

Look What You Made Them Do: The Impact of Taylor Swift's Re-recording Project on Record Labels

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I. Introduction

Fourteen-time Grammy award winning artist, Taylor Swift, has revolutionized the music industry. ¹ In 2019, Swift announced her decision to re-record her first six albums. ² After her master recordings were sold without her consent, her goal in re-recording was to reclaim ownership of her music and devalue the original master recordings. ³ Almost five years later, her efforts have been incredibly successful. ⁴ The re-records are outperforming the originals by a landslide, and by

revisiting and re-releasing her old music, Swift has launched herself to unprecedented levels of stardom.⁵

Swift's success has caused record labels to reevaluate their standard recording contracts. 6 Labels are demanding that new artists wait unprecedented amounts of time before re-recording their music. 7 In order to foster a mutually beneficial relationship, record labels should consider other alternatives to lengthening re-recording restrictions.

Part II will provide a brief overview of United States copyright law before exploring the background of Swift's re-recording project and the subsequent response from record labels. Part III will discuss why recording labels should consider alternative avenues and suggest a few potential courses of action. Part IV will conclude by urging record labels to adopt alternative courses of action, as opposed to lengthening rerecording restrictions.

II. Background

A. Copyright Laws in Producing Albums

Under United States copyright law, master recordings are sound recordings "that result from the fixation of a series of musical, spoken, or other sounds, but not including the sounds accompanying a motion picture or other audiovisual work." The recording must be "fixed" such that it can be "perceived, reproduced, or otherwise communicated." Whoever owns the right to a master recording has the power to allow third parties to license the work. The owner of the master recording also receives profits from purchases or streams of the recording. Under a traditional recording contract between a record label and an artist, the record label owns the rights to the master recordings. This grant of ownership to the record label poses a tricky dynamic between the two parties. On one hand, record labels view

artists as investments, and wish to receive financial returns for the risks they take in choosing to support an artist. But on the other hand, artists are the people who create the work that the record label is profiting off of, and wish to retain creative control over their art.

Copyright protection does not last forever. ¹³ The Constitution gives Congress the power to grant copyrights for "limited times." ¹⁴ For works created on or after January 1, 1978, copyright protection begins at the moment the work is created, and lasts for seventy years after the author's death. ¹⁵ When the term of the copyright expires, the work then becomes part of the public domain. ¹⁶ Under traditional recording contracts, record labels retain the rights to master recordings in perpetuity, or until the copyright expires. ¹⁷ Any or all of the copyright owner's rights may be transferred. ¹⁸ Transfers generally must be made in writing, and recorded with the United States Copyright Office. ¹⁹

Re-recording projects, such as Swift's, are possible because copyright can exist simultaneously in different elements of a song. ²⁰ In music, there are generally two copyrights: one for the recording and one for the musical composition. ²¹ The record label typically owns the copyright for the recording, and the songwriter owns the copyright for the musical composition. ²² Swift, for example, is able to re-record her albums without violating the copyright because she owns the copyright for the musical composition, and the copyright owner of the musical composition has the right to reproduce the work. ²³

B. Taylor Swift's Path to Owning her Music

The complicated dynamic between record labels and artists is exemplified in Swift's dispute over ownership of her master recordings. In 2005, Swift signed a thirteen year recording contract with Big Machine Records ("Big Machine") when she was fifteen years old. ²⁴ The contract was for six albums, and gave Big Machine ownership of all

master recordings for those albums. 25 When the contract ended, Swift would be able to re-record her music after a set period of time, if she wished. 26

Swift's contract with Big Machine ended in 2018 when she released her sixth album, Reputation. ²⁷ Swift was given the opportunity to re-sign with Big Machine. ²⁸ In their new offer, Big Machine gave Swift the opportunity to "earn" back her master recordings one album at a time for every new album she released. ²⁹ Unhappy with this offer, Swift left Big Machine, and signed a new recording contract with Republic Records ("Republic"), a subsidiary of Universal Music Group. ³⁰ Her new contract with Republic gave her ownership of the master recordings of all music she created going forward. ³¹

In 2019, Big Machine was sold to Ithaca Holdings, a company owned by Scooter Braun, for \$300 million. Sold Owning Big Machine meant that Braun also owned the master recordings of Swift's first six albums. Sold Braun and Swift have a hostile relationship, with Swift accusing Braun of "incessant, manipulative bullying." Sold Calling the sale her "worst case scenario," Swift explained to fans in a Tumblr post that she was never given the opportunity to purchase her master recordings, despite pleading for the opportunity to do so. Sold Braun occurred without her knowledge or consent.

Following Braun's acquisition of Big Machine, the company would not allow Swift to perform any of the music from her first six albums at the 2019 American Music Awards, nor use any of the music in her 2020 Netflix documentary "Miss Americana." 37

In an attempt to regain ownership and control of her early music, Swift announced her intention to re-record her first six albums. ³⁸ Because her new contract with Republic gives her ownership of the master

recordings of all music she creates going forward, re-recording her early work under this contract would achieve this goal.

C. Taylor Swift's Success in Re-Recording

From a business perspective, re-recording was an incredibly smart move for Swift. Not only does re-recording give her full commercial licensing power over her music, but the nostalgic value of her catalog works in her favor as well. The re-recording project as a whole caters to old fans who were there for the release of the originals, while simultaneously roping in new, younger fans.

The popularity of Swift's re-records is reflected in her success over the past year. Swift became a billionaire in $2023.^{39}$ Her net worth was achieved largely by music—a rare feat. ⁴⁰ Her Eras Tour, which was notoriously difficult to get tickets to, ⁴¹ became the highest grossing tour of all time. ⁴²

Although it is rare for artists to exercise their re-recording rights, 43 Swift is not the first artist to re-record her music in an attempt to regain ownership of her work. 44 After failing to obtain ownership of his master recordings from Warner Brothers, Prince re-recorded his album 1999. 45 Although the idea was never followed through, he intended to re-record his entire discography. 46 Frank Sinatra re-recorded some of his music in the 1960s. 47 Def Leppard re-recorded two of their songs in an effort to earn more money from the royalties. 48

Despite not being the first artist to re-record her work, Swift has undoubtedly been the most successful. 49 Fearless (Taylor's Version) was the first re-recorded album in history to top the Billboard charts. 50 Red (Taylor's Version) broke the Spotify record for most streamed album in a day by a female artist. 51 1989 (Taylor's Version) outsold its original counterpart within the first week of its release. 52 Re-recording

her old music is also devaluing her old master recordings; every time Swift released a re-recorded album, sales of the corresponding original album significantly dropped. 53

D. Taylor Swift's Impact on Record Labels

In response to Swift's success in her re-recording project, major record label companies are overhauling recording contracts for new artists. ⁵⁴ The labels want to ensure that artists are maintaining exclusivity with them and are preventing artists from competing with the record label by re-recording. Labels such as Universal Music Group, Sony Music Entertainment, and Warner Music Group are stipulating that artists must wait anywhere from ten to thirty years after their original contract ends to re-record their music. ⁵⁵ Gandhar Savur, an entertainment attorney, reported that he recently "did a deal with a very big indie [artist] that had a 30-year re-record restriction." ⁵⁶

It is important to recognize that re-recording restrictions are nothing new. 57 Re-recording restrictions have always been standard for recording contracts. 58 However, the length of these new restrictions signifies a departure from industry standard. 59 Up until now, artists were typically required to wait to re-record anywhere from five to seven years from the original release of the music, or two years after their contract with the record label expired. 60 Requiring artists to wait fifteen to thirty years, as opposed to five to seven, is unprecedented. 61

III. Discussion

Although the discussion of an artist's right to own their work long predates Swift, 62 her success has placed the debate back into public attention. Instead of responding to this shift by changing re-recording

clauses in contracts, music labels should strive to work more collaboratively with artists.

The introduction of the internet and streaming services has drastically changed the music industry. Before the internet and streaming services such as Spotify and Apple Music, artists used to be much more reliant on music labels to release their music and promote their work. Therefore, artists had very little bargaining power when signing their recording contracts. Music labels undoubtedly had the upper hand.

In 2024, that is no longer the case. Artists are not nearly as reliant on music labels for success. Some artists choose to completely bypass working with record labels. By self-promoting, and simply releasing their music on the internet, they do not have to enter into a contract with a record label at all. And by not being a party to a recording contract, artists retain complete control of their master recordings. While it is difficult to successfully self-promote completely, it is not impossible. Chance the Rapper, for example, does not work with a label, and has three Grammy Awards. 63

Swift's struggle with Big Machine is affecting how new artists negotiate their recording contracts. 64 After seeing Swift's battle with her original record label, many artists that choose to sign contracts with record labels are attempting to negotiate owning their master recordings into those contracts. Olivia Rodrigo, for example, retained control of her master recordings in her contract with her label. 65 In an interview, Rodrigo stated that she was inspired by Swift's battle with her own music. 66

Artists like Olivia Rodrigo and Chance the Rapper are proof that signing with a record label is no longer the sole way for artists to be successful. To remain relevant, record labels should not work against artists by lengthening re-recording restrictions. Instead, labels should work collaboratively with artists to reach agreements that satisfy both

parties. Treating artists as legitimate business partners rather than employees would likely create a mutually beneficial and successful relationship.

There are a few ways that labels and artists could go about this. One potential solution that could work for both labels and artists is to give labels the rights to the master recordings at first, and then transfer ownership to the artists after a set period of time. After the first few years that the music is released, the record labels will likely have earned the majority of royalties they are going to make from the music, and could be content transferring ownership to the artists. The artists, on the other hand, would likely be willing to relinquish ownership for a set period of time in exchange for the services labels provide such as financial support, promotion, and distribution. This could all be outlined in the recording contract.

Another potential solution could be for record labels to give artists an increased say in decisions regarding their music. Artists could negotiate a clause in their recording contract that states that both parties must mutually agree on any decisions made about licensing, sales, or any other actions pertaining to their work. Shared decision making could benefit both parties, as artists could retain creative control, while allowing record labels to participate in strategic decisions.

IV. Conclusion

Taylor Swift's success in obtaining ownership of her music has spurred debate about ethics in the music industry and artists' rights to own their work. In response, music labels are adding clauses to recording contracts that stipulate that artists wait a lengthy period if they wish to re-record their music. ⁶⁷ In order to remain relevant in the changing music industry, record labels should consider other alternatives to lengthening re-recording restrictions.

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