

performance royalties
advances
live shows
licensing
retail sales

merchandise
commissions
fan support
synch licensing
grants

Artist Revenue Streams | Case Study



Indie Rock Composer-Performer

The following case study looks at 2008–2011 income for an Indie Rock Composer-Performer, who writes, records and performs his own music and regularly tours the US and abroad. From 2008–2010 he spent a significant amount of time as a salaried member of two different independent rock bands that actively toured the US and abroad, and typically played festivals and large rock clubs. When he tours his solo work, he performs in night clubs, galleries, pubs, art centers, museums, small theaters, and bars. The artist has formal training in composition and music. He has appeared on fourteen records as a leader, 32 records as a band member and 27 records as a sideman. He manages his own tours and those of the various ensembles that he co-leads. He sometimes works with a booking agent for his solo tours in Europe. He has non-exclusive relationships with several independent record labels. He is a member of AFTRA, SoundExchange and ASCAP. He is self-employed, does not have health insurance, and has no pension.

This case study includes time series chart of income 2008–2011, revenue pies for each of the years 2008–2011, and an analysis of income versus expenses across time. It also includes analyses of income by band, income by role, and a breakdown of PRO royalties.

PRIMARY GENRE

Rock

SECONDARY GENRES

World

Avant

Folk Rock

ROLES

Performer

Composer

Bandleader

Sideman

Session Musician

YEARS ACTIVE

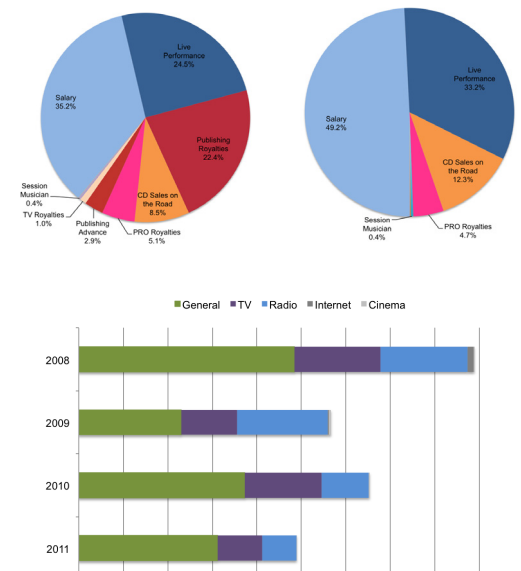
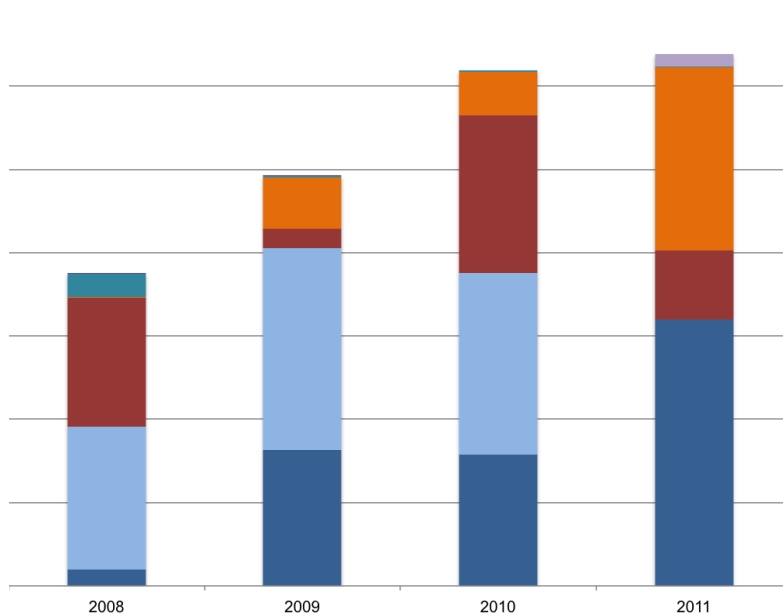
1999 – present

TIME SPENT ON MUSIC

100%

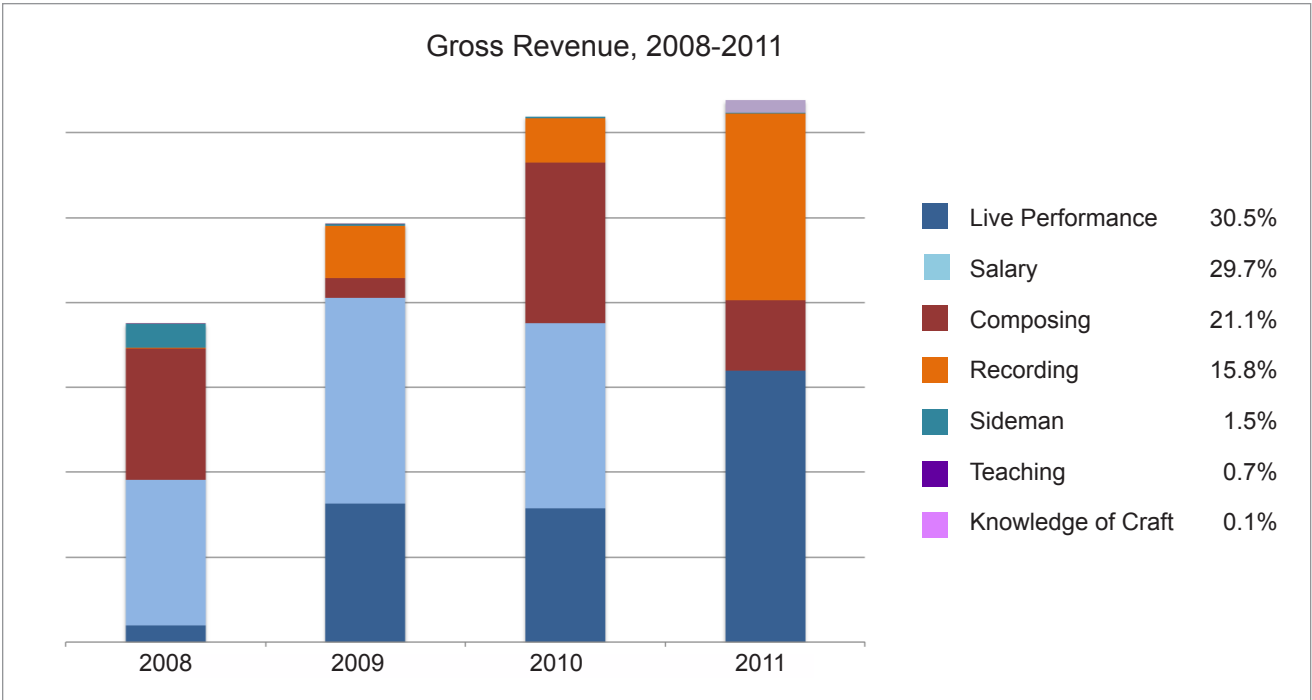
INCOME DERIVED FROM MUSIC

100%



Gross Revenue

This section reviews overall gross revenue numbers for 2008-2011 for the Indie Rock Composer, as well as definitions for each category.



From 2008-2011, 30.5% of his income came from performance fees for solo shows. He made approximately the same amount of money – 29.7% – during this period as a salaried member of two different bands. Both bands paid him a consistent salary that drew from each band’s respective corporate fund. 21.2% of his income was derived from compositions; 15.0% for publishing related income – both advances and royalties – for one of the salaried bands, for which he wrote many of their songs, and 6.2% in PRO royalties. CD sales and record royalties comprised 12.1% and 3.5% of his income, respectively. The remaining 2.9% was made up of session musician work (both live and on recordings), income as a producer, TV royalties for television performances, teaching, and SoundExchange royalties.

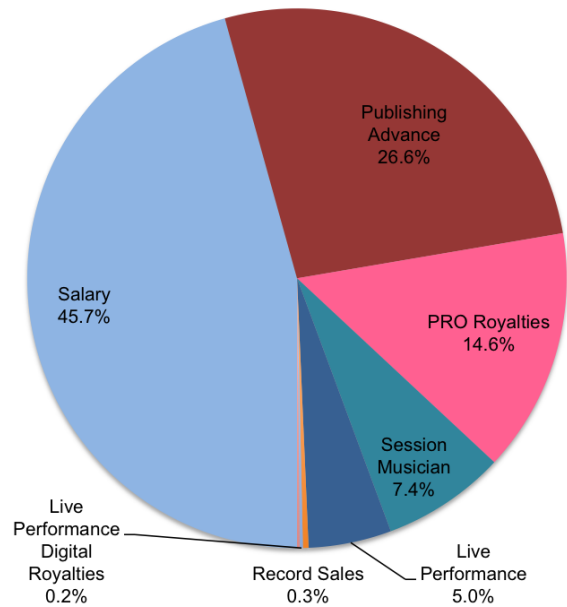
In the next section, we look at gross revenue by year.

Graphs do not have a Y-axis dollar value in order to observe the conditions of our privacy policy. In addition, graphs and visuals in case studies are not comparable within or between case studies. Information detailed in case studies is based on data received directly from the artist or their authorized representative. The data analysis and lessons learned here are based on individual experience, and do not necessarily reflect the experiences of all musicians in genre or roles. Case studies are one of three ways this project is looking at musician income. Learn about methodology at money.futureofmusic.org.

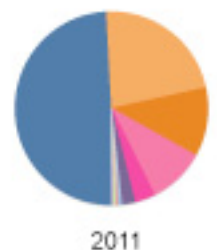
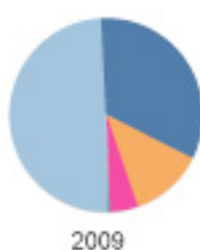
CASE STUDY | Indie Rock Composer-Performer

Gross Revenue, 2008

In 2008, the Indie Rock Composer recorded with Main Band #1, and received a publishing advance for his share of the writing on Main Band's record. He also recorded as a solo artist, and with several other groups as a sideman. His salary, combined with his share of a publishing advance for Main Band, made up 72.3% of his gross income for 2008. He received PRO royalties for his writing credits for Main Band and other groups. He recorded as a sideman, did some arranging work for another group, and also taught private students.



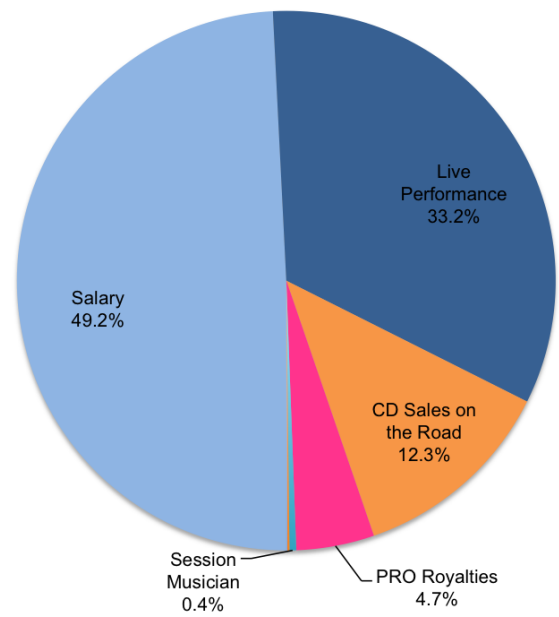
Revenue Category	2008	Details
Salary	45.7%	Contract musician income drawn from Main Band #1's corporate fund. Corporate fund includes accumulated profits from live performance, label advance, record royalties, merchandise sales, licensing and digital SR performance royalties. Artist waived claim to these monies in exchange for his contract salary.
Publisher Payments	26.6%	Advance against songwriting royalties for album recorded in 2008 by Main Band #1
PRO Royalties	14.6%	Songwriting royalties (includes Main Band #1). Artist co-writes songs with other songwriters in Main Band #1. Is primary songwriter in projects he leads
Session Musician	7.4%	Performances in both live and studio settings as a session player
Live Performance	5.0%	Live performance fees as a solo performer and as a bandleader (does not include Main Band #1)
Record Royalties	0.3%	Physical and digital sales of musical recordings
Live Performance Digital Royalties	0.2%	Internet streaming and downloads of a live performance by Main Band #1 through a venue-connected third party digital music service
Teaching	0.2%	Private music lessons



CASE STUDY | Indie Rock Composer-Performer

Gross Revenue, 2009

In 2009, Indie Rock Composer continued to draw a salary from Main Band #1. His solo record was released in 2009 and he toured the US and Europe to support this record. His live performance fees as a solo artist, combined with CDs sold on the road, made up 45.4% of his income that year. He continued to work as a live and studio session player and teacher.



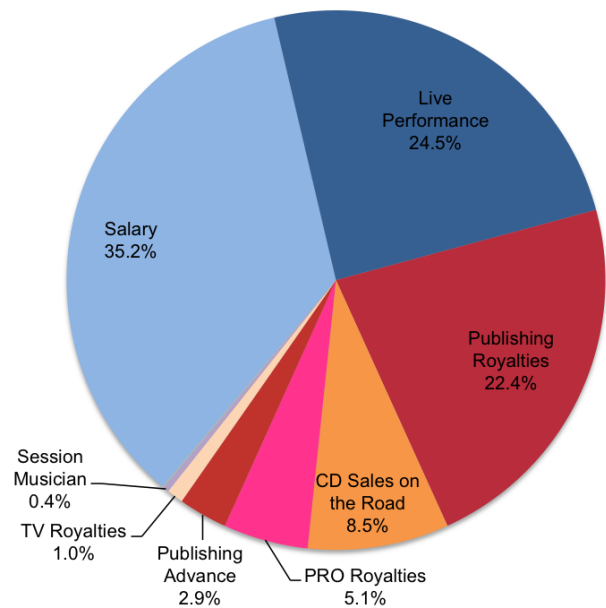
Revenue Category	2009	Details
Salary	49.2%	Contract musician income drawn from Main Band #1's corporate fund. Corporate fund includes accumulated profits from live performance, label advance, record royalties, merchandise sales, licensing and digital SR performance royalties. Artist waived claim to these monies in exchange for his contract salary
Live Performance	33.2%	Live performance fees as a solo performer and as a bandleader (does not include Main Band #1)
CD Sales On Tour	12.3%	Physical and digital sales of musical recordings: solo projects and bandleader
PRO Royalties	4.7%	Songwriting royalties (includes Main Band #1). Artist co-wrote songs with other songwriters in Main Band #1. He is the primary songwriter in projects he leads
Session Musician	0.4%	Performances in both live and studio settings as a session player
Teaching	0.1%	Private music lessons
Record Royalties	0.1%	Physical and digital sales of sound recordings



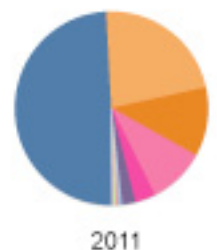
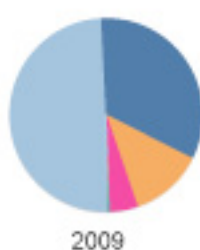
CASE STUDY | Indie Rock Composer-Performer

Gross Revenue, 2010

In 2010, Indie Rock Composer continued to draw a salary from Main Band #1 for the first part of the year (57% of his 2010 salary income), then drew a salary from a second band in the second half of the year (43% of his 2010 salary income). He received publishing royalties and another piece of a publishing advance for Main Band #1, which made up about a quarter of his 2010 income. He toured the US, UK and Europe as a solo artist and his performance fees as a solo artist, combined with CDs sold on the road, made up 33.2% of his income that year. He continued to work as a live and studio session player, and also received AFTRA TV residuals for previous years live TV appearances performing with various bands, including Main Band #1.



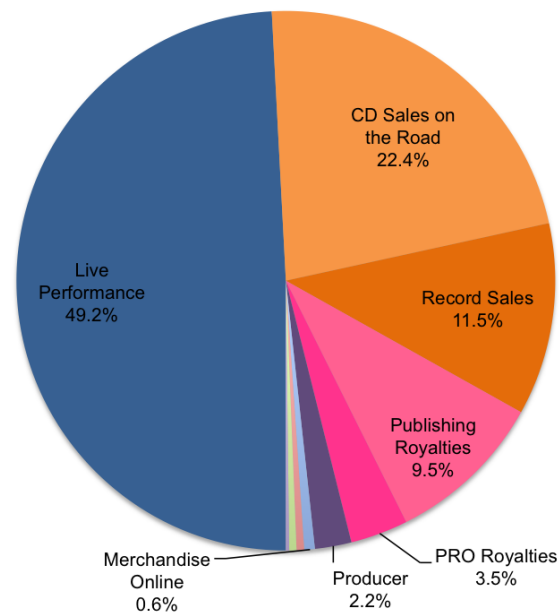
Revenue Category	2010	Details
Salary	35.2%	Contract musician income for two different groups (including Main Band #1)
Live Performance	24.5%	Live performance fees as a solo performer and as a bandleader (does not include Main Band #1)
Publishing Royalties	22.4%	For songs he wrote for Main Band #1
CD Sales On Tour	8.5%	Physical and digital sales of musical recordings: solo projects and bandleader
PRO Royalties	5.1%	Songwriting royalties (includes Main Band #1). Artist co-wrote songs with other songwriters in Main Band #1. He is primary songwriter in projects he leads
Publishing Advance	2.9%	For new songs he wrote for Main Band #1
AFTRA TV Residuals	1.0%	For live TV appearances performing with various bands
Session Musician	0.4%	Performances in both live and studio settings as a session player



CASE STUDY | Indie Rock Composer-Performer

Gross Revenue, 2011

In 2011, Indie Rock Composer earned 72.2% of his income from touring the US and Europe as a solo artist. 21% of his income was from publishing and record royalties from Main Band #1. His PRO royalties included songwriting royalties generated by songs written for Main Band #1, and for his own compositions. He took on work as a producer, working on two projects, which made up 2.2% of his gross income. Other income included a one time acting gig, and AFTRA TV residuals for previous live performances on television shows with a band.



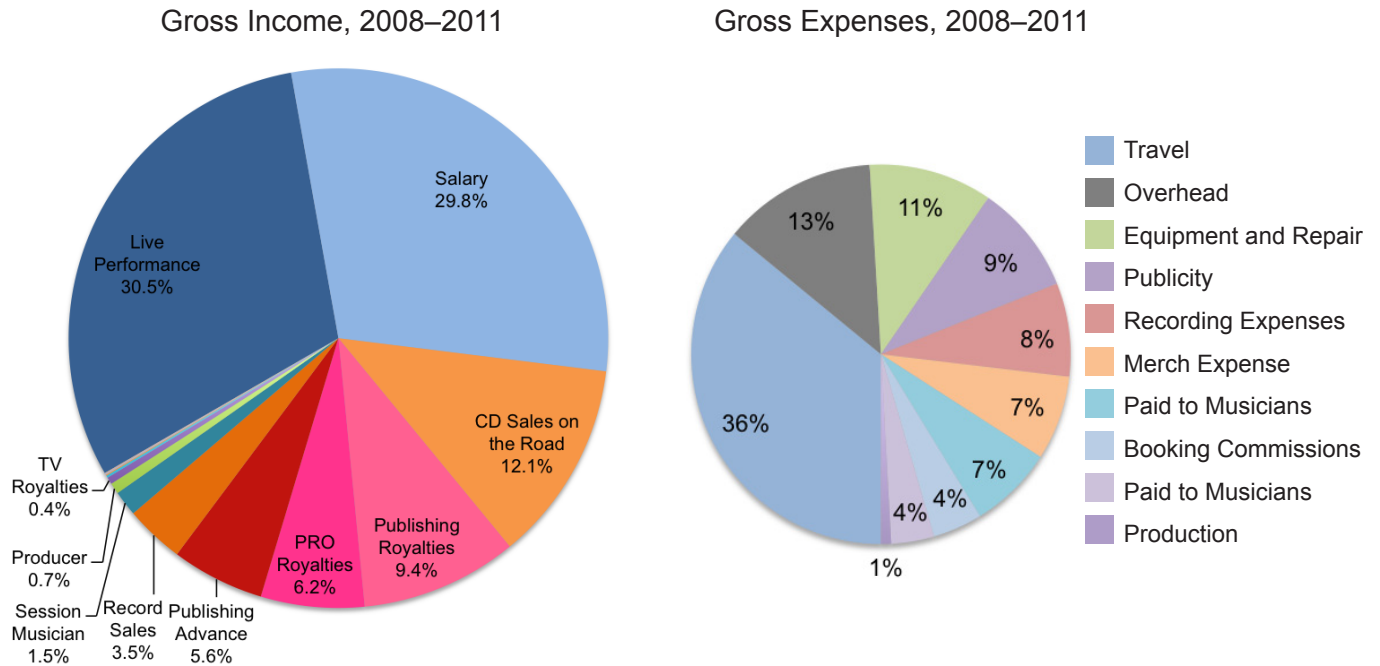
Revenue Category	2011	Details
Live Performance	49.2%	Live performance fees as a solo performer and as a bandleader
CD Sales on Tour	22.4%	Physical and digital sales of musical recordings: solo projects and bandleader
Record Sales	11.5%	For his previous work with Main Band #1, and also digital record sales for his solo projects
Publishing Royalties	9.5%	For songs he wrote for Main Band #1
PRO Royalties	3.5%	Songwriting royalties (includes Main Band #1). Artist co-wrote songs with other songwriters in Main Band #1. He is primary songwriter in projects he leads
Producer	2.2%	Producing records of other bands
Acting	0.5%	One time acting gig
AFTRA TV Residuals	0.4%	For live TV appearances performing with various bands



CASE STUDY | Indie Rock Composer-Performer

Income vs Expenses

The pie charts below show aggregate gross income, and the related expenses for 2008-2011.

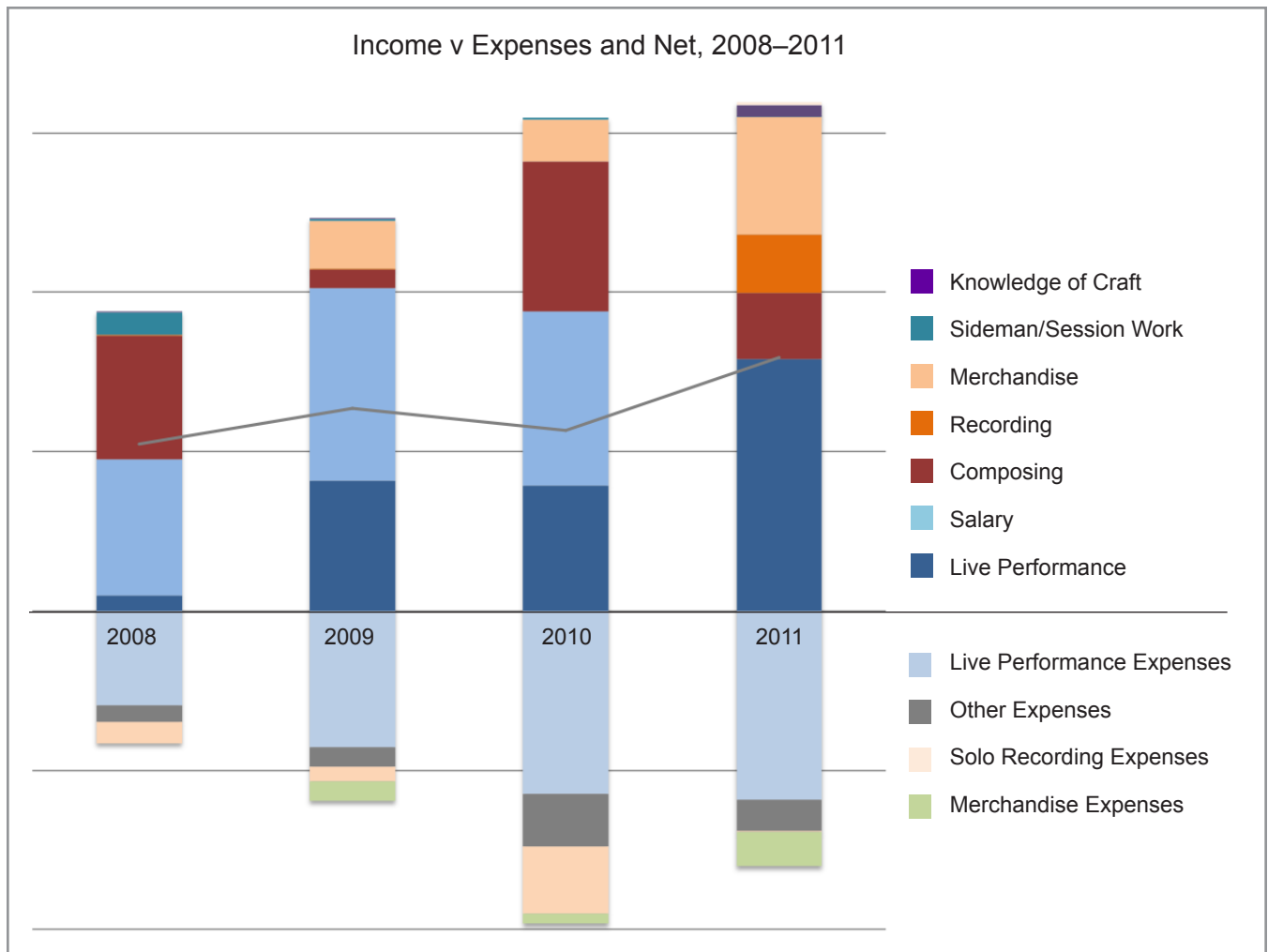


The pie chart for expenses has been scaled visually to represent that expenses consume about 53% of gross income. The table below provides details about expenses from 2008-2011.

Expense Category	2008-2011	Details
Travel	35.8%	Flights, hotels, per diem, local transportation on tour
Overhead	12.7%	Communications expenses, mailing expenses, legal, bank charges, insurance, research, office expenses
Artist Fees Paid	11.1%	Sidemen in live performances and recordings
Equipment Purchase and Repair	10.5%	
Publicity, Marketing and Design	9.3%	Publicity, web hosting, fan management platform, album and merch designs, photography
Recording Expenses	7.9%	Engineers, studio rental, mixing, mastering
Merch Expense	7.2%	Buying CDs at cost, printing cost of merch items, customs, duties
Booking Commissions Paid	4.2%	For his solo tours in Europe and UK
Production	0.9%	Rehearsal space, live production crew
Membership Dues	0.5%	Paid to AFTRA, AAA, AFM

CASE STUDY | Indie Rock Composer-Performer

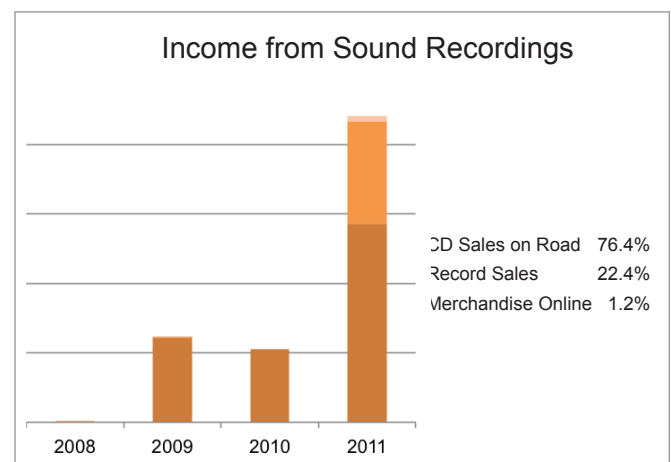
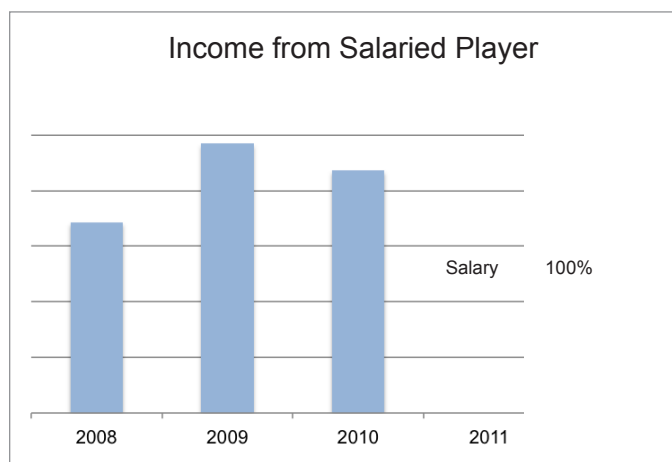
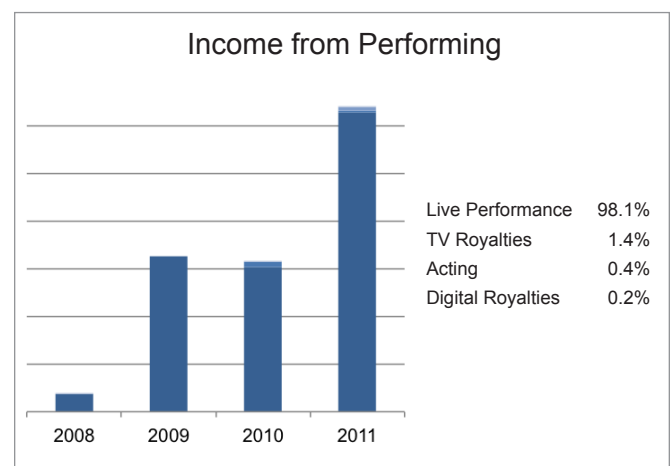
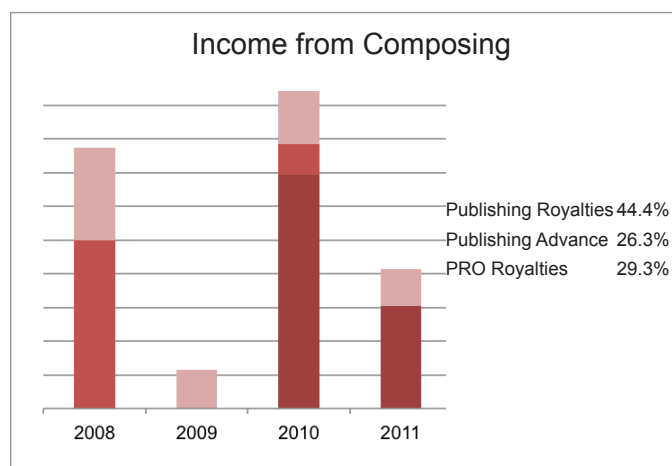
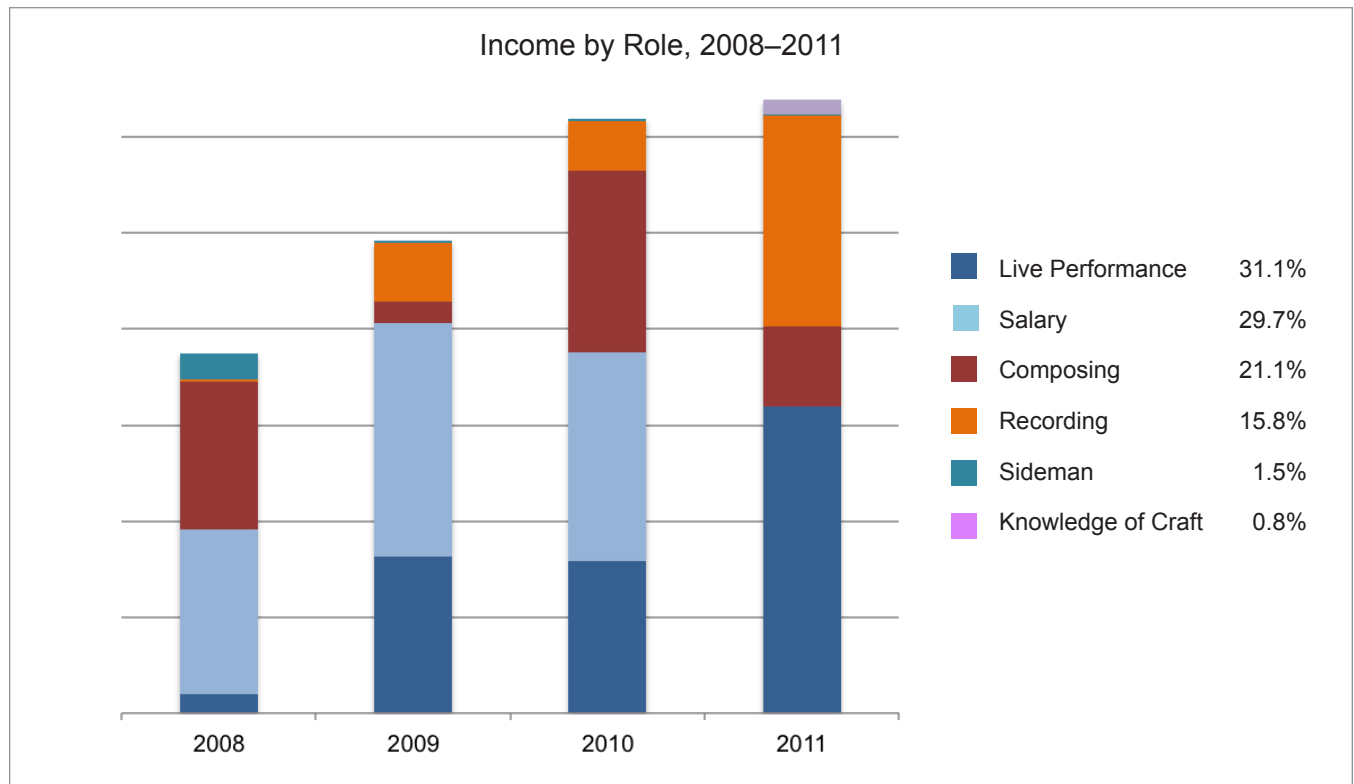
The chart below shows income versus expenses on a year-to-year basis. The grey line indicates net income, which has increased over the four years.



The artist's overall net income in 2011 is 66% greater than his net from 2008. His solo tours became profitable in 2011, after three years of his solo tour activity being subsidized by his other music activities.

On the next page, we break down Indie Rock Sideman's income by role – as a performer, salaried player, composer and recording artist – and provide detail about the income earned by each role in this time period.

CASE STUDY | Indie Rock Composer-Performer



CASE STUDY | Indie Rock Composer-Performer

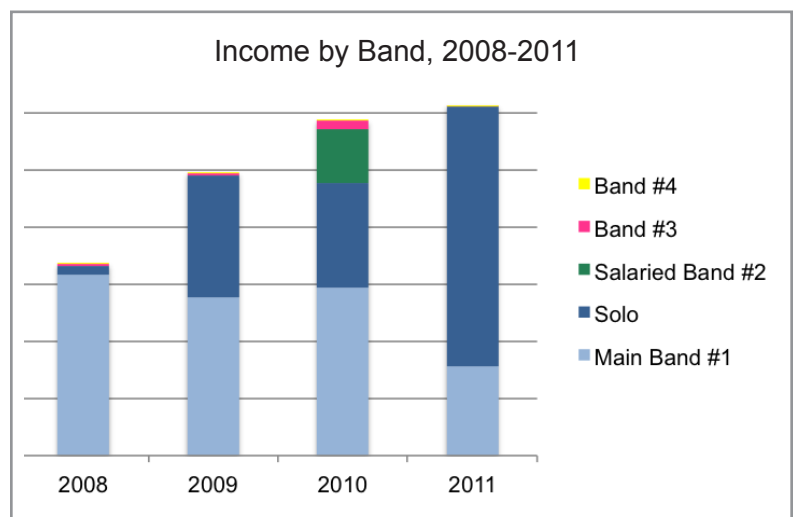
The salary income is the most consistent from year to year out of all of his roles, which he ended in 2011 when he took on more solo performances. The performance income grows steadily as he invests more time and energy into it.

His composing and recording income is less consistent. While there are elements of these roles that stay steady – the PRO royalties and CD sales on the road – the rest of the income in these two areas (71% of his composing money and 22% of his recording money) was tied to his affiliation with Main Band #1, and future income at the same rate is uncertain.

Indie Rock Composer's solo tours are now profitable, though he still receives royalties from his affiliation on Main Band #1. When those royalties run out, he will need a new income source to fill the gap.

Income by Band

This chart and table illustrate Indie Rock Composer's income, broken down by band. From 2008-2011 the artist was a member of four bands and worked as a session musician. Though the artist is involved in four bands and does additional sideman work, most of his income from 2008-2011 was derived from his contract salary with the Main Band #1, and his solo work.

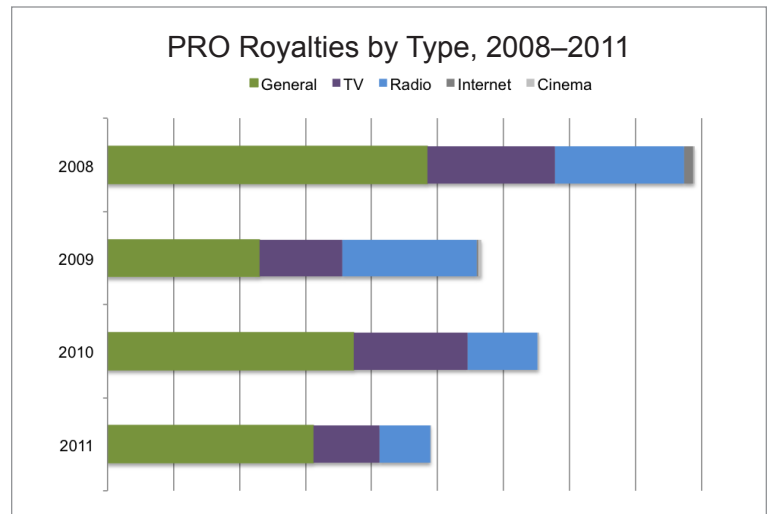


Band	2008	2009	2010	2011	Role	Details
Main Band #1	94.2%	55.9%	50.3%	25.4%	Contract Salary	Salary, publishing advance, publishing royalties, record sales, PRO royalties
Solo	4.4%	43.4%	31.2%	74.5%	Bandleader	Live performance fees, PRO royalties for solo project, CD sales on the road, merchandise sold online, record sales
Salaried Band #2	NA	NA	16.0%	NA	Contract Salary	Salary
Band #3	0.9%	0.7%	2.5%	0.1%	Co-Leader	Live performance, CD sales on the road, PRO royalties
Band #4	0.5%	0.0%	0.0%	0.0%	Member	Live performance, PRO royalties

PRO Royalties by Type

This chart shows Indie Rock Composer's public performance royalties from the US and abroad, broken down by category. 96% of these royalties are income from his share of writing credits for Main Band #1.

The "General" category, which includes use of the music by nightclubs, restaurants, concert halls, hotels, and live performances of the Artist's compositions in UK and European countries, make up the bulk of the royalties.



Type of Use	2008	2009	2010	2011	Details
General	54.5%	40.6%	57.1%	63.7%	Use of music by nightclubs, restaurants, concert halls, hotels, etc. This also includes live performances of the Artist's compositions in UK and European countries – which make up the bulk of the uses for this Artist.
Radio	21.9%	35.9%	16.1%	15.6%	Broadcast radio airplay, and live appearances on radio
Television	21.8%	22.3%	26.4%	20.6%	Use of recorded songs on TV (accompanying sports footage, direct license to shows, incidental music) and music licensed to or composed for films with TV broadcast of those films. Also, live performances of the Artist's compositions on television.
Internet Streaming	1.5%	0.4%	NA	NA	Internet streaming of music and/or performance
Cinema	0.2%	0.8%	0.4%	0.1%	Applicable territories license fee for screenings in movie theaters

Reflections on the Nature of Investment and Work Cycles in Indie Rock

While the finances of the Indie Rock Composer-Performer are particular to this artist, there are a number of things we can learn about artists similar to him based on what is in this report.

Touring is an important revenue stream. For this artist, and many like him, income earned from live performance – either for his solo work or as a hired sideman – is his financial linchpin. Indeed, if he stopped playing shows, his income would plummet.

But this artist also exemplifies the **long-term value of compositions**. In his case, his songwriting contributions to Main Band #1 not only led to publisher advances and publishing

CASE STUDY | Indie Rock Composer-Performer

royalties, but also PRO royalties for at least five years after origination.

There's also an interesting story about **risk and investment**. Main Band #1 has a record label deal, a publishing deal, a booking agent and a manager. This means financial support, but also a significant increase in capacity, as record labels can help promote releases to radio, publishers can seek synch licensing deals, and booking agents can secure higher guarantees. As a salaried band member that also co-wrote many of Main Band #1's songs, our Indie Rock Composer-Sideman benefited from this investment. But this also means there are greater external pressures on the band to actively tour and promote its records, to deliver a return on those investments.

In contrast, his solo work is done with little to no outside investment. Without a label or publishing advance for his solo work, his publishing income, sideman work, and teaching income supplement his own creative output. And, we can see in recent years, the artist has taken on more risk – and greater costs – for a greater financial reward and more creative control. But it's also more difficult to build momentum, because it takes longer to build capital.

This case study provides a detailed look at the revenue streams for a multi-faceted, full time musician. His time as a salaried player with a touring rock band served him well financially, providing him with guaranteed payments for performances, as well as publishing revenue for his contributions to the sound recordings, with very little risk. But, as we see with other case study subjects, there is often a tradeoff between financial risk and creative control. In recent years, Indie Rock Composer-Sideman has taken on greater risk in exchange for more creative input, managing his own recording and touring projects. While he is responsible for all of the costs, he is also the recipient of all of the profits. Luckily for this artist, his choices have served him well.