

Written evidence submitted by Joshua Magill

I am a member of a reasonably successful band who have been previously signed to Capitol Records in the USA (universal worldwide). We have been active as a band releasing and touring for the 10+ years and whilst we have seen our fan base grow over this time, especially in relation to online streaming we don't feel the current model is supporting or helping us as it should. The model is biased, opaque and unaccountable

1. What are the dominant business models of platforms that offer music streaming as a service?

The dominant business models are unclear and therefore difficult to understand. For example, my band has over 20,000 monthly listeners on Spotify and this results in very little money coming back to us and this is also to be split across all band members.

I would like to see the following changes:

- The streaming model must be equitable, fair, transparent, efficient, and pro-creator.
- It must value the songwriter and performer contribution to streaming more highly.
- It must include checks on the dominance of major music corporations on streaming marketing, licensing and distribution of streaming royalties.
- It must stop information being hidden that enables conflicts of interest and prevents creators and performers understanding what they're being paid and why.
- It must include modernised royalty distribution systems to stop bad and missing metadata, and miss-allocated payments.
- 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.

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

I think it is clear that the algorithmic curation of music or company playlists has influenced consumer habits but that does not mean that they have worked to the majorities advantage. The whole playlist culture and setup is very very opaque. Take Spotify for example, the major labels essentially own massive shares in Spotify and so the artists they work with will find their way onto the big playlists all the time – backscratching and also ensuring money comes back to them as labels due to the market share model. It's grossly unfair and unacceptable.

Recently Spotify launched a service where any artist could pitch for playlist inclusion through the back end, but there is no proof that anyone reads or listens to these submissions. I know a wealth of artists and musicians and know NOT A SINGLE ARTIST who has had success in this way... We do not know how any of these algorithms or playlists are curated or figured out

I would like to see the following changes

- 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.
- 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.

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

The economic impact has been awful and will continue to be if unchanged... And long term it could be disastrous for emerging talent and the next generation. Whilst it is a welcome revenue stream it is only simply better than nothing! – it has drawn people away from buying/owning music, which although still flawed as a model, is a much better way of artists and musicians earning a fair living from what they do – especially if the artist is independent.

I would like to see the following changes:

- An equitable model that enables greater value to be placed on the song.
- A fairer model where the major music corporations do not dominate the marketing, licensing and distribution of streaming royalties.
- 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.

4. 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?

Protecting artists and musicians should be a priority for this and any government. It is one of our greatest assets as a country and we have a proud heritage here, the government really should not take this for granted. There is a lot of money being made and siphoned off to LA and other cities/countries through the opaque setups of these massive companies who are not held to account. They have made up the rules to suite themselves and themselves only...

Take YouTube for example, whole versions of albums by our band are on there illegally uploaded and played tens of thousands of times. It is the same for many artists. How these uploads get past the algorithms I don't know but they do. If people couldn't have illegally streamed this music – and this is on a massive platform lets not forget – then they would have to turn to legitimate avenues to access it.

I would like to see the following changes:

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

5. Do alternative business models exist? How can policy favour more equitable business models?

Unfortunately the current business models are extremely flawed and unbalanced. These models require the arts and music to survive and portray themselves in a good light to attract business but they are vampires – sucking out the blood and leaving it to die. It needs to change.

There is zero transparency about how the current model works. And no oversight. They have dictated the rules that benefit them, and that benefit the normal order of how things have been for the past hundred years – its not surprise the majors own most of these companies and now see skyrocketing profits year on year. This is happening whilst artist's payments are going down per stream. The market share model also means that all the money goes into the pot and is then shared out unfairly. We as a band have 20k monthly streamers but we don't get the equivalent of 20k worth of money as our market share is less than this! There is also no/little oversight and protection to music creators in this model. They are faceless corporations and there is no way to speak to anyone about concerns or actually find out any real information about your streams. There is no accountability!

When your music is used elsewhere, you get paid better and fairer. Take the radio for example, this model is a much better and fairer way of collecting royalties for artists that can help support them.

I would like to see the following changes:

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