

Welcome to Liva Music

Music Publishing - Music Production - Songwriting - Artist Development - Label and more!

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Mechanical licence here in Europe and Australia

Collecting mechanical licence works a bit different here in Europe and Australia than it works in the USA.

The main difference is this:

The PRO's from each country has the sole right to collect the mechanical licence in their country.

For example:

When an artist is releasing a CD in Germany then GEMA (the PRO from Germany) has the sole right to collect the money for the mechanical licence.

As publisher I can't send out a mechanical licence to an artist if he/she releases a CD in Europe or Australia.

But how can I collect the mechanical money for you if I cut one of your songs?

Liva Music is member with SUISA (the PRO here in Switzerland)

When the cut is here in Switzerland then SUISA will collect the money and since the song is registered with SUISA they will know where to send the money.

Since the US-PRO's are just taking care of the performing rights, SUISA suggested to me to put this clause into the contract for deals with US-songwriters:

5.1.2 PUBLISHER will collect 100% of the mechanical rights from SUISA.

PUBLISHER shall transfer the remuneration according to the agreed distribution key, to OWNER within 30 days of receiving the SUISA statement of account.

With this clause SUISA will send me the money from the mechanical licence and I can send you your part. SUISA has their settlement dates online:

<http://www.suisa.ch/en/> and then you can enter „settlements 2016“ into the search field.

The performing royalties will go direct from SUISA to your PRO in USA.

But how does it work when the cut is in a foreign country?

Let's say the cut is in Germany.

GEMA will collect the money. I'll let SUISA know about the cut in Germany and they will contact GEMA. This way GEMA will know that the song is registered with SUISA and they will know where they have to send the money.

It will take a bit longer until I receive the money since most PRO's just send the money for mechanical licence once per year. Usually I should receive the money within one year but some times it can take longer.

Songwriters asked me this:

„Why can't you charge for a minimum amount of CD's, like 1000 CD's, even if the artist will just press 500 CD's?“

A lawyer from SUISA wrote me this:

Here in Europe (and also Australia since they work similarly) I can't do that. It would be against the law since the law says: The PRO's have the sole right to handle the mechanical licence.

The only way for me would be this:

I do a new contract with SUISA that says that they are just allowed to collect the performings for me and that I handle the mechanical myself.

But then I could just do contracts with songwriters who aren't member with a PRO since the law says that SUISA has the right to collect the money for all songwriters who are member with a PRO. SUISA has reciprocity agreements with most other PRO's. This means:

Reciprocity agreements empower the rights management societies to license their partners' repertoires in their own territory.

You'll find more info about it here:

<http://www.suisa.ch/en/suisa/die-genossenschaft/unsere-partner/international/>

Finally I couldn't work with PRO-Songwriters anymore which is something that I don't want. All songwriters that I work with are members with a PRO!!

And another point is this:

The PRO's here in Europe have deals with itunes and most other download stores. It works well here in Europe. It would be impossible for me to collect that money for you and my PRO wouldn't do that for me either if I would put mechanical rights out of the contract that I have with them.

All in all it means:

The artist has to pay mechanical licence just for the amount of CD's he wants to press.

I don't have any option to change that!

Even if this is a disadvantage compared to how it works in the USA – cuts in Europe can also have some advantages.

Read more about it in the file:

Liva Music_How SUISA (PRO from Switzerland) is collecting money from live performances.pdf

Liva Music
is looking forward to
working with you!

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