

# MUSIC COPYRIGHT AND ITS IMPLICATIONS FOR COMPOSERS

NBER Talk Outline  
July 19, 2005

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1. Introduction. The book: Quarter Notes and Bank Notes: The Economics of Music Composition in the 18th and 19th Centuries (Princeton University Press, 2004).
2. The modes of disseminating music circa 1800.
  - a. Letterpress, engraving. Several hundred firms by 1800.
  - b. Hand copying. Specialized shops plus free-lance.
  - c. Lithography - Aloys Senefelder, Franz Anton von Weber. Cheaper, but quality not as good at first.
3. How the modes competed: until late 18th Century, means of protecting author's rights at best primitive. John Walsh and Händel. Mozart and Mitridate in Milano in 1770.
4. The economics of the competition. Comparative costs (Figure 1). Fixed vs. variable costs of cranking out more copies. Engraving: 6-8 hours to do a two-page plate, plus pewter cost. Similar for typesetting. Härtel's data. Marginal typeset: £0.0101 per Bogen, or one quarter of an English pence.

The problem of getting comparative hand copy costs. Single copy vs. multiple for performance. Conversion from pages to Bogen. The breakeven. Limit pricing? B&H price: 0.0150 per Bogen.

Other evidence: Giovanni Ricordi, Verdi's publisher, and his strategy preparing performance scores: hand copy for solos, printed copies for replicated sections.
5. How composers and publishers competed against rampant piracy: do copies at home, divide up work, Beethoven's advertising against fakes, Artaria on op. 29 (Ries did the work), Händel's strategy with John Walsh (if you can't beat 'em, join 'em).
6. How copyright came into the picture.
  - a. The early situation: royal privileges. Fell apart as Holy Roman Empire lost coherence after 30 Years War; strongest in France. Telemann's experience with trio sonatas, 1737.

- b. The first true copyright law: the law of Anne, 1709: 14 years for new works, 21 for those already published. Initially held not to cover music. Bach v. Longman 1777. Cost of litigation: only he could do it (but died bankrupt). Registrations with Company of Stationers: 35 in 1770-79, 738 in 1780s, 1828 in 1790s.
- c. France joined shortly after revolution, after privileges abolished. Droit d'auteur -- already for Paris Opera, by royal decree. Performance fees only later in England.
- d. Germany - Austria - Northern Italy (Remnants of Holy Roman Empire).

1829 agreement among German publishers. Central registry, as in England. Not to purchase foreign publisher rights, encourage spheres of influence. Reciprocal sales agent relationships, e.g., Pleyel of Paris and Artaria of Vienna in 1796 -- promise on word of honor not to knock off the other's works. But couldn't deal with hand copying.

1825, Hummel drafted petition to Bundesversammlung signed by group of composers, including Czerny, Spohr, Ries, Moschelles, von Weber, Kalkbrenner, Pixis, Beethoven. Beethoven may have signed only in 1828, weeks before death, on visit to Vienna by Hummel. Apparently triggered by ripoff of Hummel work. Music publishers were "getting fat by robbing without penalty their neighbors' property." Injured composers' reputations, reduced their incomes, worsened balance of trade vis a vis France and UK. BVS formed standing committee.

1837, BVS enacted minimum guidelines for member states; then Austria - Sardinia - Savoy treaty in 1840; then Piedmont joined Sardinia 1840. Copyright now effective in German-speaking lands and most of northern Italy. Then international union with Berne convention of 1887 (not joined by United States until much later).

International coordination problems, e.g., "first published in UK." Beethoven's strategy: get separate publications in German-speaking nations, France, and UK. But bitter disputes with UK publishers over word of prior publication in Vienna or Paris. Was it the law, or was it first mover advantage, with copies leaking into the UK and spoiling the market? Opera problems too -- Wagner.

7. How composers exploited the new laws.
  - a. The early attractiveness of Paris and London to Italian opera composers. Performance rights in Paris, along with large market and huge government subsidies.
  - b. Asymmetric information and the inspection problem. Plus hazards of the mails at the time. Buy pig in poke. Schubert's problem in Germany.
  - c. Italian, German copyright came too late for Rossini, Bellini, Donizetti. Verdi the first to take full advantage of the new law. His link with Giovanni and then Tito (1853) Ricordi -- with Härtel, best economists among major music publishers.
  - d. Ricordi's strategies.

Sell scores to theatres, displacing copyists.

Performance fees. Before copyright, couldn't collect. For provincial performances, copyists beat them to the punch or under-sold. After copyright, could collect from each opera house. At first, fixed fee. But then, 1850, price discrimination: "It is more advantageous to provide access to these scores for all theatres, adapting the price to their special means, because I obtain more from many small theatres at the price of 300 or 250 lire, than from 10 or 12 at the price of 1000" (1000 lire = £34). Had team of field agents, lawyers in larger cities to enforce. Transaction costs and the splitting of fees between Verdi and Ricordi.

Reductions: already practiced in the time of Mozart and Beethoven. But Giovanni honed to a fine art, e.g., Rigoletto (premiere in 1851) -- piano and voice, solo piano, 4 hands piano, flute, piano and violin, string quartet, and much else. Performance scores, sell or rent a few dozen. But for reductions, market in the thousands. Every middle class Italian family was playing Verdi at home.

The consequence: Ricordi could pay Verdi much more for rights to his works than before copyright. Through this and exploitation of the lucrative Paris and London markets, Verdi became quite wealthy; semi-retired to villa in Bussetto. 1840-49 (36 years old in 1849), wrote 14 operas; 50s, seven; 60s, two; one each in next three decades. Backward bending supply curve. Contrast Salieri when his investment in theatre failed -- Marie Antoinette.

Evidence on other composers: probable backward bending supply curve for Rossini, Donizetti, Brahms too. But few made it so big. Demonstration effect -- the most important aspect of copyright?

8. What composers wanted. The continuing conflict: small market for symphonies and the like, vs. piano and violin sonatas.

The data from Schumann's honoraria. Figure 7.3. The larger the work, the higher the average honorarium. Multiple regression analysis: reputation effect: holding constant the type of composition, fee went up 0.73 percent per opus for Schumann, 0.98 percent for Beethoven.

Does this compensation scheme create incentives to write the symphonies, operas, and oratorios publishers really don't like? Convert to fee per printed page. The numerical table for Schumann: Thaler per page.

Symphonies	1.12
Opera	1.11
Oratorio	1.44
Other orchestral	1.80
Choir with orch.	2.24
Quartets, quintets	2.79
Trios	4.84
Inst. duets	5.63
Sonatas	4.55
Lieder	3.66

Those easily performed at home brought 2.43 times as much per page as large-group compositions.

9. Attempt at a quantitative test to determine whether the emergence of copyright led more young people to enter composing as a profession. Results ambiguous.
10. What's clear, however: the absence of copyright didn't prevent the blossoming of a golden age of music composition: Vivaldi, Bach, Händel, Haydn, Salieri, Mozart, Beethoven, Schubert, John Field, Weber, Mendelssohn ... Did patronage compensate? For some, yes, but not most.