generated, don't know that they're entitled to collect them, or don't know how to go about claiming their share. Check out our history and how it works [here](#).

## 3. Lack of differentiation between copyrights/performance rights organizations (PROs): Believe that ASCAP, BMI, and SESAC membership covers all performance royalties for them, or believe that registering with SoundExchange will jeopardize other PRO status.

Many artists we talk to are members of [ASCAP](#), [BMI](#) or [SESAC](#), and think that either these organizations cover the same rights as SoundExchange, or that signing up with SoundExchange will somehow jeopardize their membership with these other performance rights organizations. Neither is true. Our friends at ASCAP, BMI, and SESAC pay songwriters and publishers. SoundExchange compensates performers and copyright owners for the sound recording itself. If you're both the performer and the songwriter, you get paid twice. Either way, all performers who also write music should be signed up with either ASCAP, BMI, or SESAC, and ALSO with SoundExchange. They're two separate sources of money and are not in conflict.

## 4. Procrastination/confusion: Have heard about SoundExchange or performance royalties, but haven't gotten around to filling out the forms, believe the registration process is cumbersome or complicated, or have forgotten they meant to do it.

The SoundExchange staff talks to people every day about registering to receive these royalties. But even after several personal contacts from our staff and in many cases, their own friends who are also getting paid, an astounding number of people haven't done it. Whether they haven't gotten around to it, or because they're intimidated by the forms, they don't register.

We know that registering with SoundExchange can sound a little complicated. Realistically, we can't control the kinds of information we need, like personal data and tax forms, because we're independently audited and because these royalties are taxable income. Plus, we need to ensure that we are paying the correct person. Our customer care team will work with you to help make the process as easy as possible.

Registration is the only way to claim the royalties you've earned, and it's your responsibility to make getting paid a priority!



## **5. Low/incorrect expectations: Potential registrant does not register because they think they will not have a large enough check to warrant the effort, didn't know digital plays could earn royalties, or believe only big-name artists are eligible.**

Because of the proliferation of satellite and Internet radio, independent and up-and-coming artists are getting more play than ever before, and under the law which governs digital performance royalties, an up-and-coming guitarist gets exactly the same per-track rate as the biggest international star. SoundExchange has tens of thousands of artists registered – many of whom aren't full-time musicians. Not everyone gets hundred-thousand dollar checks, but whether you've got \$40, \$500, or \$3,000 waiting, it's money you've already earned. And once you're registered, you'll be paid quarterly every time you're owed, so the money will keep trickling, flowing, or pouring in!

## **6. Data confusion: Inability to provide data SoundExchange requires, or which they believe SoundExchange requires: ISRC codes, tax ID for band, royalty splits, etc.**

While SoundExchange's account services team appreciates having all the data we can, in order to make sure everyone's paid efficiently and fairly, we don't require any of these items for registration. Most of the information we need is easy to find, and doesn't require any legal knowledge. If you register and something's missing, we'll get in touch. Don't let it stop you from signing up.

## **7. Registration confusion: Potential registrant believes that they are already signed up because a band mate is signed up, they believed their manager signed them up, or thinks registering to use the PLAYS database is the same as registration.**

If your band or group isn't registered as a legal entity (e.g. [The Electric Amoebas, Inc.](#)), each member should register individually. One performer's registration doesn't automatically sign up his band mates. We have lots of money for groups where only one member has signed up, and the remaining portions of the money are waiting at SoundExchange for the other members to claim them.

If you believe someone else has signed you up, call SoundExchange and make sure. Also, many artists have registered to use our [PLAYS](#) database, which does collect a bit of personal information, but is NOT the same as registering to receive your royalties.

If you're not registered, get registered. If you are registered, tell a band mate or a friend. If you're not sure, check.

## **8. Recipient rights confusion: Potential registrant believes they are not eligible to register solo because they don't own the masters, are under contract with a label, and/or are no longer in contact with their band mates.**

No matter what your agreement with a label, the featured performer or group on a track is entitled to 45% of SoundExchange royalties. That portion is paid directly to the artist, no matter who owns the masters. The law that governs SoundExchange's distribution of royalties supersedes private agreements, and digital performance royalties are not recoupable. If you're no longer in touch with your old band mates and don't know what your split is, register with SoundExchange anyway. We will give an even portion to each member unless there's a conflict. All you have to do receive it is register.

## **9. Inaccessible artists: Artist has left the business or is deceased.**

Music is immortal; people and careers aren't. SoundExchange collects royalties for every track played – that includes the tracks of artists who haven't picked up an instrument in 20 years, who've long since given up their industry contacts, and even those who've passed away. Heirs and estates are still eligible to be paid these royalties, but it's even more difficult for people outside the music industry to hear about SoundExchange and digital royalties.

## **10. The artist doesn't like money? They think they're already overpaid? They're too busy caring for their pet rocks to fill out the forms?**

Honestly, we're not sure why it's so hard to get artists to register to receive their royalties. The best way to sway people is by word-of-mouth: that is, when someone they know and trust tells them about royalties from SoundExchange. So help us spread the word, and we can help every artist get paid when they get played.

Register at [www.soundexchange.com](http://www.soundexchange.com) today!

\*All statistics and content valid as of 12/15/11