

## Written evidence submitted by Matthew Tong

### Introduction

My name is Matthew Tong. I am musician currently playing in a band called Algiers. I was the drummer in Bloc Party from 2003 until 2013, during which time a seismic change occurred in the recording industry and I submit this to the inquiry to register my deep concerns with the inequity that is a direct result of unfair streaming practises.

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

As far as I can see, the dominant business model is one in which streaming platforms receive monthly or yearly subscriptions from listeners in order to gain access to the vast catalogues of music available on each platform. However, I see that the overall mission of these platforms is to encourage the listener to shift over from actual ownership of physical and digital copies of their music by devaluing recorded music as a whole in order grow their subscriber base.

For me, as a recording artist, streaming is only important insofar as it now the preferred way for listeners to access music, so whatever little visibility streaming affords at least enables me to try and earn money from touring on the back of whatever record my band is currently promoting. In recent years, the messaging of executives, such as Spotify's Daniel Ek to continue producing music in vast quantities is one which creates a situation that is increasingly untenable as touring only just about keeps a band of around four people and the two or three employees they bring with them on the road afloat and leaves very little time, energy of enthusiasm to make music as "content", as the streaming services are increasingly dictating. The blanket restriction on touring caused by the current global pandemic has effectively thrown this situation into its negative version, in which the economics of touring and record releases have become so inextricably bound that oftentimes it seems like there is very little point in releasing a record without touring other than to maintain appearances.

Moreover, the opacity with which the main and increasingly few (as they continue to consolidate everyone beneath larger and larger umbrellas) record companies have conducted their arrangements with the streaming platforms and the legal implications for artists who are interested in highlighting the specifics of their own contracts and how this relates to streaming income has created a culture of fear and one in which the increasing unsustainability of a career in music, not

only as an artist, but as a hired performer or road crew or venue worker is very hard to pinpoint due to this lack of transparency and accountability in the recording industry.

Therefore I ask that this inquiry understands 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.
- **Have new features associated with streaming platforms, such as algorithmic curation of music or company playlists, influenced consumer habits, tastes, etc?**

I believe so and I think that my experiences of having played in two bands that became active during two distinct time periods reflects this. I continue to earn income from streaming (though hardly a significant amount) from Bloc Party, a band I last performed in in early 2013, because I believe a couple of songs, "Helicopter" and "Banquet" are recognised as belonging to a brief time period during the mid-2000s when British guitar music was having a mainstream moment. These songs are two which comprise the majority of my streaming income because they typically end up on a number of mid-2000s British indie rock playlists. Whilst I enjoy the relative benefits of this, it effectively places a number of artists who existed in the pre-streaming era in the gatekeeper category for the simple fact they existed in a time where not everything had to be extracted from or viewed through the lens of algorithmic or playlist culture. Circling back to a point I made in my previous answer, it effectively cheapens everything. At least when things were more monolithic, you could, as the consumer, at least make the decision to reject whatever mainstream culture was throwing at you, and you took pride in doing the investigative work to find something more aligned with your tastes. Spotify, Apple Music and the rest attempt to make you feel like you're doing similar investigative work in the online world whilst their platforms skew everything in favour of the artists who exist at the top of the pyramid and the record companies who provide the immense backing to ensure their visibility on the front end of the various streaming platforms.

As a counterpoint, my current band, Algiers (became active in 2014), which is signed to Matador and recently made a television appearance on "Late Night with Stephen Colbert", and, from the outside, ostensibly seems to be benefitting from what looks like (from the standards of 15 years ago) mid-tier success, continues to struggle to make any semblance of income from streaming platforms.

We absolutely need more oversight to provide equal access to the streaming market for all artists and 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.

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

It has become barely possible for most people in the the industry who work 24 hours, seven days a week to break even. The eternal grind of touring chews up and spits people out with worrying frequency. I understand that the life of a musician is a difficult one but it doesn't have to be needlessly difficult. Would I settle for 6 months on the road a year instead of 10-11? Absolutely, but the streaming model does not make this possible. It is worse for road crew who have to go from one job to the next without any semblance of job security. Label workers and record shop owners form the invisible barrier between the artist, consumer and the captains of industry and their time and labour is exploited as such.

A case in point and referring to my previous answer, my October 2020 PRS statement has my top earning Bloc Party song as "Banquet" at £2968.42, of which £656.75 came from Spotify. My top earning Algiers song for the same time period is "Death March". It earned £541.97 in total, of which £1.37 came from Spotify.

- **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?**

I have certainly lost money to piracy. The second Bloc Party album was leaked by an intern working at the now defunct V2 records! This is perhaps an extreme example but there is a wider and more general story of the artist's interests not being taken seriously by the music industry. Piracy is real, is almost impossible to stop, but there was a time when record companies took the time to develop their artists and allow them to grow. Almost everyone's favourite classic records

weren't made until the artist was 5-6 years into their career. The shift towards building up a band or artist so that their first record was always the most exciting and successful was well underway by the 2000s and in a sense it made music seem more disposable because how is a young fan with limited income supposed to afford to buy into the next great thing? More and more. The industry demands more content. More artists. The supposed democratisation of this is fine but it comes at a huge cost.

- **Do alternative business models exist? How can policy favour more equitable business models?**

Possibly. Bandcamp is doing excellent work in this respect. Whilst it is already an overcrowded platform, it is at least giving valuable space to excellent artists whose work would otherwise go unheralded by the algorithms and puts them in direct contact with their revenue stream.

As for streaming itself, looking at the following points would go some way to address the imbalance:

7. More transparency and opportunities for scrutiny, so that current market distortions can be exposed and reformed.
8. 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.
9. 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.