Behind the music: Publishing deals explained

Peter Kay has won a publishing deal in the guise of his new character Geraldine. But unless publishers do more to encourage new songwriters, the joke will be on us

Helienne Lindvall

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This week, MusicWeek reported that Sony/ATV Music Publishing has signed the Peter Kay character Geraldine to a worldwide music publishing deal for his The Winner Song, co-written by Gary Barlow (also signed to Sony/ATV). It's less a case of art imitating life imitating art than the lines being blurred between the two, I'd say.

Major publishing deals - ie deals that look after your songwriting rights, rather than the recorded versions of your songs (which record labels own) - are hard to come by these days. Publishers tend to blame this on the forced tightening of belts following the fall in physical sales and the low profits from legal downloads. Like the major record companies, they say the margins are slimmer so they prefer to sign writers that are more or less sure bets. But signing a fictional TV character is surely taking it a bit too far.

Since the days of the legendary Brill Building songwriting hothouse, publishers have signed and developed songwriters who were not performers. Many of them, like Burt Bacharach and Hal David, went on to have amazing careers writing for other people.

Publishers have always operated in a different way from record companies. The major labels all have a publishing side and often the publishing side has "propped up" the record side by being more profitable. One of the reasons for this is that it's less costly to sign a writer, so if they don't succeed the loss is lower.

Generally, as you sign a publishing deal, the publisher agrees to pay you a yearly advance in return for owning the copyright for everything you write during the time you're signed. The publisher then takes 100% of the royalties coming in until they've recouped the advance, after which they'll split it with you according to what you've agreed (anything from 50-50 to 80-20 in favour of the writer).

As opposed to record labels who have to spend money on recording albums, marketing, promotion and touring, all the publisher has to pay out is the advance and throw in some travel expenses. An added bonus for the publishers is that they get royalties from airplay all over the world. Performers (and so their labels) don't get any royalties for airplay in the US, as radio over there says it works as a promotional tool for the performing artist and so they shouldn't have to pay them.

Of course, the publisher is also supposed to help get the writer cuts (placing the songs with a recording artist). This, however, has become increasingly difficult, as most recording artists want to be involved in the writing of their material. So, to decrease the risk even more, publishers now almost solely sign producers or recording artists who write (basically, people who can get in on projects through other means). All of which means a pure songwriter like Hal David may struggle to get a publishing deal if he started out today.

Many songwriters now say that publishers are more like banks with a very high interest rate. But if we view the publisher as a bank, it would be a bank that, once you've paid off your mortgage, would still own your house.

Still, I'm grateful that my publisher took a chance on me by giving me the opportunity to focus on songwriting full-time, as they paid me an advance. I couldn't have foreseen that they would get bought by the biggest "bank" in the business and now my "house" is standing somewhere gathering dust without anyone looking after it.

But, hey, Geraldine, the winner of Britain's Got the Pop Factor and Possibly a New Celebrity Jesus Christ Soapstar Superstar Strictly on Ice, just got a publishing deal. She's number two in the singles chart, just above last year's X Factor winner Leon Jackson, and I'm not sure if the joke is on the music business or on us. But unless they spend some of the money that they make from it on developing new songwriters and artists, the losers will be the people who wish we had more artists coming through with the longevity of artists like David Bowie and Led Zeppelin.

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