

## Written evidence submitted by Tru Thoughts

### Economics of music streaming evidence

Founded in Brighton, UK in 1999 by Robert Luis and soon after joined by Paul Jonas, Tru Thoughts have established an international reputation for releasing a wide variety of high-quality music in the twenty one years the company has been running. Since the acclaimed first album release of Bonobo's debut 'Animal Magic', we have put out over two hundred LPs, across genres from electronic, funk, soul and hip hop to jazz, tropical, grime and more.

Over the years, our eclectic roster has included names such as Quantic, Alice Russell, The Bamboos, Rodney P, Hidden Orchestra, Riz MC, Zed Bias, Anchorsong, Moonchild and the Grammy-nominated Hot 8 Brass Band; with acts hailing from Australia, UK, USA, Canada, Brazil, Japan and Colombia. The office continues to run from Brighton together with its publishing company Full Thought Publishing, which has seen its music used in major advertising campaigns, movies and TV shows .

With an open mind and an eclectic taste, we pride ourselves on continuous growth as one of the UK's most respected independent labels. With this in mind, we felt it was appropriate for us to give evidence towards the Government's investigation into the economics of music streaming. Daily, we deal with musicians, digital distributors and digital streaming platforms (DSPs) and are able to observe the financial and marketing gains as well as the points of contention around the platforms.

As a mid-sized independent label that has been running for 21 years, we recognise that streaming services offer our artists opportunities of releasing music, income streams and exposure that a pre-DSP era didn't. As is widely talked about, the revenue to be made from streaming is poor (with YouTube bringing in a particularly pitiful amount) however the kudos, credibility and weight around having strong streaming figures is hugely impactful on every part of an artist's career. This gives streaming platforms a lot of power, and they know this and tend to use it to their advantage. There have been positive benefits for our artists and for as a label from the income that the streaming platforms generate, this should not be overlooked in a discussion about the economic impact on the industry.

Inclusion of playlists and streaming figures are things we have seen artists obsess over to (sometimes) an unhealthy level and feel that – in the same way people have begun to do with social media – the impact of this on the mental health of an artist should be taken into account when looking at how streaming services are set up and promoted.

In terms of consumer habits, streaming services have opened up new worlds to many consumers. To take Spotify or Apple Music as examples, the fluidity of the playlists (particularly 'mood' playlists rather than 'genres') as well as the algorithms around Release Radar, Discover Weekly and the like have changed the way people view the idea of finding music. In a world where music was only available physically and the consumer had to make a purchasing commitment to it (financially, and in regard to finding a home for the CD/vinyl/cassette), streaming services allow for people to 'dabble' with different artists and genres. Beyond a listening tool for the consumer, this is part of what makes them a huge marketing tool for the artist.

For smaller artists and/or artists that would be unable to release music in a DIY sense without streaming services, the money they make from streaming revenue can and does make a difference and so there are positives here. However, calls for them to pay artists more/questions around what 'fair' pay is have never been more prevalent. In a year that has seen Bandcamp waive their fees and people rush to support their local record shops, there are questions (particularly in the independent scene within which we operate) around how ethical the current models are given that streaming services can still pay artists poorly and hold the power over release planning and success that they do.