

Call for Evidence: Economics of music streaming

I am writing from a perspective of a composer, songwriter, recording artist and consumer. I have undertaken countless training to become a full time musician (this includes an undergraduate degree, a Masters Degree, a Professional Diploma post Masters Degree, two instrumental diplomas and two music teaching diplomas, both at undergraduate and postgraduate level, which equal to over £100K in student debt). The current streaming rates do not respect or reflect the creator's efforts, and often strip them and other involved musicians from their deserved income. The streaming models make music consumptions easy and convenient for the consumers, sadly at a huge cost to the creator, who in the current situation would be better off earning income from selling physical copies of their artefact. Whilst physical copies still appeal to some part of the audience, since the uprise of streaming, we have all turned to the streaming sites for easy access and convenience. As the music there is available on demand - we have conditioned ourselves to consume music that way, without notice of the repercussions it may have on creators. This leads us to take the music we listen to for granted, easily disregarding whether or not the creator has been paid for their contribution to the platform and their work or not.

With platforms like Youtube, the creator is unable to earn any sort of revenue, unless they have over 1000 subscribers, and 4000 hours watch time, which is hard to achieve organically, due to the algorithm that the site has implemented. This filters content and restricts reach, so that even some of the subscribers won't see it, unless it happen to do well in the first 30 minutes since posting. I have been a creator on Youtube for more than 8 years and have been unable to reach the revenue point. Yet, I am contributing to the platform and should be given the right to collect revenue for original content from the start (such as teaching resources and

original music). This is not the case, which meant that I have to reconsider my priorities but also think of ways to tackle this inequality. In regards to streaming, the streaming sites are not transparent and often find ways in which they can avoid paying revenue to the creators i.e. most recent Spotify suggestion for reducing streaming rates further, in exchange for “exposure” and “promotion” that they are reducing and filtering in the first place.

As a session player, a huge part of my income could come from music plays (either on streaming platforms or radio). However as music on streaming platforms does not currently fall under the same legal rights as music played on radio, I am missing out on potential revenue, that could make my profession and a profession as a musician in general far more sustainable. This does not honour my rights as a creator, as I am not entitled to any basic revenue through platforms such as “YouTube”, which I naturally should be entitled to. We need stricter laws to protect creator’s rights, as currently due to their absence, these companies are able to get away without paying creators, who essentially make their platform a viable product. Music is a product and is a type of service, and it needs to be respectfully treated.

Therefore I am calling in support to these points.

1. The streaming model must be equitable, fair, transparent, efficient, and pro-creator. At the moment it is purely consumer and platform convenient.
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.

Playlists and auto-recommendations shape the music database and serve as gate-keepers, meaning that not all work has the same opportunity to be heard.

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.
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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. This often gets overlooked and is not part of a conversation enough or at all.
 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. This is to protect the basic rights that creators have.
 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. This is so that the creator can earn sustainably, from their work.
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.

Thank you for considering my evidence.

Best wishes,

Natalia Wierzbicka (Nat Willow)