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### Week 3: Discussion Questions

2. There are three different deals a label and an artist might make, the first is the label will sign the artist and then has their own producer handle the project in-house. Some advantages of this are that the artist will get royalties for the work they produce and the staff producer will either get a salary pay or a modest royalty; the label will handle the cost of everything according to a budget. Some disadvantage is that depending on how well the artist is doing will depend on how much everyone gets paid, so there will be a period in time when there won't be much coming in if the artist is slow to being recognizable. The second deal is the label already has the artist under a contract and stays with an independent producer to deliver a master. The record company will assign a production budget to the producer and will even have to pay a production fee upfront. The advantage is that the producer will benefit from the advanced royalty but unfortunately as a disadvantage, it's only about 2-5% based on the wholesale price of the records sold. The final deal is the label signs a master deal with a production company and the artist will sign with the production company. The production company will pay all record costs and will receive a royalty from the label. An advantage for the label is that it's not their responsibility to cover the budget overrun cost, this is a disadvantage for the producer and the artist because they will have to limit label distribution rights with time and geographic territory.

3. A 360 deal sounds as if it's better for the label but it can benefit both, but one has to use a specific method so that it's equal for both parties. The label will basically use other ways to make a profit outside of music like concerts, festivals, parades, merch wear, etc. This allows for both the artist and the label to profit and makes back what they lost when signing the artist and what the artist lost from producing their music making music videos, etc.