

How Performance Rights Organizations (PROs) Make Payments

ASCAP

According to ASCAP's website, ASCAP makes quarterly royalty distributions.

ASCAP royalty payments can be sent via direct deposit or physical check. ASCAP will not issue checks for less than \$100, so if a member earns under the \$100 threshold in a given distribution, ASCAP will apply the amount earned to a future distribution, and will issue a check once at least \$100 in royalties have accumulated. At the end of a calendar year, if the cumulative \$100 threshold has not been reached, outstanding amounts will be rolled over into the following year.

BMI

According to BMI's website, BMI makes quarterly royalty distributions in February, May, August, and November. BMI may also make special distributions from time to time should circumstances warrant.

BMI royalty payments can be sent via direct deposit, physical check, or wire. For payments via wire or checks, royalties must reach a minimum of \$250.00 to receive payment in the February, May, and November distributions. This minimum is lowered to \$25.00 in the August distribution.

How PROs Calculate & Collect Station Royalties

Traditionally, for songwriters with publishing deals with music publishers, the publishers split income 50/50 with songwriters. For example, when ASCAP distributes performance royalties, 50% goes to the writer(s) and 50% goes to the publisher(s) (i.e., songwriters get paid directly from ASCAP, not through their music publishers).

In terms of calculating how much PROs should pay songwriters and publishers, the methodology may differ among the PROs and whether it's for radio vs. television.

Radio

BMI uses performance monitoring data, continuously collected on a large percentage of all licensed commercial radio stations, to determine payable performances. This census information is factored to create a statistical representation of feature performances on all commercial music format radio stations throughout the country.

ASCAP radio surveys involve digital fingerprinting data, augmented by station logs provided by the radio stations and digital recordings of actual broadcasts. For most performances, ASCAP leverages information from a third-party data/analytics provider and conducts a census of the songs identified by the provider and a sample survey of all other performances.

Television

Cue sheets are the primary means by which PROs track the use of music in TV. As you probably know, cue sheets list every musical composition used, how long it was played, and how it was used (e.g., theme song, background, etc.), and are typically prepared by the production company. ASCAP and BMI supplement cue sheet data with digital monitoring.