

IRA PEREZ EXPLORES IN TESLAW JOURNAL TAYLOR SWIFT'S LANDMARK MUSIC CONTRACT

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Bell Nunnally attorney Ira B. Perez authored the Texas Entertainment and Sports Law Journal (TESLAW Journal) article titled, "Raging Against the [Big] Machine: What does Taylor Swift's new record deal mean for the music industry?" The piece explores musician Taylor Swift's recent record deal with Universal Music Group (UMG). Perez, whose practice covers a broad range of transactional and business contract matters, breaks down two unique aspects of the deal, which is the first new contract for the multi-platinum selling 29-year-old artist since she signed with Big Machine Records at 15.

The first notable aspect of her deal with UMG, as chronicled by Perez, is that Swift will retain ownership of the masters of her recordings – a key difference from her Big Machine agreement and a provision which artists have increasingly demanded, albeit without much success until now. "UMG's highly publicized decision to allow Taylor Swift to retain ownership of her master recordings is the kind of move that could send a signal to other artists that UMG may be adopting a more artist-friendly approach in negotiating record deals. At the very least, it sets a precedent for other artists at the peak of their career to demand the same," noted Perez.

The second landmark aspect of Swift's deal affects far more than just herself: she secured a pledge from UMG to distribute a portion of the proceeds of any sale of its equity in Spotify to all of the record label's artists on the streaming platform. "What makes the agreement significant is that Swift used her leverage to benefit other artists. Thanks to Swift, UMG's commitment to its artists is now an enforceable covenant in a written agreement, and the payout will be non-recoupable—that is, UMG must make the payments to each of its artists without regard to whether any such artist has earned enough royalties for the label to recoup all advances made to or on behalf of the artist," said Perez.

Swift commanded unique leverage in her negotiations with UMG, forging a lucrative, artist-friendly pact that may serve as a template for future artists.

To read the full text of Perez' article, please click [here](#).

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