

# REMIXER AGREEMENT FACT SHEET

REMEMBER TO CHECK OUT THE REMIXER AGREEMENT CHECKLIST THAT GOES WITH THIS FACT SHEET. THE CHECKLIST OUTLINES KEY TERMS IN A REMIXER AGREEMENT, AND THIS FACT SHEET PROVIDES MORE DETAILS ON THOSE TERMS.

## **WHEN DO YOU NEED A REMIX AGREEMENT?**

A remix agreement is used when an independent artist or record label engages someone to remix a song (or group of songs). Labels will usually hire well known producers, DJs or musicians to remix and mashup the original recording with other musical elements. Sometimes the remix is more commercially successful than the original release. The remix agreement should give the label comfort that it will get a quality remix that is delivered on time, and give the remixer comfort that they will be properly paid and receive appropriate acknowledgement for their services.

Labels often commission remixes of tracks to generate more promotion and publicity for an artist. Tracks may be remixed into different genres to extend the original artist's appeal to a greater audience. From another angle, a new remix of an older song can give an artist a new life in a new scene. This Fact Sheet will refer to a 'label' as the party that is engaging a remixer, but it could equally be an independent artist engaging someone to remix their songs. Sometimes the remix arises as a simple collaboration between the original artist and the remixer (in which case, the parties must take care to agree clearly on who owns what and how it can be used).

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# Key Terms of a Remix Agreement

## **REMIXER DETAILS**

As always in contracts, it's important to identify the correct contracting party. If the remixer is contracting through a service company, then you need the remixer to personally guarantee the company's performance of the production obligation. (Otherwise, you'll have a claim against nothing but a company, which may be broke, with the human behind the corporate structure escaping liability.) Where the contract is with a remixer's services company, the company must also promise to provide your chosen remixer's personal services to make the remix.

## **PROJECT AND SERVICES**

The agreement must state what the remixer must do for the label (with details about the tracks to be remixed). The remixer will usually try to ensure that their services are non-exclusive. This will allow them to work for other labels and other projects at the same time and into the future.

## **REMIX PROCESS**

### **REMIXER WARRANTY**

Whenever anybody uses an in-copyright sample in their recordings, they must get consent from the owner of copyright in that sample. Labels usually require that the remixer sign a warranty saying they will clear copyright in any samples that they use in the remix. This clause protects the label, as it states that any uncleared samples are the responsibility of the remixer. It also ensures that the remixer will not use samples without permission from the relevant copyright owners. Generally, the remixer agreement will state that every element the remixer includes in the remix will be copyright-cleared and properly licensed and won't infringe anybody's rights.

### **ACCEPTANCE AND REJECTION**

A remix agreement usually gives the label the opportunity to 'accept' or 'reject' the remix delivered by the remixer. If the label rejects the remix, the agreement will usually require the remixer to continue to remix the track until the label accepts it. The remixer might negotiate an 'acceptance test' based on measurable elements (i.e. in what circumstances the label must accept the remix). For example, that the remix is made in accordance with industry technical standards or is in line with the remixer's previous work.

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The remix agreement should also address who pays for any further remixes. If the remixer has delivered remixes that meet the acceptance test, the label should pay for any additional work it requests of the remixer, and the remixer should retain the right to refuse that extra work.

## **REMIKER FEES AND ROYALTIES AND CREDIT**

### **REMIKER FEE**

One of the key purposes of the remix agreement is to state how much the remixer will be paid. Labels will usually try to split up the payment to ensure that they get a quality remix from the remixer. The usual split would be to pay the remixer 50% of the fee on signing of the contract and the remaining 50% once the label accepts the remix delivered by the remixer.

### **ROYALTY SPLIT**

In some circumstances, labels may also agree to give the remixer royalties from sales, licensing or streaming income from the remixed track. Generally, remixers will not be paid any royalty until the label recovers all of its recording/artist costs. Sometimes the remixer royalty will be described using the industry term "points". In that context a "point" generally means a percentage point (that is, 1%) of the whole income from the remix, that is, the sum on which the label pays the artist, also known as the "royalty base". So, for example, if the artist's royalty is expressed in the artist's contract as "50% of Net Receipts" or "22% of [the label's] Published Price to Dealer" (or "PPD"), then it is said the artist is on "50 points" or "22 points," respectively. If the remixer wants "2 points" it means they want 2% of the same royalty base.

If the remixer can establish that their contribution in the remix is so significant that it not only creates a new re-mixed recording, but also a new musical work combining the original song with new music composed by the remixer, then the parties may agree to give the remixer a music publishing credit for the remix version of the underlying song. This is complex territory, so the remix agreement should expressly state that IF any new music is composed by the remixer in the course of the services and included in the remix, it is assigned to the artist, label or the original songwriter.

Generally, the remixer's royalty comes out of the artist's royalty, and will not reduce or come out of any producer's royalty, so it is an extra royalty cost the artist will have to meet.

### **PRODUCTION COSTS**

In some cases, the label will state that the remix fee is inclusive of all remixing/ recording/ production/ sample costs. In other words, this clause states that all costs associated with making the remix must be paid for by the remixer, and the fee compensates them for that.

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## ACCOUNTING

Labels may pay the remixer their royalties directly or they may nominate that the artist pays the remixer from the artist royalties they receive. It is safer and more transparent for remixers to insist that the label pays them directly — this better ensures proper accounting statements are received and their royalties will be fixed, and less susceptible to the variables of royalty payments.

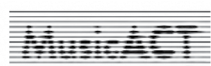
## REMIKXER'S CREDIT

There is no legal obligation to credit a remixer if they have not composed any new music for the remix. (They won't be an "author" of a copyright work, so they don't get a so-called "moral right" of attribution.) For this reason, a remixer may want to negotiate for a contractual right to credit on the remixed track.

## COPYRIGHT AND STEM FILE OWNERSHIP

Unless they've agreed for value (like a fee) to make the recording, remixers own the copyright in the sound recordings they create. They do not own any copyright in the original (unremixed) recording. Generally, the remixer will be required to expressly assign any rights in the new remix recording to the label (including the stem files for that recording). The remix agreement may state that this occurs as soon as the remix is created. However, remixers will seek to have ownership transfer only when they are paid their fee in full.

*For more information, you can speak to your local Industry Association, the Arts Law Centre of Australia or a legal practitioner.*



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This checklist is an initiative of the Australian Music Industry Network. For more information visit [www.amin.org.au](http://www.amin.org.au).