

Written evidence submitted by the Irish Music Rights Organisation

16th November 2020

The Irish Music Rights Organisation ('IMRO') is a national organisation administering the copyright for the public performance of music in Ireland on behalf of its 13,000 members – songwriters, composers and music publishers – and on behalf of the members of the international overseas societies that are affiliated to it. IMRO's function is to collect and distribute royalties arising from the public performance of copyright works.

IMRO is a member of CISAC (International Confederation of Societies of Authors and Composers) and GESAC (European Group of Societies Authors & Composers)

Why IS IMRO making a submission

IMRO wishes to submit its views to the DCMS Committee as it believes there are significant improvements that can be made to the streaming market in terms of fairness, transparency, and accountability especially those in weak bargaining positions and whose rights are fundamental to the attractiveness of streaming platforms to the consumer. In summary;

- 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 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 mis-allocated payments.
- It must create the strongest environment for creative works, and ensuring songwriters, composers and performers do not fall behind on basic rights and protections.

Streaming services and their operations

Due to the absolute necessity of appearing on streaming platforms playlists, it is vital that oversight of platforms is exercised so that proprietary algorithms are not biased and can be designed to provide equal access to the streaming market for all artists, songwriters, and performers regardless of whether they are signed or not. Equal access to all streaming platforms is fundamental to a properly functioning market for cultural and creative works. In short - an equitable model that enables greater value to be placed on the song. This will require much greater levels of transparency to stop information being hidden, preventing creators and performers understanding what they're being paid and why.

Copyright implications in the Digital Environment

Given the importance of the creative industries to the UK and Europe, the UK has an opportunity to introduce much needed updates to copyright protections for creators. We need to enshrine the liability of online platforms into UK law; this means that platforms, including those that host user-generated content, will be liable for hosting unlicensed music. This will mean that;

- existing licensed streaming services are not placed at an unfair competitive disadvantage when compared user generated platform services.

- 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.

Summary priorities to address urgent issues in the streaming market

1. Rates of royalties available to composers' authors and their publishers is the single biggest issue facing the creative community. Record labels may be reporting large increases in revenues from streaming services, songwriters and their publishers are not seeing this benefit. This due to the disproportionate sharing of the income. Only 15% of revenues go to publishers and their writers – this for the content that the entire ecosystem depends on. There needs to be a much fairer allocation of streaming revenues.
2. The advent of COVID-19 has made digital distribution of all forms of music even more important. In many cases, the only source of income now is digital and streaming income makes up the lions share of online exploitation. Now more than ever, more equitable share of such income is an absolute priority.
3. More transparency and opportunities for scrutiny, so that current market distortions can be exposed and reformed.
4. 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.
5. 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 to help unrecouped artists and session musicians who currently receive no streaming royalties.