

## Information for Heads of Procurement

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### WHY SOUNDLOUNGE

soundlounge is a music licensing specialist that's been pioneering the way brands use music in their marketing for over 30 years. The company specialises at giving procurement professionals the power to buy music on their terms and at their price.

While many brands struggle to understand their music expenditure and in many cases see their spend increase, over the last 3 years soundlounge has successfully helped brands to reduce their costs year-on-year by between 25% - 35%. For one client, that's a total saving of over £2.5 million over 2 years.

#### **Key Facts:**

1. Established in 1980 under the name Songseekers International, soundlounge was the first music licensing company in Europe
2. Working in partnership with the world's major Music Rights Owners, soundlounge helped identify, define and develop the structure for the first music licensing agreements
3. soundlounge was the first to license songs from The Beatles, Frank Sinatra, Rolling Stones, Michael Jackson, David Bowie and Madonna to name just a few
4. Over its 30 year history, soundlounge has worked with over 700 global brands and helped them save well over £20 million in license fees
5. Ruth Simmons, soundlounge's founder and CEO is a recognised authority on music-related subjects from copyright to sound branding. Her views are regularly published on [www.brandchannel.com](http://www.brandchannel.com), [www.allaboutbranding.com](http://www.allaboutbranding.com) and [www.musically.com](http://www.musically.com)

### CONTEXT

While advertising agencies are the undisputed champions of creativity, they are not well set up to achieve cost savings on music licensing and production for individual brands. Negotiating best price and best value requires expertise, experience and long term relationships. This can only happen with consistent buying patterns and aggregated data that is carried forward from one campaign to another.

Since music is often considered one project at a time and consistently left to the last minute, agencies have little leverage in the negotiation. 9 times out of 10, this enables the Rights Owners to get their price on their terms. (Let's face it, they need the revenue. Worth \$2-\$4 billion annually, Sync is now one of their few remaining revenue streams)

With centralised buying of music and the right systems and processes in place, brands can achieve attractive cost savings, increase the value of their music purchasing and convert music costs into investments that have a real impact on their marketing ROI.

soundlounge puts in the systems and processes that ensure agencies maintain their creative latitude and control in both audio and visual and you enjoy the best price and achieve the greatest value from your music purchases

## PROCESS

### **Stage 1: Evaluation**

- A full audit on all music and sound collateral used across all brand interfaces
- A comprehensive report of all music and sound activity to provide deep insights for brand sound strategy

### **Stage 2: Strategy and Feasibility**

- Background insights and intelligence that will provide framework for sound briefing and decision-making
- The provision of guidelines for the rationalisation of costs against creativity
- Guidance on rights management and additional areas for cost savings

### **Stage 3: Creative Research**

- The development of concise and comprehensive music briefs
- Identification and management of all the elements to realise creative executions on time and on budget

### **Stage 4: Procurement of Music Rights**

- On-going advice on feasibility of creative ideas and associated costs, timelines, etc.
- Supply of ballpark quotes, negotiation of licenses, terms and full execution of licences
- Aggregation of brand music activity, usage fees, etc. and quarterly reporting and recommendations

### **Stage 5: Implementation**

- Implementation of ideas, negotiation of fees and quality control of demos,
- Final delivery of finished products and negotiation of final contracts

## KEY DELIVERABLES

1. A more effective music procurement/licensing workflow process with greater clarity on cost control and efficiency shortening music licensing lead times
2. More credible brand relationships with Rights Owners and Music Producers to achieve best value terms and conditions
3. Ongoing reports on areas of significant spend and identification of opportunities for further savings
4. More efficient management of brand music and sound assets
5. New music insights to improve creative briefing and licensing requirements