

# Choosing the Right License For Your Beat

Whether you're an experienced producer or just starting out selling beats online, licensing your beats can be complex. We've put together this guide to help you understand your options and make the most of your beats.

You can choose one of the three license types below when making your beats available on UnitedMasters' Beat Exchange.

## Non-Exclusive License

With the Non-Exclusive License, you can license your beat to *multiple* buyers for use for a limited length of time that you choose. You may set the term, royalty split, and other variables when uploading your beat. Buyers are obligated to abide by those license terms for the specified duration.

**When to use it:** If you're a new producer looking to maximize your exposure, the Non-Exclusive License might be a good fit. Non-exclusive licenses allow multiple artists to access and promote your beat simultaneously. It's important to note that some artists prefer exclusive licenses or buyouts because they're looking for a unique sound. They're willing to pay a premium to guarantee that other artists aren't buying the same beat. For this reason, non-exclusive licenses cost less than other license types.

## Exclusive License

With the Exclusive License, you can license your beat to *only one* buyer at a given time. Similar to non-exclusive licenses, you may set the terms of the license when uploading your beat, and the buyer is obligated to abide by those terms for the specified duration.

**When to Use It:** Consider the Exclusive License if you work with more established artists looking for exclusivity, or if you have a specific artist in mind to buy your beat. Exclusive licenses generally cost more than non-exclusive licenses because you agree to give only one buyer access to use your beat at a given time. Once a buyer purchases this license, the beat will no longer be available in the Beat Exchange.

## Buy-Out Option

With the Buy-Out option, unlike the other two options where you retain ownership of your beat, you are selling ownership of your beat outright to *one final buyer*. There is no obligation for the buyer to pay a royalty split. There is no term for the license, and the buyer would own everything outright in exchange for a flat fee.

**When to Use It:** Typically the Buyout Option works best for seasoned producers with established reputations who collaborate with artists directly while making a beat. This license type is a transfer of ownership of your beat to the buyer. This means once purchased, the buyer

carefully before choosing this option, because it means you'll no longer be able to earn from it in the future, even if you become more successful later.

## Customize Your Beat License

Once you've picked which type of license you'd like to offer, there are a few variables you can edit before putting your beat on sale that you need to understand. For all of the license variables listed below, UnitedMasters will make default recommendations, however you can adjust each variable in the license terms before you publish.

**Term Length:** This is how long the license agreement between the producer and buyer lasts. It can be as short as 3 months and as long as 20 years. Because both the non-exclusive and exclusive licenses have a limited term, they are sometimes referred to as a "lease." It's up to you to set a term you're comfortable with, and this might be different depending on where you're at in your career. For example, if you're just starting out you might prefer just 1 to 3 years, in the hope that you have success later that could potentially increase the value of your earlier work. If you're somewhat more established and can get a higher average price for your beats, you might be comfortable with a longer term of 4 or more years.

**Royalty Split:** For Non-Exclusive and Exclusive license types only, you can set a royalty split requiring the artist to pay a percentage of their future streaming royalties for a song they release using your beat. Artists make only *thousandths of a penny* every time someone listens to their song on a digital streaming service. Plus, if they work with other collaborators or have a contract with a record label or publishing company, they may already be splitting that revenue with those other parties as well. This means your royalty split might only turn into meaningful money for you if the track becomes *extremely* successful. You should also be aware that UnitedMasters has no contractual obligation in these agreements and does not enforce royalty splits. Payment is entirely the responsibility of the buyer who purchases each license agreement.

**Price:** When uploading a beat, UnitedMasters provides a suggested price for each license type that's reasonable for many producers. However, you can determine your own price for each beat license. Prices will vary depending on where you're at in your career and how popular your beats are in the Beat Exchange. If you're new to selling beats, experiment with prices to see how artists respond in the Beat Exchange.

## Additional Options

**Stems:** If you'd like to offer a buyer more flexibility in the music they can make from your beat, you can optionally upload a .ZIP file containing the individual tracks or "stems" that together form your beat. If you're comfortable with letting the buyer access these musical building blocks as part of your license, consider increasing your price in return for the extra value you're providing.

**Free Download:** If your biggest goal is getting your sound heard by as many up and coming artists as possible, consider offering a free download of your beat. This will be an .MP3 file of lower quality than your original .WAV file and it will automatically include an audio watermark repeatedly overlaid on it to ensure that artists can't use a free download to make a song from your beat without paying you.

< **UnitedMasters Sync Library FAQ**

**Blog Post Title Two** >

**UnitedMasters - A Record Label in Your Pocket.**



UnitedMasters distributes your music, gives you tools to power your career, and unites you with the world's biggest brands.