

# Model Contract Version 2.1

## QUICK START MANUAL

Dear SCGC Member

The first Model Contract template was created nearly twenty years ago, headed by former Guild Board member **Jack Preobrazenski** and then President **Glenn Morley**, with the SOCAN and SODRAC clauses of the day proposed by their respective legal counsel at the time. It started as an insert in the printed version of “Spotting Notes” and then migrated to PDF form on the Guild website.

As the entertainment world has expanded from broadcasting and theatrical distribution to the Internet, we’re all seeing the opportunities and challenges daily for content creators, producers and distributors to figure this all out. We are now living in what has been referred to as “The Wild West” times of the Internet.

The “**Model Contract Version 2**” is a set of updated tools to help you negotiate your next deal in the current marketplace. It consists of a **template contract agreement**, a **deal memo** and a **song license** document. All of them are as up-to-the minute as possible with the latest terms, practices and conditions culled from as many agreements that the SCGC Board and membership could find. It has been updated by a committee of **experienced composers** and **music supervisors** with gracious assistance from the **legal department of SOCAN**.

Remember though, just like before, this package is a “recipe” or “template” for your final draft. It is **not a complete legal document** and you are encouraged to seek professional legal advice for anything you may feel is difficult to negotiate on your own. Here comes the legal part:

**This contract template is not a substitute for competent, independent legal advice. The SCGC accepts no legal liability for the use of any contract wording suggested or included in this document.**

# HOW TO USE THIS PACKAGE

All five documents are in both **PDF** and in **Word** format:

The PDF's are "read only" and contain highlights and comments to explain all the relevant sections and terms. The Word document is your template to download and re-save under a new name. All comments and instructions are removed in the Word documents.

1a- **Model Contract Assignment:** A long form document that is the boilerplate for all forms of screen composition and rights sharing where the copyright is assigned to the producer.

1b- **Model Contract License:** A license deal version where the copyright is retained by the composer. In this version, the composer keeps control of the score but still fulfills all obligations and guarantee's that the producer needs in the contract.

2a- **Deal Memo Assignment:** A less used but very practical alternative that can be a simplified method for you and your producer while still acknowledging that a long form contract can be done in future.

2b- **Deal Memo License:** The license deal version where the copyright is retained by the composer (The short form of 1b above)

3- **Song License:** Used when you are providing cues from your pre-existing library of musical works. This agreement licenses the cue(s) to your producer while you retain all rights for future use in other projects.

In all cases the term "**Contractor**" is used for the composer to emphasize that all of us are independent contractors, not employees as has been improperly suggested in the past.

## WHAT HAS CHANGED

As many of you know, the concept of back-end royalties for television broadcasts is made up of the **publisher's share** and the **writer's share**. These rights, comprising both **Performing Rights** administered by SOCAN, and currently **Broadcast Mechanicals** administered through CMRRA or SODRAC, are set by the Copyright Board of Canada through the lengthy process of Tariff hearings for specific types of broadcast and Internet usages. However, many new technology and Internet companies have argued that streams and downloads “really aren't broadcasts” even though they function the same way including advertising revenue. As a result they have circumvented these obligations for some time.

As legislation is slowly emerging to finally address this, it appears that downloads and streaming rights are following the **Mechanical Rights** model, which has been favoured in the record industry by labels, producers and publishers, but not by artists and composers. These rights also cover theatrical films and DVDs and anyone who works in these mediums knows that back end sharing is simply not enough to earn a sustainable living.

Another form of rights known as **Neighbouring Rights** is being adopted and expanded since it also addresses the **Performer Rights** of the musicians who play the work, as opposed to the **Performing Rights** of the composer. New terms used are the **Performer Share** and the **Maker Share**.

Model Contract Version 2 has tried to address all the above changes to these **core rights** while using open-ended “future proof” terms to keep things as much of a win-win as possible for all parties concerned. It is important to remember that while there are many companies aggressively trying to take away the rights of composers, there are also many producers and distributors who, like all of us, merely want to know what the new rules are. These are people who simply want to continue creating and distributing content while making sure everyone shares the back-end revenues according to what has been legislated. We live in interesting times.

## YOUR RESPONSIBILITIES

You need to be a member of a **Performing Rights Organization** like SOCAN.

You should also consider membership in a **Mechanical Rights Organization** such as SODRAC or PRS.

You should use the **SOCAN cue sheet** whenever possible. If the producer is creating the cue sheet using a different form please compare it to the SOCAN one to ensure all the information is there including the **CAVCO number** which you need to have when working on co-productions. Your CAVCO number certifies that that the production's tax-incentives with other countries are being used correctly and that Canadians are actually being hired.

You need to **understand this contract** and to know what you are asking for as you negotiate the terms of compensation for your music. Negotiation is one of the less enjoyable but vital parts of screen composing. The composer/contractor has to be level-headed, cautious and clear on objectives at all times before, during and after the fun composing part. With the right knowledge, tact and diplomacy one can accomplish this. But if you feel you are not able to be both composer and businessperson, then spend the money on a **qualified lawyer, agent or manager**.

## OUR RESPONSIBILITIES

The Model Contract Committee will update these documents from time to time as new terms or practices become known. As you use these resources, we encourage input from our members to let us know how they are working and what can be improved.

Send your feedback to **tkdedrick@screencomposers.ca** and put "**Model Contract Suggestion**" in your subject line.

## OTHER RESOURCES

The **SCGC Endorsed Rates Initiative** is being released in tandem with this contract package. It is based on data provided by working SCGC members and can help you with rates of payment for various forms of screen composition.

### **BOOKS:**

**The Emerging Film Composer** by Richard Bellis

**The Working Director** and second edition **The Working Film Director**, by Canadian director Charles Wilkinson.

**Complete Guide to Film Scoring: The Art and Business of Writing Music for Movies and TV** by Richard Davis

## THANK YOU'S...

Thanks to all the members of the Model Contract Committee and to the SCGC staff and Board of Directors.

Thank you to everyone at SOCAN, especially Gilles Daigle of Legal Services who spent countless hours vetting these documents.

Thank you to all our SCGC members who have used the Model Contracts in the past and gave us invaluable feedback suggestions and contract examples that resulted in this Version 2.0.

May the Muse be with you!