

Sports & Entertainment Beat

Sports & Entertainment Spotlight: No Sooner Does Kobalt Music Publishing Pull 700,000 Song-Catalog From Facebook and Instagram, but Meta Announces its Newly Adopted Ad Revenue Sharing Model for Musicians

By Joshua Bloomgarden on 7.28.22 | Posted in Sports & Entertainment Spotlight

Welcome back to the "Spotlight." Rest assured that I have leveraged perhaps one of the greatest inventions in human history—central air-conditioning—to make it through last week’s heat wave in New York. So I feel the pain of my colleagues out in the Pacific Northwest, where the air typically requires no conditioning. Seattle clouds and rain probably sound pretty good right about now. At any rate, for those looking to hole-up inside, I have a shameless, unabashedly nepotistic plug for all nine of you readers out there: my cousin Nina Bloomgarden stars in the Peacock series, “The Resort” debuting tonight. If that’s not enough, my other cousin (Nina’s sister) Gabriela is due to be a featured performer in Walker: Independence. All of which is to say, Bloomgardens’ entertainment industry garden is well, blooming. So to paraphrase Chief Brody from Jaws, “you’re gonna need a bigger Spotlight.”

- No sooner does Kobalt Music Publishing pull its catalog of 700,000 songs from Facebook and Instagram’s services, but Meta Platforms announces that it is finally adopting an ad revenue sharing model for musicians whose songs are used in user generated content (UGC)—the first of its kind among social media platforms. Assuming this is a negotiating tactic by Kobalt, this is the B2B equivalent of unfriending a person in hopes that they will start paying attention to them. Now would be a great time to queue up “Bye, Bye, Bye” by ‘NSYNC if not for the fact that the rights to that song are administered by Kobalt.
- It’s not often that a law firm inks an endorsement deal with a professional athlete. [Redacted]’s decision to sever ties with a professional golfer joining the Saudi-backed organization LIV Golf highlights precisely why it’s so rare. Even rarer? A law firm endorsing another law firm.
- U.S. sprinter Fred Kerley joins forces with a startup sports underwear company CXP. Fingers and toes crossed that CXP unveils a tagline “the underwear that makes you go.”

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Endorsement Deals, Sponsorships & Investments **LIV Golfer's Lost Sponsorship Shows Risks of Law-Firm Endorsements** *July 27, 2022 via Sportico (subscription may be required)* A day after LIV Golf announced American golfer Jason Kokrak was joining the nascent league, Kokrak lost an endorsement deal with international law firm Cozen O'Connor.

U.S. Sprint Star Fred Kerley Invests in Sports Underwear Brand CXP *July 27, 2022 via East Midlands Business News* A fledgling sports clothing company founded during the coronavirus lockdown has agreed a deal with global sprinting superstar Fred Kerley to be its new shareholder and adviser.

Fanatics, Alabama Ink Company's Most Comprehensive College Deal *July 25, 2022 via Sportico (subscription may be required)* Fanatics has signed a wide-ranging partnership with the University of Alabama, the latest deal that covers the company's rapid expansion into new businesses.

Tax Implications When NCAA Student Athletes Make Money *July 21, 2022 via Yahoo Finance* This is the first academic year that NCAA student-athletes have been able to earn money for their accomplishments and popularity.

Sports **Penn State Setback in Vintage Brand Lawsuit Could Shake Sports Industry** *July 25, 2022 via Sportico (subscription may be required)* Trademark law has disrupted name changes for the Washington Commanders and the Cleveland Guardians, and now a new court ruling challenges longstanding assumptions about trademark protection for logos, symbols and other marks that distinguish sports teams.

Stephen Curry's Unanimous Media and Talent Resources Sports Host Star Studded Night Presented by FTX *July 22, 2022 via PR Newswire* Stephen Curry and his media company Unanimous Media along with Talent Resources Sports (TRS), the Premier Sports Marketing Agency, joined forces to produce a star-studded after-party.

Public Scrutiny Grows Over UCLA's Planned Move to the Big Ten *July 22, 2022 via Sport Business (subscription may be required)* The University of California Board of Regents said it will scrutinize the planned move by the University of California-Los Angeles from the Pac-12 Conference to the Big Ten Conference, and intends to release a public report on the impact of that shift upon the rest of the UC system.

Music Biz **Music Publisher Pulls 700,000-Song Catalogue From Facebook, Instagram** *July 27, 2022 via Channel News Australia* The publisher of works by Foo Fighters, Paul McCartney, Lorde, Beck, and countless other artists has pulled its 700,000-strong catalogue from Facebook and Instagram after failing to come to royalty terms.

Meta Shakes Up Music Industry With New Revenue Sharing Deal *July 26, 2022 via Techradar* Meta, the parent company of Facebook, has unveiled a new monetization feature that seeks to share revenue between music artists and content creators on the social media platform.

Ex-Hendrix Bandmates Can't Yet Ax Sony's Copyright Suit *July 20, 2022 via Law360* A New York federal judge has refused to boot Sony's copyright suit against former bandmates of late guitarist Jimi Hendrix over music licensing rights, ruling that pending jurisdictional discovery could impact the outcome of the suit but limiting Sony's bid.

Film & TV **TikTok's Parent Company Filed to Trademark a 'TikTok Music' Streaming App, Which Could Bring it into Greater Competition With Spotify and Apple Music** *July 27, 2022 via Markets Insider* TikTok parent ByteDance filed a trademark application for a service called "TikTok Music." The service could feature an app for users to purchase, play,

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share, and download music.

National Football League's New Streaming Service NFL+ Launches at \$4.99 per Month *July 25, 2022 via CNBC* The National Football League now has its own streaming service. Premiering Monday, the NFL is launching NFL+ for \$4.99 per month or \$39.99 per year.

FC Barca Is Said to Sell More TV Rights Stake to Sixth Street *July 21, 2022 via Bloomberg Law (subscription may be required)* Barca, the European football club formally known as FC Barcelona, has reached an agreement to sell an additional stake in the team's LaLiga media rights to private equity firm Sixth Street, according to a person familiar with the matter.

Lacrosse League Attracts New Funding From WWE, Kevin Durant *July 21, 2022 via Bloomberg (subscription may be required)* The Premier Lacrosse League raised a fresh round of funding with new investors including World Wrestling Entertainment Inc. and Kevin Durant's venture fund as it eyes a new tournament and bigger media ambitions.

Non-Fungible Tokens (NFTs) Is the NFT Boom Over? Trading Volumes Hit 12-Month Lows *July 27, 2022 via Crypto Briefing* The summer of 2021 marked an explosion of interest in NFTs. One year later, trading volumes in the NFT market have tanked. Key Takeaways NFTs are struggling to maintain the parabolic growth they experienced during the bull market.

Madonna on 'Ride or Die' Guy Oseary, the Bored Ape That Got Away and Her Upcoming Biopic: 'No One's Going to Tell My Story but Me' *July 27, 2022 via Variety* Madonna became close with the man she calls her "ride or die" in the same way that most people bond: through late nights out, long conversations — and no small amount of mischief.

Biggie Smalls NFT Collection Sells Out in 10 Minutes, Owners Get Licensing Rights to Unreleased Freestyle *July 27, 2022 via Crypto News Australia* The Christopher Wallace Estate, managers of the Notorious B.I.G.'s music, fashion, film, and unreleased archives, dropped a collection of NFTs that sold out in ten minutes.

Bill Murray's NFT Drop On Coinbase Provides A Blueprint For Future Celebrity Launches *July 25, 2022 via Forbes (subscription may be required)* Last week in collaboration with theCHIVE online community and its branding subsidiary Project Venkman, actor and comedian Bill Murray successfully launched the first drop of his Bill Murray 1000 NFT collection.