higher education & training

Department:
Higher Education and Training
REPUBLIC OF SOUTH AFRICA

MARKING GUIDELINE

NATIONAL CERTIFICATE

MUSIC AND BUSINESS STYLES N4

12 NOVEMBER 2018

This marking guideline consists of 6 pages.

Copyright reserved

SECTION A

QUESTION 1

1.1 True
1.2 True
1.3 False
1.4 True
1.5 True
1.6 True
1.7 False
1.8 True
1.9 False
1.10 True
1.11 True
1.12 True
1.13 True
1.14 False
1.15 True

(15 × 2) **[30]**

QUESTION 2

2.1 B
2.2 N
2.3 A
2.4 C
2.5 O
2.6 D
2.7 M
2.8 L
2.9 K
2.10 J
2.11 I
2.12 H
2.13 G
2.14 F
2.15 E

(15 × 2) **[30]**

QUESTION 3

3.1
- A producer combines the roles of a director and producer in the motion picture field.
- He/She is responsible for bringing the creative product into tangible form (a recording),
- which means being responsible for maximising the creative process of finding the selected songs,
- deciding on arrangements,
- such as booking studios, hiring musicians, staying within a budget, filing union reports, et cetera.

3.2
- An advance is almost always defined as a prepayment of royalties,
- whether the advance is paid by the record company to an artist,
- a publisher to a writer or a merchandiser to an artist.
- An advance is also sometimes called minimum guarantee.
- Advances in the music industry earn interest and are not loans.

3.3
- At one time, record companies routinely hired the producers.
- This was done when one producer did an entire album.
- As it became common to have four, five or more producers per album,
- the companies realised their in-house
- lawyers were spending so much time negotiating producer deals that it was clogging up their system.

3.4
- In an all-in deal, the artist is responsible for the producer's royalties, regardless of who actually contracts with him or her.
- This is a much more serious issue than it may appear at first glance.
- The producer may be entitled to royalties before the artist is recouped under his/her deal with the record company.
- This means the artist could owe money to the producer at a time when the record company does not owe the artist anything.
- This means that the artist could have to write a cheque to the producer from his/her own pocket.

(4 × 10) **[40]**

TOTAL SECTION A: 100

Copyright reserved

SECTION B

QUESTION 4

4.1 Personal manager
4.2 Master licences
4.3 Advances
4.4 Live albums
4.5 Guaranteed release clause
4.6 Control composition
4.7 Wholesale distribution entities
4.8 One-stops
4.9 Licensee
4.10 Foreign royalties
4.11 Major territories
4.12 Master licences
4.13 Coupling and compilations
4.14 Greatest hits album
4.15 Joint recording

(15 × 2) **[30]**

QUESTION 5

5.1 You are a business:✓✓ Even though your skills are creative, you are capable of generating multimillions of rands per year, so you have to think of yourself as a business.✓✓
Most artists do not like business:✓✓ This is not to say you are not good at it. Some artists are unbelievably astute in business.✓✓
Success hides a multitude of sins: This is true in any business, from making widgets to making records. If you are successful, you can get away with sloppy operations that would bankrupt you if times were bad.✓✓

5.2 The personal manager is the single most important person✓✓ in your professional life.✓✓ A good personal manager can expand your career to its maximum potential and a bad one can rocket you into oblivion.✓✓ When the job is done properly,✓✓ a personal manager is the general manager and chief operating officer of your enterprise.✓✓

5.3 An agency is responsible for booking live performances,✓✓ including concerts, gigs, tours and radio✓✓ and television performances for artists, bands,✓✓ DJs, choirs, orchestras and other musical ensembles.✓✓ They are responsible for developing the musicians' or artists' career with regard to their live performances.✓✓

5.4 Managers typically get from 15% to 20% of your earnings,✓✓ with the majority getting 15%✓✓ These percentages are generally applied✓✓ to your gross earnings✓✓ before deducting any expenses.✓✓

Copyright reserved

5.5 A sunset clause means that the manager still gets paid a commission after a deal ends,✓✓ on money the artist is still making✓✓off deals the artist signed during the term of the management agreement,✓✓ but at a reduced rate from what the commission percentage✓✓ was during the term of the management agreement.✓✓

(5 × 10) **[50]**

QUESTION 6

6.1 They help their clients to understand legal agreements,✓✓ ensuring that the terms are in their clients' best interest.✓✓ They work with recording groups,✓✓ record producers, songwriters, music publishers,✓✓ record label executives, music producers and composers.✓✓

6.2 The lawyer has a conflict of interest when his/her clients get into a situation where their interests are adverse.✓✓ This is easy to see,✓✓ for example, when two clients✓✓ of the same lawyer want to sue each other.✓✓ Lawyers are ethically required to disclose their conflicts of interest to you.✓✓

6.3 Agents approach promoters about shows,✓✓ negotiate contracts for live performances and basically make sure the wheels of a concert tour✓✓ or even a single show turn smoothly.✓✓ Your agent will make sure the promoters know.✓✓ Music agents, also called booking agents or talent agents, make live music happen.✓✓

6.4 A music business manager is someone who represents recording artists and musicians✓✓ with the advertising,✓✓ marketing, business and financial end of things.✓✓ He or she will manage and handle contract negotiations,✓✓ counsel artists on how to invest their income wisely and recover unpaid fees and royalties.✓✓

6.5 The music industry consists of the companies and individuals that earn money by creating new songs and pieces, and selling live concerts and shows,✓✓ audio and video recordings,✓✓ compositions and sheet music and the organisations and associations that aid and represent music creators.✓✓ Among the many individuals and organisations that operate in the industry are the songwriters and composers who create new songs and musical pieces, the singers, musicians, conductors and bandleaders who perform the music,✓✓ and the companies and professionals who create and sell recorded music and/or sheet music.✓✓

6.6 The role of a product management working in the music industry is to help create✓✓ and implement✓✓ marketing campaigns✓✓ to maximise the sales of music from a particular record label, artist, online music service,✓✓ radio station or other music product.✓✓

6.7 It involves a mixture of taking primary responsibility for certain matters✓✓and working together with the Senior Legal and Business Affairs Executive on other matters.✓✓ The role requires a blend of technical legal skills/knowledge,✓✓ an understanding of business requirements and sound commercial awareness.✓✓ It also involves working closely with other departments.✓✓

6.8 The original recording✓✓ made in the studio is called a master,✓✓ because it is the master from which all copies are made.✓✓ Master recordings are now done mostly on computer hard drives,✓✓ tapes having become a thing of the past.✓✓

6.9 The division of proceeds between the artist and record company✓✓ is a bit more complicated than the puppy deal.✓✓ Under the traditional recording agreement, recording artist royalties usually range from 10% to 25%✓✓ of the suggested retail price for top-line albums (although many record companies have begun✓✓ to compute royalties on the wholesale price).✓✓

6.10 An advance is the payment given to an artist, songwriter✓✓ or producer in advance of royalties to be earned in the future✓✓ and recouped by offsetting future earned royalties against the money advanced. Advances are usually non-refundable.✓✓ Recoupment is the repayment of advances, recording costs✓✓ and other expenses by an artist to a record company from the artist's royalties.✓✓

(10 × 10) **[100]**

QUESTION 7

7.1 records
7.2 key man
7.3 double commission
7.4 power of attorney
7.5 clout
7.6 conflict of interest
7.7 cross-collateralisation
7.8 funds
7.9 formula
7.10 Advances

(10 × 2) **[20]**

TOTAL SECTION B: 200
GRAND TOTAL: 300

Copyright reserved