Written evidence submitted by Matthew Whiteside

I am a classical composer self-releasing my music. I was named in the List Hot 100 for 2019, 'One to Watch' in the Herald's Culture Awards 2017 and winner of the Light Moves Innovative Use of Sound Award for his work *Entangled* with Marisa Zanotti. My music has been described as "Effective and Unsettling" by BBC Music Magazine and "post-minimalist bold sparseness" by the Herald.

Recent work has included a short opera *Little Black Lies* commissioned by Scottish Opera Connect, with libretto by Helene Grøn; *Night Thoughts,* commissioned by Crash Ensemble for première at New Music Dublin 2020; *Rama*, commissioned by The Night With… for Ensemble Offspring; *Entangled,* commissioned by the Institute of Physics for the 2018 NI Science Festival; and working with filmmaker/chorographer Marisa Zanotti creating collaborative work with Magnetic North.

Since releasing my first album in 2015 I have grown my audience to around 2,000 listeners a month on various streaming platforms translating to about 4,500 streams and about $13.25 a month.

Streaming royalties are split into three different streams going to the record label and the composer (through PRS and MCPS). As I am a self-releasing composer I can see and receive all royalty streams.

Through most of this document I will refer to payments from Spotify. This is simply because it is the service I have gained the most streams through and have the largest experience of. However, my comments directed at Spotify are also true of the other major streamers – Apple Music, Deezer, Tidal, etc.. Below I have included a summary of my streaming payments for the last year which include multiple services.

Streaming Data

Since my music has been available on Spotify I have had 126.2k streams according to Spotify for Artists. This has earnt me $279.64 as a record label through my distributors (CD Baby and Route Note) averaging $0.0022 per stream. In addition as a composer I receive £0.00143 per stream ($0.00186). This is made up of £0.00067 through MCPS and £0.00076 through PRS. So as a self-releasing composer I get about $0.00386 per stream. These figures area only for Spotify and are averaged.

Below is a summary of my streaming data from November 2019 to October 2020. The excel file with the complete data can be found here:
https://www.dropbox.com/s/c6fnqiidgzrm1nd/Matthew%20Whiteside%20-%20DCMS%20Streaming%20Stats.xlsx?dl=0

It consists of 11,000 lines of data, so pasting it into this document seemed unwise.

The data has been downloaded from my distributors (CD Baby and RouteNote) and consists of my world-wide streams across all platforms.

The summery of this data is:

Total Streams	Total Income ($)	Average per stream ($)
53131	159.1996373	0.002996361

Service	Total Streams	Total Income ($)	Average per stream ($)
Apple Music	6190	37.9698292	0.0061340596
Spotify	46503	118.9280999	0.0025574286
YouTube	75	0.56446845	0.0075262460
Google	25	0.082031973	0.0032812789
Amazon	115	1.062695145	0.0092408273
Deezer	133	0.498993733	0.0037518326
Tidal	9	0.043812514	0.0048680571
Tencent	4	0.004489811	0.0011224527
Yandex	41	0.032523248	0.0007932499
UMA	22	0.001672459	0.0000760209
Other	14	0.011020875	0.0007872053

These are the amounts distributed to me as the record label and do not include the PRS and MCPS royalties discussed above.

Evidence for change
At the moment renumeration is unfair for long form and indie music especially because the payment is the same whether the piece is 32 seconds of 15 minutes. I use long-form specifically because the problem isn't just for classical, though classical is disproportionately affected due to the length of movements and the cost of recording an orchestra. Most of my works that have been released are over 5 mins long and a lot of music of bands like Pink Floyd, Opeth or Zero 7 is a lot longer than the c.3 mins that most popular music seems to be.

Take Pink Floyd's 'Comfortably Numb' (9min 29), Ariana Grande's 'thank u, next' (3min 27) and Simon Rattle conducting Mahler 2's 1st movement (23min 55). Under the current pro-rata payment system over the duration of "Comfortably Numb", "thank u, next" can trigger almost three times as many payments as the one play of 'Comfortably Numb' while in the space of the Mahler it will trigger almost 7 times as many payments!

Based on my current average figures (c. £0.004/stream including PRS & MCPS) a premium subscriber to Spotify would need to trigger only about 58 streams every day, or about 5 complete listens to a 12 track album, to pay artists the £7 of their subscription (I'm assuming Spotify takes 30% cut to run the service). These 58 streams a day work out at 3h

20 mins if only streaming 'thank u, next', which is doable for someone listening to music in the background while they work but if streaming the Mahler that would need over 23 hours a day for a month which isn't practical for any one person to do.

In the user centric model, (where a user's payments get distributed only based on the music they listen to) if a user only streams the Mahler once in the month he (or at least the right holders) will get all £7, currently if you only stream it once the payment is only £0.004 and the rest of your subscription will be paid to people like Ariana whether you listen to them or not.

In other words a listener who mainly streams long-form music is currently subsidising the payments of those who listen to shorter form music. It feels like a massive Ponzi scheme where those who are already popular soak up a disproportionate share of the payments. This is the crux of the problem. The current payment system, by accident or design, is set up to stifle income of those not already popular. When I speak to everyday listeners who do not understand the payment system they assume their money is only going to pay for the music that they listen to and are confused and angry to find out that is not the case.

Streaming payments do vary across platforms and I think that is totally reasonable. From my experience Apple Music pays out to the record label almost 3 times more than Spotify does (based on the above data) but Apple Music doesn't have an advert supported element. A user-centric system could even out artist payments or encourage services to be more competitive. It would be interesting to imagine a situation where streaming services are trying to encourage artists to be exclusive with them through offering a higher payment.

Other Royalty Issues

While composers are due royalties through MCPS and PRS these are not always paid out due to different distribution policies in various countries around the world. Due to my position of being able to see all of my streaming information I am able to identify missed royalty payments and query them with MCPS and PRS. In one instance I realised I was missing out on royalties for about 20,000 streams of 8 different works (representing 25% of streams and about £25 in missing royalties) from the USA over a 2-year period. When queried with PRS, ASCAP advised PRS that the works weren't payable due to the streams not hitting a certain threshold in the reporting period and they were not able to provide further information about the processing thresholds.

In my experience PRS and MCPS do an excellent job of collecting distributing royalties and responding to any queries I have, but the above experience shows that their work can be hampered by collection policies in different regions - that if a work does not reach a certain unknown threshold for payment then it isn't paid and the threshold resets. The money can be assumed to go back into that region's pot and distributed to those who did hit this unknown threshold. This then increases the disparity between those who are popular and earn significant royalties from streaming and those who are emerging.

The problem that I find most confusing is that the data is there in the system though often this lack of payment is attributed to poor meta-data, which in some cases will be true and in my example I fully understand why asking someone to manually match £25 worth of streams isn't cost effective. However, streaming services are already paying out per stream to record labels, they are creating unique playlists for users based on each users individual listening habits and are now often attributing the composer/song writer in the track listings. Even with this data it doesn't always mean the composer will actually get paid anything if their streams don't hit an unknown threshold even though their music has been listened to and the appropriate license fees have been paid.

While my experience when taken in isolation is a small and low value example, if you extrapolate it out then you can see the impact this might have on the sector as a whole.

Cost of creating an album

Below is the recording budget for my recent album Entangled. It does not take into account marketing.

Performer fees (string quartet over 2 days) - £2,680
Studio hire - £500
CD printing - £492

Total - £3,672
Cost in Spotify streams at $0.004 / stream (including PRS & MCPS) - 1,192,725

I get about 4,000 streams a month on Spotify so for the recording costs to break even that is about 25 years of streams at the current average rate payment rate combining both the label share and the composer share. Those 4,000 streams are for my whole discography and not just for the above release.

Understanding my Audience

None of the streaming platforms give data around what type of listener your music attracts beyond age, gender and geographic location. However it is possible to infer what listeners of my music also listen to on a regular basis through user created playlists. Below is a list of the top 4 playlists by the number of streams they generate for my music based on Spotify for Artists.

Fantasy – Music for Writing & Inspiration
https://artists.spotify.com/c/artist/5O6zANkIw2xYdZV9oWnpeC/music/playlists

This is a playlist created by an author and primarily contains film music with the majority of artists receiving 30,000 to 500,000 listeners a month.

Lovecraftian Atmos

https://open.spotify.com/playlist/0cqGsFxFxtnzEYZ98x275q?si=T2Az75ODRWqQAt-fSQAksw

A playlist of atmospheric music to read Lovecraft's horror works. The majority of artists are on the lower end of Spotify listeners receiving under 100,000 listeners a month. They are musically more ambient.

Dark Classical
https://open.spotify.com/playlist/1Yt9NdorMkoSzMa6WEByuy

This playlist has more traditional classical music on it mixed with ambient instrumental music. Most of the artists are receiving under 100,000 listeners a month.

Modern String Quartets
https://open.spotify.com/playlist/1zShFQYr96WY19EP4j1107

This playlist is purely instrumental classical music. Most of the artists have been 100k and 200k listeners.

What I take from the types of playlists my music is on is the confirmation that my music is not mainstream, the listeners of my music are into more niche music and probably do not listen to much chart music. To me this is further evidence that putting a user's payment into a large pot and dividing it by the total streams of that pot is taking money away from the music the listener is actually listening to and instead benefiting the major labels and already popular musicians and composers.

Conclusion

I hope my evidence helps to paint a picture of the unfairness of the current payment system. While I do believe the payments themselves are too small for any musician to make a living from, I do not think the answer is to increase payments for the sake of it.

My problem with the system is the lack of fairness as to how these payments are created and decided upon. If someone does actually trigger 1,750 payments in a month and only streams one of my pieces then I have no issue with receiving $0.004 for that stream (or less if they stream 2,000 or 3,000!) but I do not believe that the people who listen to my music are listening to 1,750 tracks a month. I, as a composer constantly listening to music and researching what is going on, only listen to 30 or 40 tracks a day (so 900 to 1,200 tracks a month) at very most. As a listener I want to know the music I'm listening to is being fairly paid for.

Streaming is the way most people listen to music but, for musicians to survive in the current digital economy, a fairer payment system needs to be created to compensate everyone appropriately to allow niche genres and younger artists to emerge and thrive in their own digital community but the system also should support the platforms themselves to develop and innovate.

Thank you for reading my submission.