

Written evidence submitted by Luke Williams

Question one: what are the dominant business models of platforms that offer music streaming as a service?

I have used a range of digital distributors to distribute my music to all of the major streaming platforms. Some require a yearly fee, others a one off fee and others don't charge a distribution fee but instead take a percentage cut on all streams. Whilst all of these distributors have their positive and negative points, in each occasion, despite some encouraging numbers of streams, I continue to see very little financial return. I would love to be able to make a living solely from my own original material but with the current state of streaming and an ever increasing tendency towards it as a preferred method of consuming music, I can't see this ever becoming a reality.

The two largest streaming platforms Spotify and Apple Music provide an artist portal through which I can see numbers of streams and where in the world they are coming from but beyond this, I have little to no information from the streaming platforms or the digital distributors with regards to who exactly is collecting the royalties from my streams or what deductions are being made.

In order to improve the economics of streaming for songwriters, composers and performers:

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.

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

I received fairly low numbers of streams for my first single release and subsequent EP release. However, after my song 'Still In Bed' was given quite a few plays on BBC 6 Music the track generated a lot of streams through algorithmic playlists on Spotify such as Release Radar and Discover Weekly. I saw my average monthly listeners rise from about 400 to over 21,000. I can only assume that after the plays on 6 Music, a lot of people were listening and saving the song on Spotify and this is what triggered the high numbers of streams. The song remains my most streamed by a long distance at 64,400 with most of my other songs averaging around 2000.

Inclusion into company playlists especially the official Spotify curated playlists is very much the Holy Grail for independent artists as they have such a large listenership and can generate such a large amount of streams. Consumers follow these official playlists as a way of discovering new music and so they are extremely powerful. It is sad to see that an industry has grown around this with companies charging artists money in exchange for inclusion or the chance to be included on these playlists.

The number of independent artists on these playlists appears to be very low with a big bias towards artists on record labels. Two things that would help to fix streaming and keep music alive are:

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.

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

I receive very little money from streaming. To date, I have earned £380.60 (\$502.03) through my digital distributor Distrokid for 88,597 streams. I know that more than £75 (\$100) of that has come from download sales so let's say I've earned roughly £300 (\$400) through streams. This equates to 0.0033p per stream.

With free and largely unlimited access to music, consumers are buying less music which is having a devastating impact on artists, record labels and record shops. I think if streaming were to be fixed it would help to put more value on music and would generate an upturn for the whole industry.

To fix streaming and keep music alive we need:

1. An equitable model that enables greater value to be placed on the song.
2. A fairer model where the major music corporations do not dominate the marketing, licensing and distribution of streaming royalties.
3. 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.

Question four: how can the Government protect the industry from knock-on effects,

The screenshot shows a music platform dashboard with a dark grey top navigation bar containing icons for 'UPLOAD', 'MY MUSIC', 'TEAMS', 'STATS', 'UPGRADE', 'BANK', and 'MORE'. Below this is a blue header bar with 'ARTIST', 'EARNINGS', and 'STREAMS (OR SALES)' tabs. A green information icon and text state: 'These numbers reflect the most recent royalty reports sent by streaming services. Streaming services usually send these reports on a 2-3 month delay.' The main content area is a table with three columns: Artist Name, Earnings, and Streams. The data row shows 'Luke James Williams' with '\$502.03' in earnings and '88,597' in streams. A grey 'TOTAL' row at the bottom shows '\$502.03' and '88,597'.

ARTIST	EARNINGS	STREAMS (OR SALES)
Luke James Williams	\$502.03	88,597
TOTAL	\$502.03	88,597

such as increased piracy of music? Does the UK need an equivalent of the Copyright Directive?

I don't think I have felt any impact as a result of piracy. I almost find it hard to believe that people would be involved in music piracy nowadays when you can have free and unlimited access to music through streaming services. However things that would be great to see happen are:

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.
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.
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.
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.

Question five: do alternative business models exist? How can policy favour more equitable business models?

As an artist my favourite platform is Bandcamp. It has been described as the internet's independent record store. Whilst people can stream for free via the platform, listeners are

encouraged to buy the music after just a couple of streams and artists can control which songs are available to stream. The emphasis is on buying rather than streaming and with Bandcamp taking just a small commission it sees the majority of prices paid going directly to artists. Furthermore, consumers can choose to pay more than the stated price and in my experience, many people often do as they want to directly support artists.

With platforms such as Spotify, listeners are not encouraged to support the artists they are listening to and with such low royalties paid out by the platforms, artists generate next to no income and the music is becoming devalued.

Despite over 85,000 streams on Spotify, I receive substantially more royalties from radio play and playing live. Whilst I think it is natural that streaming would generate a lower amount of royalties, the disparity is so huge and I think it is putting the viability of making music in serious jeopardy.

Three things that need to happen, to fix streaming and keep music alive are:

1. More transparency and opportunities for scrutiny, so that current market distortions can be exposed and reformed.
2. 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.
3. 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.