COMPLETE GUIDE TO THE MUSIC BUSINESS IN

SOUTH AFRICA

MUSIC ROYALTIES

Audio Varsity

MUSIC BUSINESS SERIES

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Section 1 — What Music Royalties Really Are

What a Royalty Is and Why It Exists

Let's start with the word *royalty*. In music, a royalty is simply **payment you receive because your music is being used**. Not sold once. Not paid once. But *used again and again* by the public, broadcasters, venues, streaming platforms, and content creators.

The law recognises that when people enjoy your music in public spaces — on radio, TV, Spotify, at events, in stores, in churches, on YouTube — they are benefiting from your creative work. Because of this, the law says: *the creator must be paid every time the music is used*. That payment is called a royalty.

This is why music can pay you for years. Long after you recorded the song. Long after you forgot about it. As long as it is still being played somewhere, it is supposed to generate income for you.

The Difference Between a Song and a Sound Recording

This is where most confusion begins.

A **song** is the *composition*: the melody, the lyrics, the chords — the thing you can play on a guitar or piano and still recognise. Even if someone else sings it.

A **sound recording** (often called the *master*) is the *recorded version* of that song — the file you upload to Spotify, the version played on radio, the audio people hear.

These are **two different assets** in law. And each one earns its own royalties.

- The **song** earns **publishing royalties**
- The **sound recording** earns **master royalties**

If you wrote the song *and* recorded it yourself, you actually own two income sources from one piece of music. Many artists don't realise this — and end up collecting from only one side.

The Four Main Types of Royalties in Music

In the real world, your music earns in four major ways:

1. **Performance Royalties** – when music is played in public (radio, TV, venues, churches, events)
2. **Mechanical Royalties** – when music is reproduced (streaming, downloads, CDs, USBs)
3. **Needle Time Royalties** – when the *recording* is played on radio and TV
4. **Synchronisation (Sync) Royalties** – when music is used in film, ads, YouTube, TV shows

Notice something important: some of these pay the **song owner**, and some pay the **recording owner**. That's why understanding the difference between song and master is critical.

Why Royalties Are Long-Term Income (Not Once-Off Money)

When you perform at a show, you get paid once.

When you sell a beat, you might get paid once.

But when your music is registered correctly for royalties, it becomes an **asset**. Like property you own. Every time it is used, it can generate money again.

This is why experienced music professionals focus heavily on publishing and royalty administration. They understand that the real wealth in music is not always in gigs or sales — it's in ownership and registration.

A song you wrote five years ago can still be paying you today if it's being played somewhere in the country.

Common Royalty Myths South African Creatives Believe

Let's clear up a few dangerous myths:

- *"My distributor collects all my royalties."*
  Distributors collect **master streaming money**, not publishing, performance, or needle time.
- *"I'm not famous enough to earn royalties."*
  If your song plays on community radio, at a church event, in a tavern, or on YouTube — royalties are generated.
- *"Royalties are only for big artists."*
  Royalties are for **registered works**, not famous people.
- *"I didn't know I had to register my songs separately."*
  This is the number one reason artists lose money for years.

Understanding royalties is not about music theory. It's about understanding **how money follows music**.

How Money Flows When Your Music Is Played

Here's what happens behind the scenes when your song plays on radio:

1. The radio station logs what was played
2. That log is sent to **SAMRO**
3. **SAMRO** calculates who wrote the song
4. Payment is allocated to the registered composer/publisher

At the same time:

1. The same radio play is reported to **SAMPRA**
2. **SAMPRA** pays the performer and master owner

And when the song streams online:

1. Streaming platforms report usage to **CAPASSO**
2. Mechanical royalties are paid to the composition owner

One play. Multiple payments. Different rights. Different organisations.

If you are not registered with the right bodies, that money has nowhere to go.

The Big Idea: Music Pays When You Understand the System

The biggest mindset shift you must have is this:

Music is not just art. Music is intellectual property.

And intellectual property earns through royalties when it is properly documented, registered, and tracked.

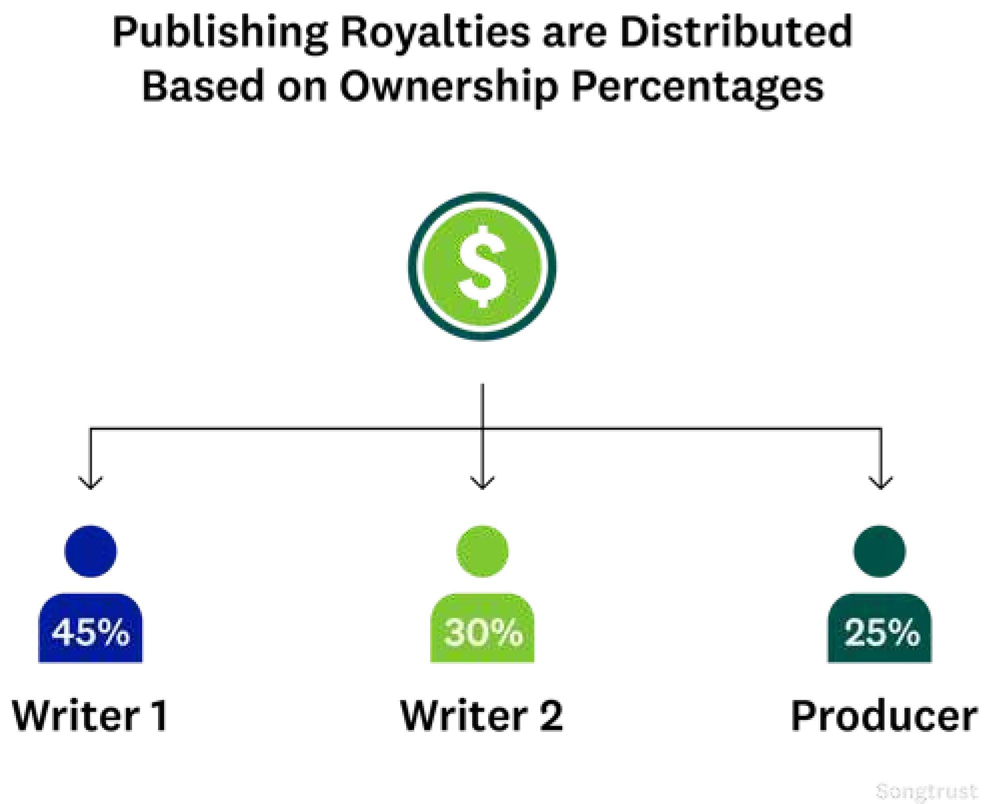
From this point forward in the guide, you will stop thinking like “someone who made a song” and start thinking like “someone who owns a music asset.”

That mindset is where royalty income begins.

Section 2 — The Difference Between Publishing Royalties and Master Royalties

What Are Publishing Royalties?

Publishing royalties come from the **song itself** — the melody, lyrics, and chords that someone can perform even without your original recording.



If another artist covers your song, if it's played live by a band, if it's broadcast on radio, or streamed online, the **composition** is being used. That use generates publishing income for the **composer** (and sometimes the publisher).

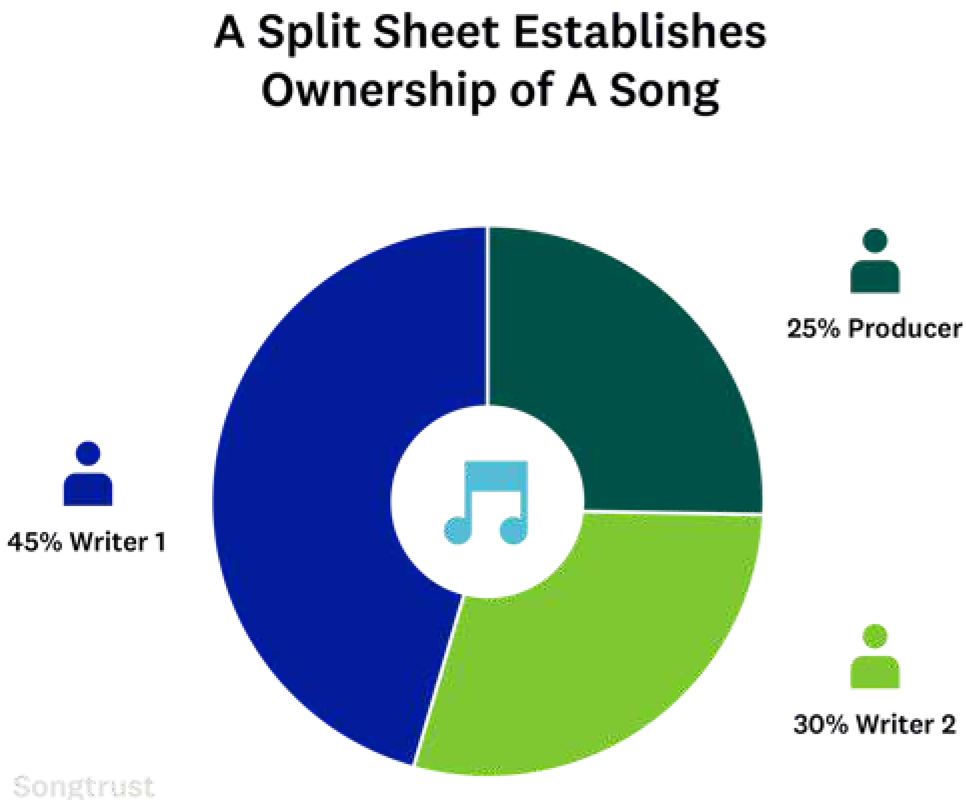
In South Africa, publishing money is tracked and paid through organisations like **SAMRO** (performance) and **CAPASSO** (mechanical). They don't care who sang the song on the recording — they care **who wrote it**.

So if you are a songwriter, publishing is your primary royalty world.

What Are Master (Recording) Royalties?

Master royalties come from the **actual recorded file** — the version uploaded to streaming platforms and played on radio.

This money belongs to the **owner of the recording** (often a label, sometimes the artist) and to the **performers** on that recording when it's broadcast. In South Africa, this is where **SAMPRA** becomes important for radio and TV plays.



Your distributor may collect **master streaming revenue** from platforms like Spotify and Apple Music, but they do not collect publishing royalties for the song unless you have a separate publishing setup.

So if you paid for the studio, owned the session, and released the track yourself, you are likely the **master owner**.

Who Earns on the Publishing Side vs the Master Side?

Let's make this practical.

Publishing side (composition):

- Songwriter / composer
- Lyricist
- Music publisher (if you have one)

Master side (recording):

- Performing artist
- Session musicians (via needle time)
- Record label or master owner

One song. Two income paths. Different people can earn from each side at the same time.

This is why a producer who helped write the melody should care about publishing splits — not just a once-off beat fee.

How Producers, Artists, and Songwriters Fit Into This

In many South African sessions, this conversation never happens.

- The producer makes the beat
- The artist writes lyrics
- The song is recorded
- It gets released
- Nobody discusses splits

Years later, the song is on radio, and only one person is registered correctly.

If the producer contributed to the composition (melody, chords, arrangement), they deserve **publishing share**. If they only supplied the beat as a sold product, they may only earn from the master (if agreed).

Understanding where you fit determines **which royalties you should be claiming**.

A Real Example: One Song, Two Royalty Worlds

Imagine this scenario:

- You wrote and recorded a song
- The song plays on Metro FM
- The same song streams on Spotify
- A DJ plays it at a public event

Here’s what happens:

From the composition (publishing):

- Radio play → paid via **SAMRO**
- Streaming → paid via **CAPASSO**
- Public event → paid via **SAMRO**

From the master (recording):

- Radio play → paid via **SAMPRA**
- Streaming → paid by your distributor
- Public event → no master royalty (only publishing)

Same song. Different money. Different paths.

Why Many Artists Only Earn from One Side

Most independent artists only receive money from their distributor and think:

“These are my royalties.”

But that is only **master streaming revenue**.

Meanwhile:

- Publishing performance money sits unclaimed
- Mechanical royalties are unpaid
- Needle time royalties are unpaid

Not because the song didn’t earn — but because the creator didn’t register on both sides.

The Big Idea: Always Ask “Is This the Song or the Recording?”

From now on, every time you think about royalties, ask:

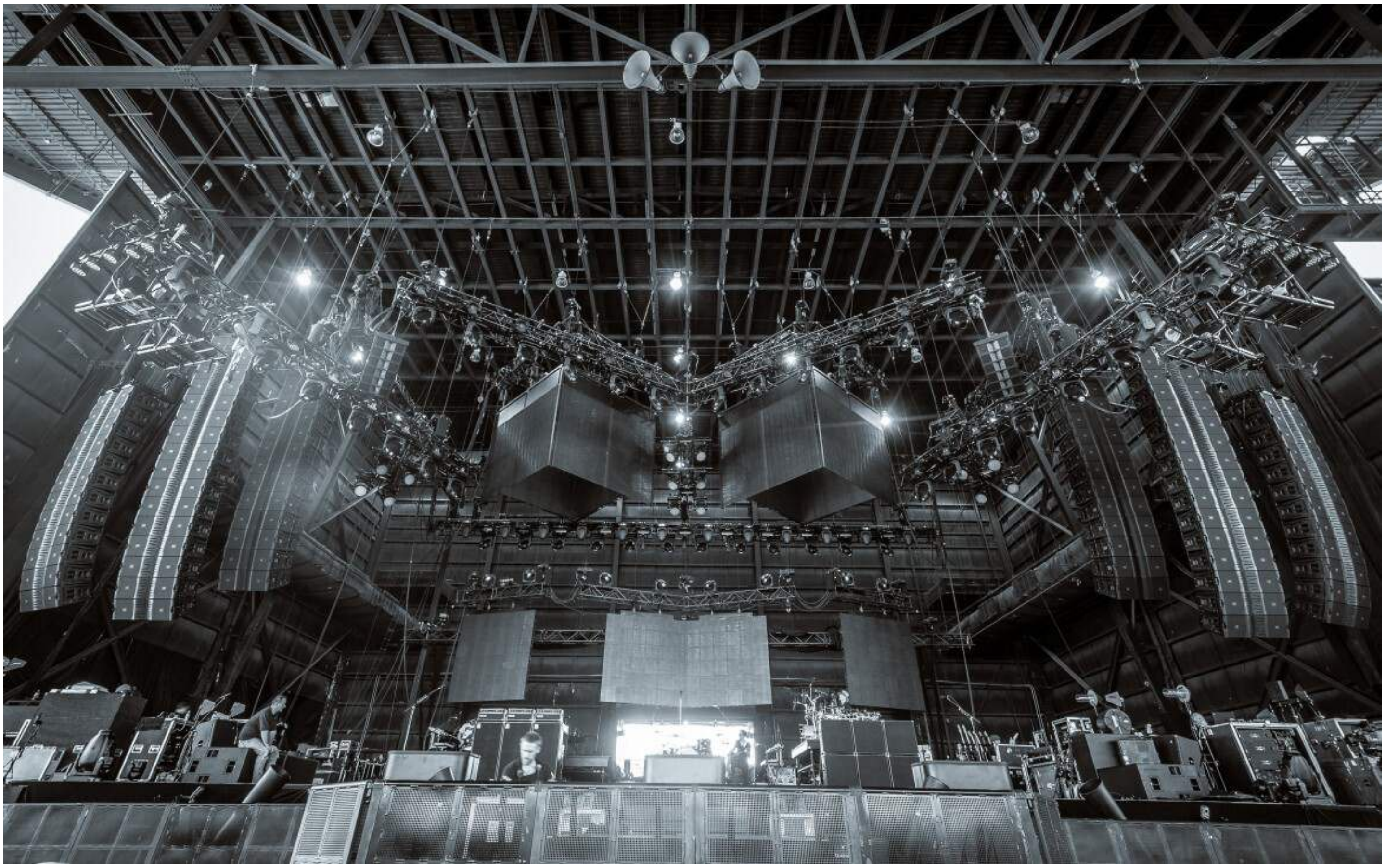
Is this money being generated because of the **song**?
Or because of the **recording**?

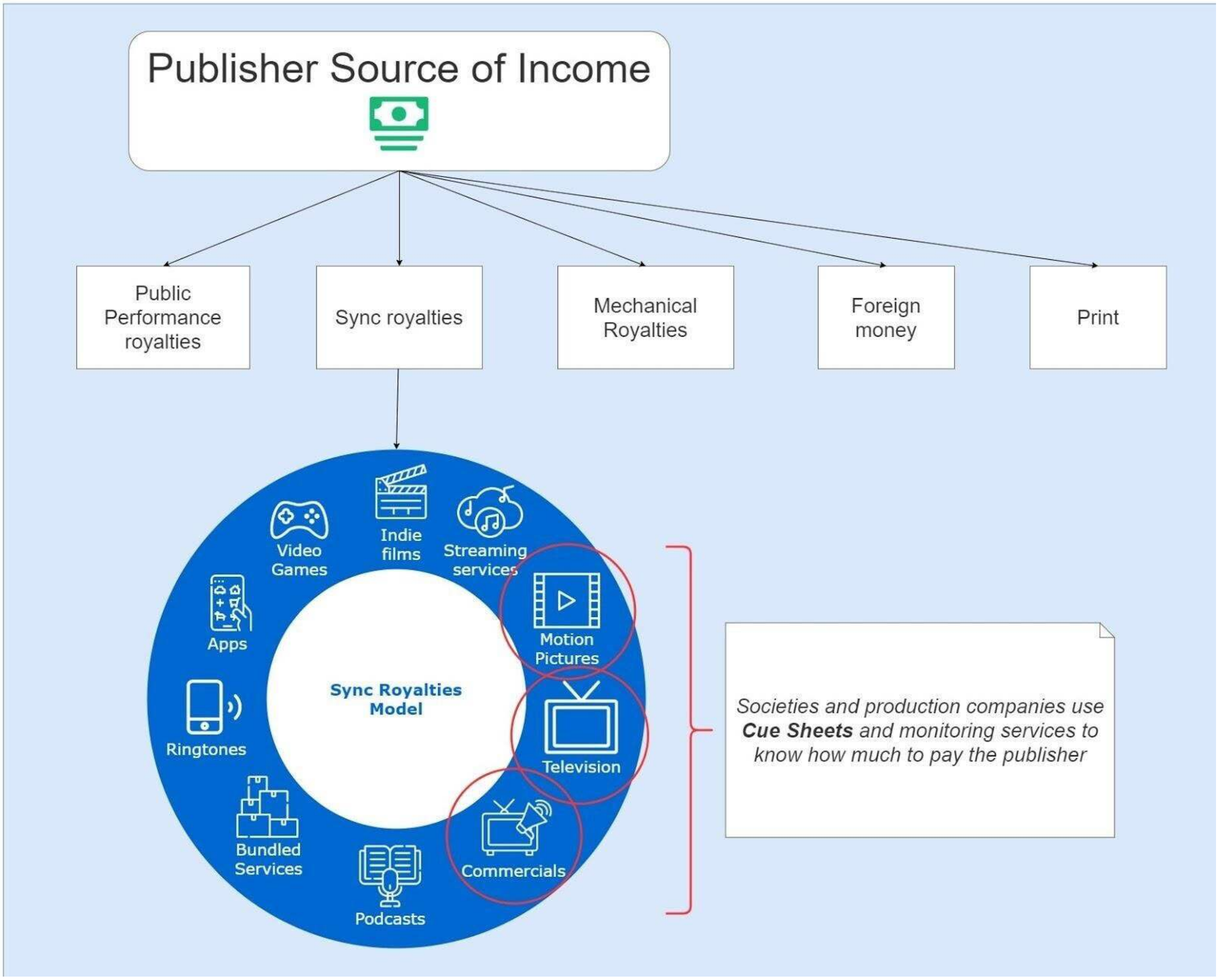
That one question will tell you:

- Which organisation should pay you
- Which right is being used
- Whether you are registered correctly

This understanding is the foundation for everything that follows in this guide.

Section 3 — Performance Royalties (Money from Radio, TV, Live Shows, and Public Plays)





What Performance Royalties Are

Performance royalties are earned **when your song (the composition)** is played in a public space.

Notice the keyword: *public*.

This includes:

- Radio stations
- Television broadcasts
- Live concerts and festivals
- Clubs, taverns, restaurants, retail stores
- Churches and public events
- Background music in public venues

Any place where music is played for the public is legally required to pay for the use of that music. That payment becomes a performance royalty for the **songwriter and publisher**.

It does not matter who performs the song. What matters is **who wrote it**.

How Radio and TV Generate Money for Songwriters

When a radio station plays your song, it is not just entertainment — it is a **licensed public performance**.

Stations are required to submit detailed playlists of every song they broadcast. Those logs are sent to **SAMRO**, which tracks:

- The song title
- The composers registered for that work
- How many times it was played
- The value of those plays

From there, SAMRO calculates how much each songwriter should be paid.

The same principle applies to TV. If your music is used in a show, background segment, or broadcast, that is also a performance that earns publishing income.

Live Shows, Events, and Even Churches Count

Here's something many creatives don't realise:

You can earn royalties **when other people perform your song live**.

If a band performs your song at a festival…
If a worship team sings your original song in church…
If a DJ plays your track at an event…

Those venues are required to hold a music license. That license money is collected and later distributed as performance royalties to registered composers.

So even if you are not on stage, your song can still be working for you.

The Role of SAMRO in Performance Royalties

SAMRO is responsible for collecting and distributing performance royalties for compositions in South Africa.

Their job is to:

- License music users (radio, TV, venues, events)
- Receive play logs and cue sheets
- Match those logs to registered songs
- Pay the registered composers and publishers

But SAMRO can only pay you if:

1. You are a member, and
2. Your songs are correctly registered in their system.

If the song is not registered, the money cannot be allocated to you.

Why Many Artists Never Receive Performance Royalties

This is one of the biggest money leaks in the industry.

Artists hear their songs on radio. Friends call and say, *"I heard you on air!"* But months later, no royalty payment arrives.

Why?

Because:

- The song was never registered with SAMRO
- The splits were never captured
- The composer details are missing or incorrect
- The artist thought the distributor handles this

Distributors do not collect performance royalties. Only SAMRO does — for the composition side.

How Money Flows from a Radio Play to Your Bank Account

Let’s trace one radio play:

1. Your song plays on a radio station
2. The station logs the track in its playlist report
3. The report goes to SAMRO
4. SAMRO matches the song to registered composers
5. SAMRO calculates the value of the play
6. Payment is processed to the composer/publisher account

This process happens thousands of times daily across the country.

Your job is simple: **make sure your song is in the system**.

The Big Idea: You Get Paid for Public Use of Your Song

Performance royalties are not about fame. They are about **public usage**.

If your music is being played where people gather — on air, on stage, in venues — it is generating publishing income.

And the only difference between artists who get paid and those who don’t is this:

Some registered their songs with SAMRO. Others didn’t.

That's the entire difference.

Section 4 — Mechanical Royalties (Streaming, Downloads, CDs, USBs)

What Mechanical Royalties Are

Mechanical royalties are earned when your **song (the composition)** is **reproduced**.

The word *mechanical* comes from the old days of printing and pressing music onto physical formats. Today, the same principle applies to digital formats.

Any time your song is:

- Streamed on Spotify, Apple Music, YouTube Music
- Downloaded online
- Copied onto a CD, USB, or hard drive

...it is being **reproduced**. And reproduction of a composition generates a mechanical royalty for the songwriter and publisher.

This is separate from the money your distributor pays you for the master recording stream.

Why Streaming Pays Two Different Royalties

Streaming is where most confusion happens.

When your song streams on Spotify, **two rights** are being used at the same time:

1. The **sound recording** (master) → paid via your distributor
2. The **composition** (song) → paid as a mechanical royalty

Most artists only receive the first payment and think that's the full story.

But the second payment — the mechanical royalty — is not paid by your distributor. It is tracked and paid through **CAPASSO** for the composition side.

That means every stream of your song should generate:

- Master income, and
- Publishing mechanical income

The Role of CAPASSO in Mechanical Royalties

CAPASSO is responsible for collecting and distributing mechanical royalties for compositions in South Africa.

Their job is to:

- Receive usage data from digital platforms
- Track how many times songs are reproduced/streamed
- Match those streams to registered compositions
- Pay the registered composers and publishers

But just like with performance royalties, CAPASSO can only pay you if:

1. You are registered with them, and
2. Your compositions are properly logged in their system.

If not, the mechanical money has nowhere to go.

Physical Copies Still Generate Mechanical Royalties

Even though we live in a streaming world, mechanical royalties still apply to physical formats.

If your album is:

- Burned onto CDs
- Copied onto USBs
- Pressed onto vinyl
- Duplicated for sale or distribution

Each copy represents a reproduction of the composition and must generate a mechanical royalty for the songwriter.

This is why labels and manufacturers must obtain mechanical licenses before producing copies of music.

Why Many Artists Miss Mechanical Income

Here's the typical scenario:

- Artist uploads music via a distributor
- Song gets thousands of streams
- Artist receives small monthly payments
- Artist assumes that's all the money the song made

Meanwhile, the mechanical royalties for the composition sit unclaimed because:

- The songwriter is not registered with CAPASSO
- The composition was never logged
- The artist didn't know streaming triggers publishing money too

This is one of the biggest hidden income sources for independent musicians.

How Money Flows from a Stream to Your Account

Let's follow one Spotify stream:

1. A listener plays your song
2. Spotify logs the stream
3. Spotify reports usage to CAPASSO for the composition
4. CAPASSO matches the stream to registered songwriters
5. Mechanical royalties are calculated
6. Payment is made to the composer/publisher

At the same time:

1. Spotify reports the stream to your distributor
2. Your distributor pays you the master royalty

One stream. Two payments. Two systems.

The Big Idea: Streaming Is Not Just Master Money

The most important mindset shift here is this:

Streaming is not only about the recording. It is also about the song.

If you wrote the song and you are not registered with CAPASSO, you are only earning **half** of what your streams generate.

Understanding mechanical royalties ensures that every digital play of your music works fully in your favour — on both the master and publishing sides.

Section 5 — Needle Time (Master Royalties from Radio & TV Airplay)

What "Needle Time" Actually Means

"Needle Time" is a uniquely important term in South African music law. It refers to **money earned when the sound recording (the master)** is played on **radio or television**.

Back in the vinyl days, a physical needle touched the record to play music on air. That's where the name comes from. Today, it simply means: *broadcast use of the recording*.

This is not publishing money. This is **master-side royalty** for:

- The owner of the recording, and
- The performers who appear on that recording

How Needle Time Is Different from Performance Royalties

When your song plays on radio, **two separate royalties** are triggered:

- **Performance royalty** → for the composition (paid via SAMRO)
- **Needle time royalty** → for the recording (paid via SAMPRA)

Same radio play. Two different rights. Two different payments.

Performance royalties care about **who wrote the song**.
Needle time cares about **who performed on the recording** and **who owns the master**.

The Role of SAMPRA in Needle Time

SAMPRA is responsible for collecting and distributing needle time royalties in South Africa.

Their job is to:

- License broadcasters (radio and TV)
- Track which recordings were played
- Identify the performers and master owners
- Pay them accordingly

SAMPRA does not deal with the composition. Only the recording.

Who Gets Paid from Needle Time?

Needle time is shared between two groups:

1. **The master owner**
   Usually the record label or independent artist who funded and owns the recording.
2. **The performers on the track**
   This includes:

   - Lead vocalist
   - Featured artists
   - Session musicians (if properly declared)

This is powerful because it means even session musicians can earn royalties for life from songs they played on — if they are registered correctly.

Why Session Musicians Often Miss Out

In many studio sessions, musicians are paid once and sent home. Nobody talks about needle time registration.

Years later, the song is a radio hit, but the guitarist, keyboardist, or backing vocalist earns nothing — not because they don't deserve it, but because they were never registered as performers with SAMPRA.

Needle time exists specifically to protect performers. But the system only works if names are submitted and registered.

How Money Flows from Radio Play to Performers

Let's trace a radio play again, this time from the master side:

1. Your recording plays on a radio station
2. The station logs the track details
3. The log goes to SAMPRA
4. **SAMPRA checks:**
    - Who owns the master
    - Who performed on the track
5. Needle time royalties are calculated
6. Payments are made to both parties

This happens independently of SAMRO and publishing royalties.

The Big Idea: Your Recording Has Its Own Royalty Life

Most artists focus on songwriting royalties and forget that the **recording itself** earns money when broadcast.

If you:

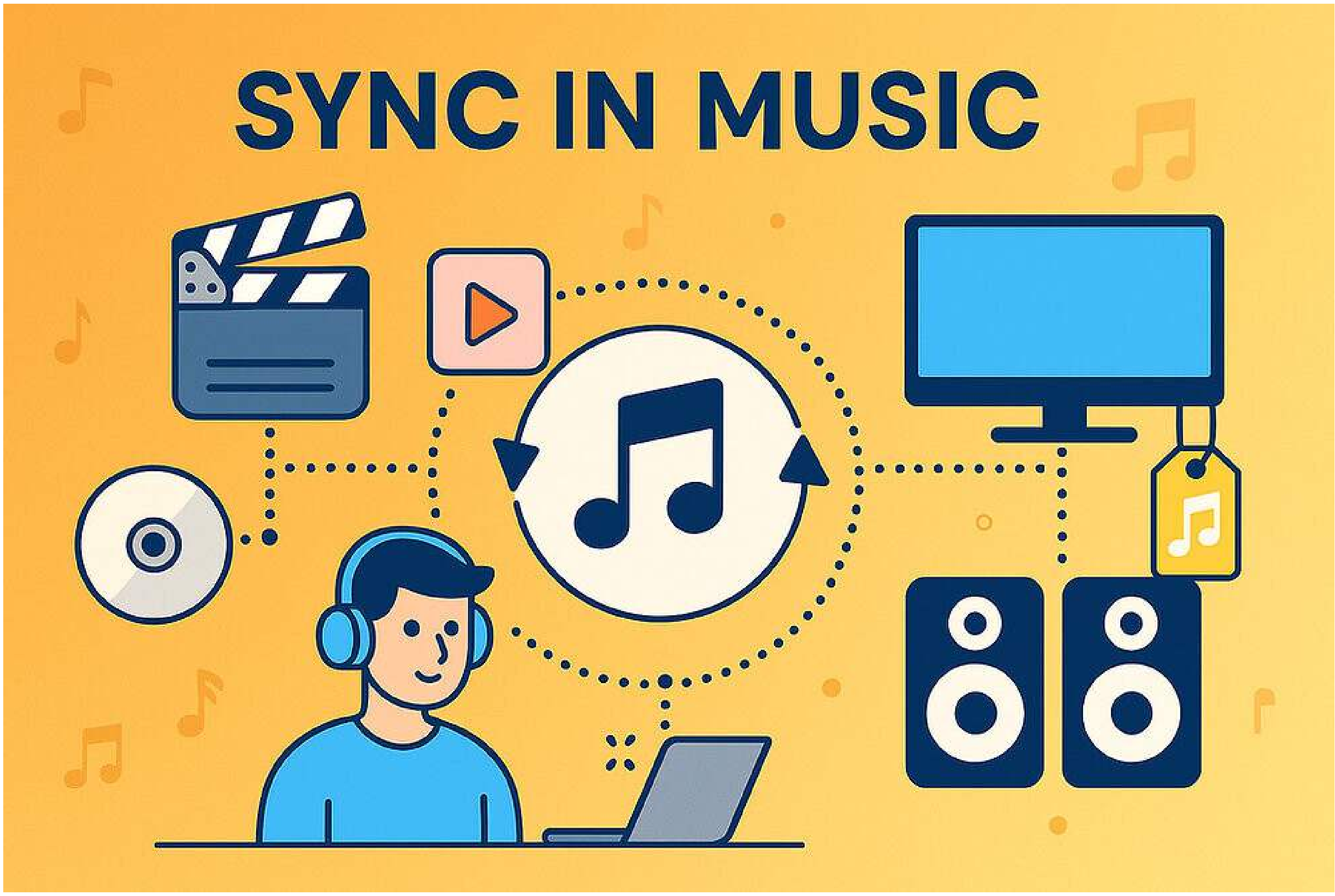
- Own your masters, and
- Performed on your songs

Then every radio and TV play should be paying you **twice**:

- Once as a songwriter (SAMRO)
- Once as a performer/master owner (SAMPRA)

Needle time is the royalty many South African musicians have never heard of — yet it can become a steady income stream when properly set up.

Section 6 — Synchronisation Royalties (Music in TV, Film, Ads, and YouTube)



What "Sync" (Synchronisation) Means

Synchronisation, or **sync**, happens when your music is **paired with visuals**.

Any time your song is used:

- In a TV show
- In a film
- In an advert
- In a documentary
- In a YouTube video
- In social media video content

…it must be legally licensed to “sync” the music to the picture. That license generates a **sync fee**.

Sync is powerful because it requires permission for **both** the song and the recording.

Why Sync Pays Both Publishing and Master Money

Remember the big rule:

If the **song** is used → publishing is paid
If the **recording** is used → master is paid

In sync, both are used at the same time.

So when your track is placed in an advert or film:

- The **songwriter/publisher** must approve and gets paid
- The **master owner/artist** must approve and gets paid

This is why sync deals can be some of the highest-paying uses of music.

Who Must Give Permission for Sync to Happen

For a production company to legally use your music, they must clear rights with:

1. The **composition owner** (songwriter/publisher)
2. The **master owner** (label/artist)

If you own both, you can approve quickly and earn both sides.

If you don't control both sides, sync becomes complicated — and many opportunities are lost because permissions take too long.

Music supervisors prefer songs where one person controls everything.

Sync in TV, Film, and Advertising

When music is placed in:

- A Netflix series
- A local TV drama
- A brand advert
- A documentary soundtrack

The producer pays a once-off sync fee for the right to use the music with visuals.

But that's not the end.

After the show airs on TV, **performance royalties** are also triggered through **SAMRO** because the composition is being broadcast publicly.

So sync can generate:

- A once-off sync fee, and
- Ongoing performance royalties

Sync and YouTube (Content ID & Claims)

YouTube is one of the biggest sync platforms in the world.

When someone uses your music in a video:

- The platform detects the audio using Content ID
- The video can be monetised on your behalf
- You earn from ads placed on that video

This is also a form of sync usage because your music is paired with visuals.

If your publishing and master rights are correctly set up, you can earn from thousands of user-generated videos using your music.

Why Owning Both Sides of Your Rights Matters for Sync

Imagine a filmmaker wants to use your song.

If you:

- Wrote the song, and
- Own the recording

You can say "yes" immediately.

But if:

- A producer owns part of the publishing
- A label owns the master
- Nobody knows the splits

The opportunity may be lost because clearing rights becomes a legal headache.

This is why professionals keep clean split sheets and clear ownership records.

The Big Idea: Sync Is Where Big Money Meets Smart Ownership

Sync is not random luck. It rewards artists who have:

- Clear ownership of their songs
- Control over their masters
- Proper registrations with the right organisations
- Accurate split documentation

When your music is easy to license, it becomes attractive to TV, film, ad agencies, and content creators.

And every sync use doesn't just pay once — it can continue generating performance royalties long after the initial placement.

Section 7 – The 4 Organizations Every South African Music Creator MUST Register With

Why These Organisations Exist

Music royalties don't magically arrive in your bank account because you uploaded a song.

They move through **collection societies** — organisations created to:

- Track music usage
- Collect license fees from music users
- Distribute royalties to registered creators

If you are not registered with the right organisations, the system literally has **no way to know you exist**.

Registration is how you plug yourself into the royalty network.

SAMRO (Performance Royalties for the Composition)

SAMRO is responsible for **performance royalties** when your **song** is played publicly.

They collect from:

- Radio stations
- TV broadcasters
- Live venues and events
- Churches, clubs, restaurants, stores

They pay:

- Songwriters (composers/lyricists)
- Publishers

If your song is on radio and you are not with SAMRO, you are not getting paid for the composition side of that play.

CAPASSO (Mechanical Royalties for the Composition)

CAPASSO handles **mechanical royalties** when your **song** is reproduced.

They collect from:

- Streaming platforms (Spotify, Apple Music, YouTube Music)
- Downloads
- Physical copies (CDs, USBs, vinyl)

They pay:

- Songwriters
- Publishers

If your music is streaming and you are not registered with CAPASSO, you are only earning master money — not publishing mechanical income.

SAMPRA (Needle Time for the Recording)

SAMPRA deals with **needle time royalties** when your **recording** is played on radio and TV.

They collect from:

- Radio broadcasters
- Television stations

They pay:

- Master owners (labels/artists)
- Performers on the recording (including session musicians)

If your song is on radio and you are not with SAMPRA, you are missing master-side broadcast income.

Recording Industry of South Africa (RiSA) (ISRC Codes & Master Administration)

RiSA is not a royalty payer, but it is critically important.

They manage:

- **ISRC codes** (International Standard Recording Codes)
- Master recording identification in South Africa

ISRC codes are how recordings are tracked globally across platforms and broadcasters. Without proper ISRC allocation, tracking your master usage becomes difficult and inaccurate.

RiSA helps ensure your recordings are properly coded and identifiable.

What Each Organisation Collects for You (Simple View)

Think of it like this:

- SAMRO → Public performance of the **song**
- CAPASSO → Reproduction/streaming of the **song**
- SAMPRA → Broadcast of the **recording**
- RiSA → Identification of the **recording**

Each one covers a different part of the royalty puzzle.

No single organisation covers everything.

What Happens If You Register with Only One

This is the most common mistake.

Many artists register with only SAMRO and think they are fully covered.

But if you are only with SAMRO:

- You miss mechanical royalties (CAPASSO)
- You miss needle time (SAMPRA)

If you are only with a distributor:

- You only earn master streaming income
- You miss publishing and broadcast money

To earn fully from your music in South Africa, you must be visible in **all four systems**.

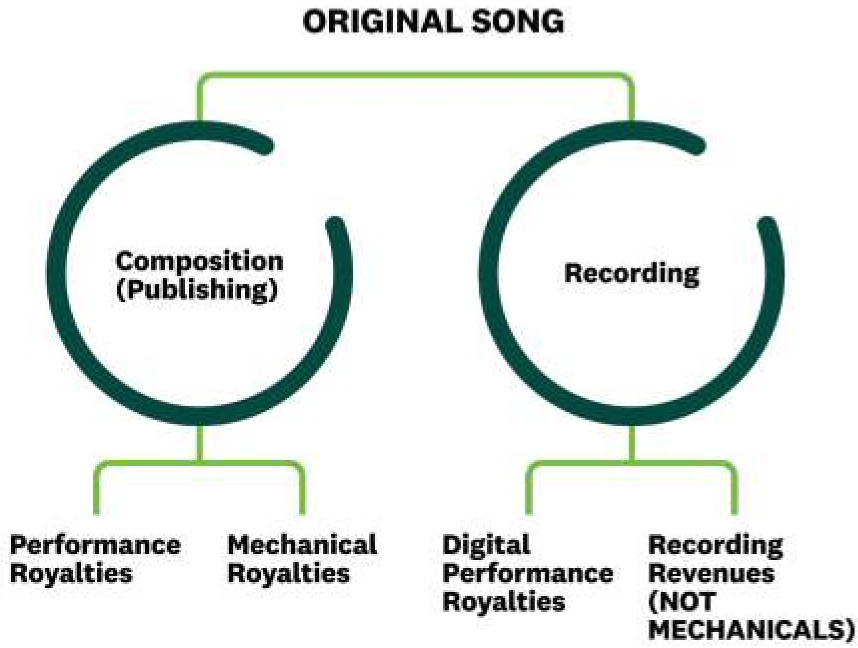
The Big Idea: Registration Is How Money Finds You

Royalties don't depend on how good your song is.

They depend on whether your song is **registered in the systems that track usage**.

Once you are registered correctly with these organisations, every radio play, stream, TV broadcast, and public performance has a pathway that can lead back to you.

Section 8 — Royalty Flow: From One Song to Multiple Income Streams



The Powerful Idea: One Song, Many Payments

A single song is not a single income stream.

It is a **bundle of rights** that can earn money in different ways at the same time — depending on how the song is used.

When you understand royalty flow, you stop seeing a song as "a track I released" and start seeing it as **a small business asset** that can pay you from multiple directions.

Scenario: Your Song Plays on Radio

Let's say your song gets played on a national radio station.

That one play triggers:

- **Performance royalty (composition)** via **SAMRO**
- **Needle time royalty (recording)** via **SAMPRA**

Same play. Two organisations. Two payments. Two rights.

If you are only registered with one, you receive only half the money.

Scenario: Your Song Streams on Spotify

Now someone streams your song online.

That one stream triggers:

- **Master royalty** paid by your distributor
- **Mechanical royalty (composition)** via **CAPASSO**

Again, one action from a listener creates two separate royalty paths.

Most artists only receive the distributor payment and never realise a second payment should exist.

Scenario: Your Song Is Performed Live at an Event

A band performs your original song at a festival or church event.

This triggers:

Performance royalty (composition) via **SAMRO**

No master royalty here, because it is not your recording being used — it is your **song** being performed live.

This shows how royalties depend on *what* is being used: the song or the recording.

Scenario: Your Song Is Used in a TV Show or Advert (Sync)

A production company licenses your track for a TV show.

This triggers:

- A **sync fee** for using both the song and recording
- **Performance royalties** when the show airs on TV via SAMRO

One sync placement can generate immediate money and long-term royalty income.

Visualising the Full Royalty Web from One Song

From just one properly registered song, you can earn from:

- Radio play → SAMRO + SAMPRA
- Streaming → Distributor + CAPASSO
- Live performances → SAMRO
- TV broadcast → SAMRO + SAMPRA
- Sync placement → Sync fee + SAMRO
- YouTube usage → Master + Publishing claims

This is why artists who understand royalties treat songs like **assets**, not releases.

Where Money Is Lost When Registration Is Incomplete

Now imagine the same song, but:

- Not registered with SAMRO
- Not registered with CAPASSO
- Not registered with SAMPRA

The song still earns money in the system — but there is no profile linked to receive it.

The money doesn't disappear. It becomes **unallocated royalties** sitting in systems, waiting for someone who never registered.

The Big Idea: Royalty Flow Is Predictable When You Understand It

Royalties are not random or mysterious.

They follow a clear, predictable path based on:

- What part of your music is being used
- Where it is being used
- Whether you are registered correctly

Once you understand this flow, you can release music knowing **exactly how it will earn** in the real world.

Section 9 – Royalty Splits, Split Sheets, and Ownership

Song Split Sheet

Date: ______________________

Song Title: ____

AKA(s): ____

____

Songwriter Name & Contact Info	Affiliation (ASCAP, BMI, SESAC)	Publisher Name & Contact Info	Ownership Percentage (%)

The undersigned all agree that the information above is correct.

______________________________ ______________
Signature Date

______________________________ ______________
Signature Date

______________________________ ______________
Signature Date

______________________________ ______________
Signature Date

______________________________ ______________
Signature Date

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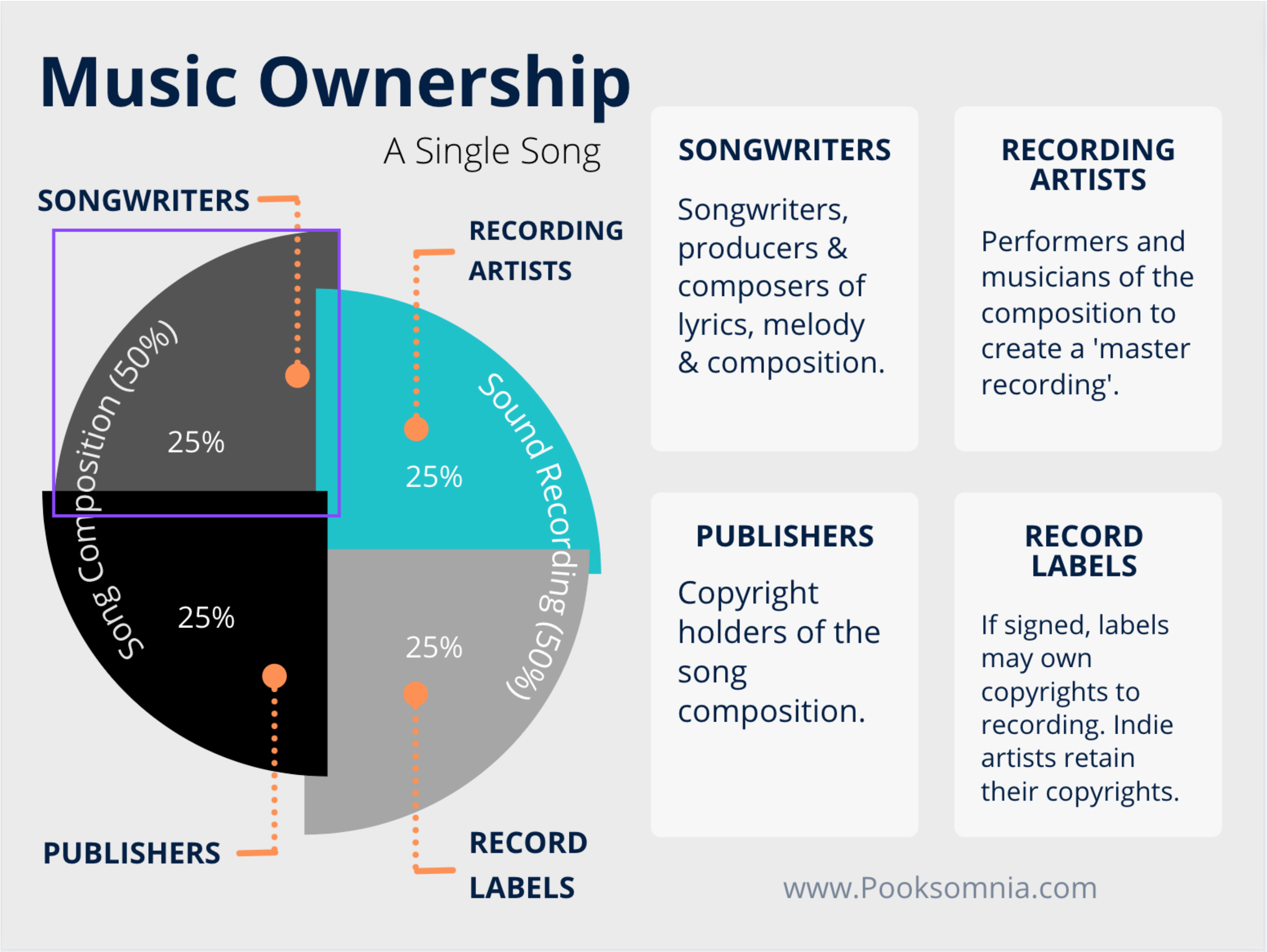

What a "Split" Really Means

A **split** is the percentage of ownership each contributor has in a **song (composition)**.

If three people wrote a song together, they each own a portion of that song. Those percentages determine **who gets paid what** when royalties are distributed by **SAMRO** and **CAPASSO**.

Splits are not about ego. They are about **future money**.

What a Split Sheet Is (and Why It Must Happen in the Studio)

A **split sheet** is a simple document signed by everyone involved in writing the song, stating:

- Song title
- Names of contributors
- Their percentage ownership
- Signatures agreeing to the split

This should happen **on the day the song is created** — in the studio, not months later when memories are unclear and the song is already released.

Professionals never leave the studio without a signed split sheet.

Who Should Be on the Split Sheet?

Anyone who contributed to the **composition** must be considered:

- The person who wrote the lyrics
- The person who created the melody
- The producer who created chords or musical structure
- The arranger who changed the musical form significantly

If someone only performed on the recording but did not help create the song, they belong on the **master side**, not the publishing split.

Typical Split Scenarios in South African Sessions

Here are common examples:

- Producer makes the beat, artist writes lyrics → 50% / 50%
- Two songwriters collaborate on lyrics and melody → 50% / 50%
- Producer sells a beat with no songwriting input → 0% publishing, master agreement only
- Worship team writes a song together → equal splits among contributors

There is no fixed rule. The rule is: **agree before release**.

How Splits Affect Your SAMRO and CAPASSO Registration

When registering your song with SAMRO and CAPASSO, you must enter:

- All contributor names
- Their exact percentages

If two people both claim 50% but one registers 70%, the system creates a conflict. Payments are delayed until the dispute is resolved.

Incorrect splits can freeze royalties for months or years.

Ownership of the Composition vs Ownership of the Master

This is where people get confused.

You can have:

- 50% of the **song**, but
- 0% of the **recording**

Or:

- 0% of the song, but
- 50% of the master

These are separate agreements.

Split sheets deal with the **composition**. Recording ownership is handled by separate agreements (often with labels or producers).

Why Split Sheets Prevent Future Disputes

Most royalty fights don't happen when the song is small.

They happen when:

- The song gets radio play
- The song starts earning
- Someone feels they were not credited properly

A signed split sheet protects everyone because it shows what was agreed at the time of creation.

Nouses memory. No arguments. Just a document.

The Big Idea: If It's Not Written, It Doesn't Exist

In music royalties, verbal agreements mean nothing years later.

If splits are not documented:

- Registrations become incorrect
- Royalties are delayed
- Relationships are damaged

A simple one-page split sheet is one of the most powerful financial documents you can create in a studio session.

Section 10 — Common Royalty Mistakes South African Artists Make

Not Registering Songs at All

This is the most expensive mistake of all.

Artists release music, share links, celebrate streams — but never register the **composition** with **SAMRO** or **CAPASSO**.

The song can play on radio, stream online, be performed live — and royalties are generated — but there is no registered owner to receive them.

Unregistered songs still earn. The problem is: **you are invisible to the system**.

Confusing a Distributor with a Publisher

Many artists believe:

"I uploaded my song through a distributor, so my royalties are covered."

Distributors only collect **master recording income** from streaming platforms.

They do not collect:

- Performance royalties
- Mechanical publishing royalties
- Needle time royalties

A distributor is not a publisher and not a collection society.

Not Registering as Both Composer and Performer

If you wrote the song **and** performed on the recording, you must be visible in two places:

- As a **composer** (SAMRO, CAPASSO)
- As a **performer/master owner** (SAMPRA)

Many artists register for one and forget the other, cutting their royalty earnings in half without realising it.

Releasing Music Before Agreeing on Splits

Songs get released while the people who made them have never discussed ownership percentages.

Later, when the song earns money, disagreements start. Registrations conflict. Payments get frozen.

This happens simply because no split sheet was signed in the studio.

Believing Royalties Are Only for Famous Artists

Some creatives think royalties are for artists on big labels or national charts.

But royalties are triggered by **usage**, not fame.

Community radio, church performances, small events, YouTube videos — all of these generate royalties if the song is registered.

Ignoring ISRC and Proper Recording Identification

Without proper ISRC codes issued through **Recording Industry of South Africa (RiSA)**, tracking the master recording across platforms and broadcasters becomes unreliable.

Poor identification leads to poor tracking, which leads to lost master royalties.

Assuming Someone Else Is Handling It

Artists often assume:

- The label is handling it
- The producer is handling it
- The manager is handling it

Meanwhile, nobody is handling it.

Royalties are a personal responsibility unless you have written agreements stating otherwise.

The Big Idea: Most Royalty Losses Come from Lack of Knowledge, Not Lack of Talent

Very few artists lose royalties because their music isn't good.

They lose royalties because they did not understand:

- Where to register
- What to register
- How royalties flow

Once you understand the system, avoiding these mistakes becomes simple — and your music starts working for you financially, not just creatively.

Section 11 — Royalty Checklist for Releasing a Song in South Africa

Why You Need a Royalty Checklist *Before* Release Day

Most artists think about royalties **after** the song is already out.

Professionals think about royalties **before** the song is released.

Because once a song starts playing publicly, it begins generating money immediately. If the admin is not ready, that early money has nowhere to go.

A simple checklist before release ensures your song is financially prepared to exist in the world.

Step 1: Complete and Sign the Split Sheet

Before anything else:

- Confirm who wrote the song
- Agree on percentages
- Sign the split sheet

This document is what you will use when registering the song with **SAMRO** and **CAPASSO**.

No split sheet = confusion later.

Step 2: Register the Composition with SAMRO

Register the song (composition) with SAMRO:

- Song title
- Composer names
- Percentage splits
- Publisher details (if any)

This prepares you to earn performance royalties from radio, TV, and live public plays.

Step 3: Register the Composition with CAPASSO

Register the same song with CAPASSO for mechanical royalties from:

- Streaming platforms
- Downloads
- Physical copies

This ensures you earn the publishing side of streaming income.

Step 4: Register as Performer and Master Owner with SAMPRA

If you performed on the recording or own the master, register with **SAMPRA**.

This prepares you to earn needle time royalties when the song is played on radio and TV.

Step 5: Obtain and Attach an ISRC Code to the Recording

Every recording must have an ISRC code issued via **Recording Industry of South Africa (RiSA)** or your distributor.

This code allows your master recording to be tracked accurately across platforms and broadcasters.

No ISRC = poor tracking of master usage.

Step 6: Upload Through Your Distributor (Master Side)

Now upload the track via your distributor to streaming platforms.

This activates:

- Master streaming royalties
- Data reporting to CAPASSO for mechanical royalties

At this point, both publishing and master systems are ready.

Step 7: Keep All Documentation in One Place

Maintain a simple folder containing:

- Split sheet
- SAMRO registration confirmation
- CAPASSO registration confirmation
- SAMPRA registration details
- ISRC code record

This makes future royalty tracking, disputes, or sync opportunities much easier to manage.

The Big Idea: Release Music Only When the Admin Is Ready

A song is not truly ready for release when it is mixed and mastered.

It is ready when:

- Ownership is documented
- Registrations are complete
- Tracking codes are in place

That is how professionals release music — not just creatively, but financially prepared.

Guide to Music Royalties in South Africa