Written evidence submitted by Joe Newman

Question one: what are the dominant business models of platforms that offer music streaming as a service?

My name is Joe Newman and I am a professional session musician. Though I am mostly an accompanist/non-featured artist on the recordings of others, I feel strongly that since the digitisation of music (first with iTunes/mp3, and now with streaming) record companies continue to exploit artists by claiming the same percentage share of royalties, despite no longer incurring the same production and distribution costs. In terms of improving the economics of streaming for performers such as myself, I would suggest that:

1. The streaming model must be equitable, fair, transparent, efficient, and pro-creator.

2. It must value the songwriter and performer contribution to streaming more highly.

3. It must include checks on the dominance of major music corporations on streaming marketing, licensing and distribution of streaming royalties.

4. It must stop information being hidden that enables conflicts of interest and prevents creators and performers understanding what they're being paid and why.

5. It must include modernised royalty distribution systems to stop bad and missing metadata, and mis-allocated payments.

6. It must create the strongest environment for UK creators and ensuring UK songwriters, composers and performers do not fall behind on basic rights and protections.

Question two: Have new features associated with streaming platforms, such as algorithmic curation of music or company playlists, influenced consumer habits, tastes, etc.?

With streaming accounting for more and more of our music consumption, forms of algorithmic curation have become the new form of industry gatekeeping, analogous to radio playlisting in the pre-internet music industry. It is often skewed towards new releases by major labels, and does not allow for consumers to have a more transparent and equitable access to new music. In terms of fixing streaming and supporting new independent artists, we need:

1. Oversight of platforms so that algorithms are not biased, and provide equal access to the streaming market for all artists, songwriters and performers regardless of whether they are signed or not.

2. Full auditing and disclosure of the relationships between rights owners (music publishers and record labels) and streaming platforms to expose agreements, marketing partnerships and non-licence revenues.

Question three: what has been the economic impact and long-term implications of streaming on the music industry, including for artists, record labels, record shops, etc.?

In short, artists cannot earn enough from streaming to support themselves despite regularly clocking up thousands of plays of their work, as currently they would need millions of streams just to earn a living wage from consumers listening to their music on streaming platforms. In terms of making streaming an equitable and sustainable revenue stream for artists, we need:

1. An equitable model that enables greater value to be placed on the song.

2. A fairer model where the major music corporations do not dominate the marketing, licensing and distribution of streaming royalties.

3. Greater transparency to stop information being hidden that enables conflicts of interest and prevents creators and performers understanding what they're being paid and why.

Question four: how can the Government protect the industry from knock-on effects, such as increased piracy of music? Does the UK need an equivalent of the Copyright Directive?

In terms of protecting artists and their work, we need:

1. Better or equivalent copyright protections for creators to those awarded elsewhere, particularly in Europe.

2. Greater transparency amongst record labels, music publishers, streaming platforms and other licensing entities so that creators can effectively use their right to audit music companies they are signed to or who administer royalties for them.

3. Enshrine the liability of online platforms in UK law; this means that platforms, including those that host user-generated content, will be liable for hosting unlicensed music.

4. Contracts between music creators and companies tasked with exploiting their works should always ensure that all creators will be paid appropriately and proportionally to their music's success.

5. Be able to renegotiate contracts if the remuneration originally agreed under a license or transfer of rights turns out to be disproportionately low compared to revenues generated by a creator's music.

6. Assignment of rights to a music company should have a maximum term, after which the rights should automatically return to the creator, who could decide to extend or place their rights elsewhere.

Question five: do alternative business models exist? How can policy favour more equitable business models?

As a session musician, currently I do not earn any royalties from the streaming of recordings that I have played on. However, a more equitable business model for streaming would remunerate all parties involved in a recording, such as myself. We need:

1. More transparency and opportunities for scrutiny, so that current market distortions can be exposed and reformed.

2. Ensuring a level playing field through regulation can enable ethical business models to become the norm. Not all platforms are the same, and not all music companies are the same; some are demonstrating that more equitable business models can be adopted.

3. The reclassification for performers of streaming as a 'communication to the public' rather than 'making available' (for songwriters, streaming already has this classification). This would generate royalties to be paid through a collection society such as PPL (like radio does), help unrecouped artists as it would generate new royalties for them that they wouldn't get direct from a label, and generate an income stream for session musicians who currently receive no streaming royalties.