

## Transcripts of the Digital, Culture, Media and Sport Committee roundtables with emerging artists

### Economics of Music Streaming- Roundtable with emerging artists

Thursday 3<sup>rd</sup> December 2020

#### Event Transcript

*Personal information of attendees has been redacted for privacy reasons*

**[Event began with a general question regarding attendees' opinion on music streaming]**

**[Attendee A]:** It's good and it keeps you in contact, keeps everybody in contact with each other and it brings people together so I'm finding it very beneficial. It doesn't generate anything else with regards to my music in regard to sales or anything but it's just keeping a profile. Just letting people know that I'm still here and hopefully everybody else is still there.

**Conor Durham:** Is that live streaming through YouTube then?

**[Attendee A]:** Yeah, it's livestreaming through Facebook Live mainly. I've used Twitch a few times, but I didn't get on too well with that, and then I upload the video to YouTube and that video is then used after the event as well for people who've missed it. I usually just do it on a Sunday afternoon at 4 o'clock when people are starting to have a coffee or cup of tea or a bit of cake or something and I play for 40 minutes, entertain people as best I can and then everyone says thanks very much for that, we enjoy it and they look forward to the next one about a month later. When it first started, I was doing one once every two weeks and I thought that was too much. Partly for me because I had to rearrange the room with lights and have the black screen and I do projections and everything else so there's a lot of visual content to it as well as the music. So, I put it down to once a month and it seems to be going fine.

**Conor Durham:** [Attendee B], if we come to you next, what are your general perspectives on streaming, either live streaming or streaming services like Spotify and that sort of thing.

**[Attendee B]:** Mixed I would say generally. As an emerging kind of platform for music streaming services have been beneficial in a lot of ways. I've had a few successes with editorial playlisting and I think as a whole, streaming has the potential to be an extremely positive thing for emerging artists. I just think we need an advocate for a fairer model and something that could be a bit more sustainable in the long run.

**[Attendee C]:** I've done really well with one single that I've released and then the other singles that I've released I've tried to do one release a month and a lot of that was to gather data. Because I graduated a music business course and one of my final projects was to set up a label and basically release music. I've seen people from Spotify and YouTube come and do talks on how to generate streams and stuff so a lot of that was just releasing things and then having a look at the data. For me I have found just one release has been on the editorial playlists the other ones it's just been finding curators to put it on. But I've only had success with Spotify, not much success with the other streaming platforms as far as getting on the editorial playlists and finding just normal curators as well. There is a lot of talk about Spotify as far as what do they do, how do they pay, but I feel that the other platforms don't do enough for us as musicians to actually get onto their playlists. So that's my personal feelings. So if for example TIDAL and Apple Music and Deezer had similar tools to what Spotify has it would give us more of a chance to get more money because the way I see it say for

instance I got at the moment for the single that I've got I'm getting around £100 a month and imagine if I was getting the same from Deezer, Tidal and Apple Music for that one release that would quadruple my income. So obviously I feel that they could do more, and all the questions shouldn't just be on Spotify to help us as musicians. Everybody else should contribute as well.

**Conor Durham:** And you mentioned YouTube at the start there, how does that compare to YouTube your experience with Spotify.

**[Attendee C]:** It's not as good. When I look at the numbers and stuff. I think that YouTube, through YouTube Music, that is something because you could have your normal YouTube channel which could be anything it could be like cooking or, I don't know it could be a lifestyle thing, you've also got your music under YouTube Music and it allows you to put those two separate things together. So, you can actually drive up your audience, if you build up an audience on your YouTube channel you can drive your audience to your music as well. So that is good, it's another way of building up your audience. And I have found that people have made playlists on YouTube from my music and they've taken a popular Spotify playlist and basically developed that on YouTube as well. So, there's a lot of little things but it's not the same for me when it comes to revenue. When I look at the numbers, I think that my top song that pays me on Spotify probably has around 1000 plays on YouTube so it's not the same and even if it was the same amount as streams as on Spotify the pay-out wouldn't be the same.

**[Attendee D]:** I've got about 60,000 streams this year on Spotify. I use something called SubmitHub and that's how I get a lot of my streams mainly from people who curate playlists. I just wanted to touch base with everybody else on this, what people were doing, what they found was working for them, how we can get our streams higher that kind of thing.

**[Attendee E]:** I'm coming from a promotional agent point of view. Spotify is a bit of an odd one because you see all the acts at the moment pushing how many streams they've had this year and how many plays they've had on Spotify, but apart from exposure what good's that doing them? Is it actually getting people a foot in the door with places? Personally, I don't tend to use Spotify, I tend to be on Facebook and people's own websites mainly because I don't think Spotify gives a fair cut of what they earn to the acts so I tend to avoid using it. Even if an act's looking for a gig with me, say if I'm promoting a show, I'd probably rather look at their own website, or social media pages then go and look at a Spotify feed for them.

**John Nicolson MP:** Can I ask what do you think a fairer model would be for Spotify? We took evidence earlier on this, I think a lot of us were flabbergasted to discover that it doesn't make any difference who you are listening to the big names get the lion share of the money. So, if I'm listening to someone I really like they're not getting money from me listening to them, it's one of the big boys who's getting the money for that. I know you all know that but that was a surprise to some of us. So, a suggestion was that a listener driver model would be much fairer so that if I'm trying to encourage obscure artists, and I'm listening to them, they get the dividends. Does that seem like a fairer system to you?

**[Attendee E]:** It certainly does to me. I don't know if this is an industry problem though because I think PRS seems to work in a similar way which is obviously an organisation that's existed for a long time, compared to streaming sites like Spotify stuff so maybe it's an industry thing that needs to be looked at rather than just streaming.

**John Nicolson MP:** We also discovered that record labels charge artists 10% for vinyl breakage costs even if it's streaming. To have that hangover from a world that no longer exists.

**[Attendee E]:** I think there's a lot of archaic things in the music industry still.

**John Nicolson MP:** Can you think of any other examples, that might surprise us or things that you think we should know?

**[Attendee E]:** I can't think of anything off the top of my head but if I do I'll pop it in the chat window.

**John Nicolson MP:** These select committees can be very useful, because we come from lots of different parties, but we're all interested in the subject otherwise we wouldn't be on the Committee. It's less tribal than you might think, and MPs are trying to help produce good legislation and form good legislation. We're all interested in the music industry so we're certainly interested in injustices that you can point us to that we could perhaps recommend there should be a solution to. One of us is a member of a very prominent band which you might not know, and he's just arrived from a gig in London to this gig in Cardiff.

**Kevin Brennan MP:** I'm not sure if John was talking about me then. I'm also on the Committee it's one of the other members of the band who's really in a prominent band and that's Pete Wishart, who is one of John's colleagues in the SNP, who was in Runrig for 18 years and genuinely on Top of the Pops, played in festivals. I think we are all interested to hear, particularly the music industry, what we could do as a select committee to make some recommendations to quite simply in my mind to trickle some money down to the pockets of the working class. There's huge sums of money rolling around in the recorded music industry, there's no live at the minute because of COVID (*muted mic*) I was saying that anything that we could do to try and make some recommendations that might help to redistribute some of the wealth within the recorded music industry into up and coming artists, grass roots artists, people who play on recordings, non-featured artists, is something I think a lot of us in the Committee are interested in. One of the interesting things is whether or not the problems lie with streaming services in relation to the cut that they take, or whether it is to do with what happens to the record companies cut and also the cut that goes through the song to the publishers and so on. When that gets to be distributed and where that goes so I'd be interested to hear from anyone on here a) if they've got any experience of having their music streamed perhaps and seemingly receiving no money as a result of that, and also how you're managing at the moment in trying to have some form of career in the music industry under the current circumstances. I just got my report, my annual report from Spotify for my listening, which others who are subscribed to Spotify I'm sure they got in their in-boxes this week, my top listen was for an artist who is not someone signed to a record company, and it did strike me as ironic. In fact, I contacted her to say you came out as number one on my top stream songs but you'll probably not get a penny for this, even though you're one of the ones I stream the most. The trouble is making it a user-centric system is quite complicated so it's something we'll look at, so I wonder if anyone has any views on that.

**[Attendee D]:** I just wanted to say that as an artist I started out, a couple of years ago now, I did join a record label and just to go on what you were talking about it didn't work for me. I never really saw any money from them and obviously from my point of view they were slow, and they didn't get what I wanted done done, so I ended up doing it myself. Now I do everything in-house. I record myself, I produce myself and then I release myself as well. Spotify for me is a big part of what I do because it allows me to put that music on there and I do see some money, not a lot it's not a great deal, but for what I get, I maybe get something back and at least I know that what I'm doing is earning my money myself rather than handing it over to a label and having a percentage cut away from what I'm doing which I prefer. The other thing with Spotify is like what you've just said they have those reports and people can see them so if you listen to an artist like you have, and they're number one on your list, they will be getting a percentage of some money, it's a silly amount it's 0.004p every time you

stream one of their songs. But the fact that Spotify does tell you that they're your number one listener you will go back to listen to them again. These are the things that artists need help with. Spotify does give you the ability to say this is how many people are listening, this is where they're listening to, this is who's liking what I'm doing, and you already just said that about responding to the artist yourself saying look I like your songs and you're number 1 on my list. So that's given them more control over what they're doing and maybe keeps them going as well because they've realised that they're making their own money and the people that are listening they can respond to you. That's all I wanted to say on that.

**Clive Efford MP:** Can I just respond to that. I hear you say that you get some remuneration for what you put on Spotify, but are you saying that you think the distribution is fair, because we would suggest that perhaps it's not and that the distribution favours the bigger names. Do you think it's fair, or do you think it should be altered in any way, could it be improved?

**[Attendee D]:** I do think that it is unfair. It's a small amount for the amount that they're being paid. I think the way that Spotify does it is that if they have so many subscribers, and all those subscribers pay a fee, then your streams it can change the price of what you get paid, depending on how many streams they've had that month which changes it. You've also got to factor in that they have to spend money on themselves for you to be on that platform, for you to have these things, these tools that you can use. The Spotify for Artists is really in-depth, and really good, and it can really help you see what you need and get what you need from who's listening to your music. I don't necessarily agree that the money they do pay me is enough. Just to tell you what I got, I got £20 for 20,000 streams. In the history if somebody was buying that music, I would have earned a lot more than that. There might be a better way about doing that, but for someone like myself I don't feel like I have a massive say in what happens with that money. I have to use those people and I have to use iTunes, I have to use Spotify if I want to release music and I want it to be out for the masses to see then that's where I will release and I have to deal with what they're prepared to give me unfortunately.

**John Nicholson MP:** Sorry did you just say £20 for 20,000 streams?

**[Attendee D]:** I don't know exactly the number, but I can bring up my Spotify. The things that annoys me the most about Spotify is the time it takes to receive the money. So, let's say, I had 60,000 streams last year in total that's just what's come back. You just mentioned that you got your Spotify card telling you who you'd listened to and who your top artists were. So I get that card as well as an artist telling me who's listened and where and what I've done so 60,000 is what I did this year, which is 20-30,000 more than last year, which I think I will be paid in the region of sort of £80 I'm not sure I've looked at the numbers but it takes 3-4 months for me to see any payment from that. £5. 4 months ahead of a release that I released four months ago and if that track took time to build and get traction then I'll get money for that another four months later when those streams have registered. So, it's just the time that it takes for these things to turn around

**John Nicholson MP:** How do you make money? how can you make money as an artist?

**[Attendee D]:** I'm not making money because I spend money. I have music videos. I pay for these things because I want to do it, I pay for the studios because that's what I enjoy doing, I enjoy making music. I performed at a local festival the last time it was available and that was one of my biggest performances ever and they paid me, but it's not enough to keep you going. I work, I keep a job and I pay for these things because I like to do them. So, the money I earn goes straight back into producing more content, producing more stuff.

**John Nicholson MP:** When I was (*mic tunes out*) there were stories occasionally of some very successful band who only discovered five years in that they'd had some dreadful exploitative contract that despite selling millions of records and being on Top of the Pops were earning absolutely nothing. I remember reading Smash Hits as a teenager and George Michael and Andrew Ridgely gave an interview and at the end of the interview, which was very open and interesting, the journalist remarked on how intelligent George Michael was and then he said they literally couldn't afford their train fare home and the interviewer had to pick up the cost. I remember being flabbergasted by it because I thought being a pop star you would be immensely wealthy, they were charting and touring the world. It sounds today like things are even worse if that's possible.

**Siobhan Conway:** [Attendee C] has his hand up and I'll just flag that you've written in the chat box that "a streaming royalty calculator website is able to calculate how much you'll get paid".

**[Attendee C]:** What I wanted to add is that I think it depends, and one of the questions that you put in the email, I think it depends sometimes on the genre that you're in as well, what's really popular and how people consume your music. For me, I produce hip hop and I usually produce for rappers, when I was graduating from music college I was researching lo-fi hip hop so I decided some of my releases in 2019 would be lo-fi hip hop and the first release that I did got onto an editorial playlist and that's been paying me every month. I've been averaging between, well last year it was around 100,000 streams, and this year it's been around 60-65,000 streams, which has given me income every month and I've been able to invest that into more equipment and just things for me to produce more which has been good for me. But that isn't enough to kind of sustain me because obviously I have to work as well. But I know that my friends that are artists, that are rappers and singers, they have to work harder than me. They have to do music videos and they have to do all sorts of promotion whereas for me I was, it's by the grace of a curator that likes my song when I submitted it through Spotify Artist that they put it onto their playlist. I know somebody who is a singer songwriter who had 6 million streams, and I was like that's brilliant and great, but she was downhearted about it and I was like why you should be excited about it, 6 million streams is a lot of money but then she said that she's had to pay producer fees, studio time obviously marketing and promotion and out of that I think it was a production deal that she did and obviously she only got a small portion of that. I think everybody's situations are different, because my music is more electronic hip-hop, I can do a lot- a bit like what [Attendee D] was saying- I can do a lot for myself so I take that more but at the same time if I was signed to a label they would probably do a lot of that marketing and take a lion share of what I would be earning. And obviously from what you were saying as well about artists in the old model well you'd be signed to a contract but you wouldn't necessarily own all of your music or own your masters whereas for me as an independent artist I have to work harder to promote my music and obviously build up a fan base but I own all of my masters. So, if I do well then I can negotiate with other parties who want to use my music so there's kind of balance. But that's only my experience.

**[Attendee F]:** It really resonated what you said about the difference about your experience as a producer and the experience that you've heard from say friends that are rappers or front people in music. I share that same experience. I'm a producer so I produce most of my music and then I also perform live and I have a lot of music video and visual content. So, I think for this discussion around the ways people consume music online kind of ties (*mic tunes out*). So to be a successful artist, independent or not, I think you really need to push your content strategy and that's why so many of us invest into making content can actually, not compete, but sit next to signed artists because that's what consumers online expect a lot and I think it's becoming even more obvious now that we're all completely digital that it's really hard to have that lo-fi feel online and you really want your craft to

look great so it's interesting how most of the time I am having to work more, and take on more hours to cover those costs. And then when I get more popular online, or I release a song that's really successful, most engagement will come from Spotify, even though Bandcamp is very good with having that level of exchange with my fans where people are able to actually pay for my merch. But even then it's incredibly hard and I think it's that issue where you want to be successful and you want to have the plays, the plays are not paying you back but you still need to have them so I don't have a solution but that just made me think.

**Kevin Brennan MP:** This is in direct response to what [Attendee F] was saying, and [Attendee C]. On the [Attendee C] side I was quite interested to hear that you'd got onto a playlist and that had been a very good source of success and some income for you, and I just wondered if you knew how you got onto that playlist, or if you had to do anything to get onto that particular playlist or if it was a stroke of luck. We've had some evidence during the inquiry that playlists might be turning into something that we used to call Payola a little bit on radio where people, record companies in particular, are if you like paying to get onto playlists in the same way that in a corrupt way people used to pay to get on the radio in a way that was illegal. Have you seen any evidence of that sort of thing going on, and did you have to approach someone to get on a playlist or was it a stroke of luck, through word of mouth or whatever? And on what [Attendee F] was saying, independent artists have to work very hard themselves to do some of the stuff that you might expect a record company or management to do for them, including your own promotion, through Bandcamp and things like that. Some of the artists that we've spoken to said that they feel that's a little problematic sometimes on the music industry these days as you really want to be focusing on your creativity and your art, rather than on the nuts and bolts of the business side, but you have to do that these days if you can't get a decent record industry deal. One of the other things that came up in the session is that Spotify came up with something called the Tip Jar on Spotify where if you are streaming someone's music you were encouraged to give a tip to that artist and pay some money directly, and when we put that to some of the artists in our inquiry they felt that although at first that sounds like a good thing they felt in a way it was kind of a condescending thing, they should be paid for their music to be listened to and streamed, rather than rely almost on a charity handout from someone who has sympathy for you on Spotify. Just wondered what as new as emerging artists, though you've had a lot of plays, what you feel about whether that's a good idea to have that additional sort of income or a bad idea.

**[Attendee C]:** For me Spotify allows you, if you give them enough time, if you sign up for Spotify for Artists you have to submit your release and the shortest amount of time you have is two weeks, you got two weeks before your release to submit one of your songs for release for a curator to consider. It used to be two weeks but now it's more like a month. The curator will look at it, you have to give them some information about it whether there's spoken word on there, is there some singing, what language it is, what mood it is, what genre would you call it, a bit of information about yourself and the writer as well. I think it was quite new when I did so literally I just gave them the information, somebody heard it and I think a week after the release I got an email saying we really like your song and we'll add it to an editorial playlist but that's the only major success that I've had with editorial playlists. My feeling, and from what I've seen from other lo-fi hip hop producers, is that bigger labels have more influence over Spotify. Even the bigger playlists that are not editorial, like chill-pop, bigger labels can influence them not just Spotify editorial. But they will have all that information, they will know who to target for, the email addresses of who to target and who to speak to to get their music onto their playlist. But basically, from the editorial thing, especially from my point of view, artists you could be 19, and just be producing from home with limited equipment and get on one of these playlists. Whereas now you'll have to work harder, you have to basically start from

maybe two months and have some sort of press release going on, people blogging so for editorials to consider so it's a lot harder now I feel to get onto those editorial playlists whereas before anyone could get on if their music sounded good.

**[Attendee D]:** I just wanted to say that along with the playlist thing for Spotify it's pretty necessary to get your streams up it's one of the things you do need to do. The way that I've found that I get on them is through relationships. I use a website called SubmitHub and basically it allows you to submit your Spotify releases to independent playlist curators, not Spotify ones, people that own their own. And basically you just send it in for free, you send it into them and they give you a response like 'that's not for me that won't go onto my playlist' or 'I like that one' but for me it's building a relationship with the ones that did like it. Saying you liked this one, I've got another new track coming out next month and trying to keep in touch with everybody and it is difficult, there's a lot of people that you need to keep in touch with but I find for me that that's the best way to get onto these playlists, by keeping in touch with the people who are willing to pay you. We do get played on BBC Radio Humberside on the introducing quite a lot, it's great to be on there and it feels more public than a playlists but the playlist is what you're being paid for at the end of it so if you can get to people that own these bigger ones and get in touch with them and get on with them then you can do well out of that.

**[Attendee B]:** I would just echo what [Attendee C] was saying earlier about pitching to playlists and it seems that you have to kind of attack those at all angles. As you pointed out there's a function on Spotify for artists that will let you pitch directly to those playlists but then you can also do that through whoever your digital distributors are, whoever is getting your music on the streaming platform. The frustrating thing is that so much of that process feels removed from the kind of music itself. When I've had to pitch for playlists, and sometimes to decent success, you have to outline your previous successes and they kind of want data, and the amount of plays and things like that. They analyse things as closely as skip rates, and they look at the lengths of tracks. I suppose it's something that can be maybe compared to how radio has worked for a long time, but it seems slightly depressing to me that tracks are being scrutinised in that way and not necessarily judged on the merit of the music alone. So I do think that's a potential issue. And just on Kevin's point on the tip jar, I added that function onto my Spotify at the start of the crisis this year, so it's been up 6 months, and I'm yet to have a donation on there. But that's despite...I managed to hit a million and a half streams this year through Spotify but it just kind of shows that even when you're sort of landing a half decent amount of plays it doesn't necessarily...the challenge is trying to translate though into a genuine fanbase because so many of those are casual listeners, especially when you do land on a playlist, you don't know how many people are kind of actively listening to it, whether it's background music, or whether they investigate the artist that they're listening to. So that's one of the key challenges for me really is once you've landed on a playlist, which is hard to do as it is, how do you then utilise that to build your connections with your audience.

**Siobhan Conway:** Just to come back to something that was written in the chat box. Participant E you said earlier that 'it's a chicken and egg situation with streaming. Without streaming it's a struggle to sell, earn, be seen and promote live shows but you need to have those streams to pay to generate content/pay for merch to sell and keep the cycle going'. I don't know if you want to come in on that.

**[Attendee E]:** Yeah, it does seem like a chicken and an egg situation that. Artists need to have streaming to be seen and to sell merchandise or physical copies, but they get very little for them. So, all the work they're putting in, it seems to be leading to something else rather than the stream itself paying for itself. But it's as if you need to have those streams to be able to generate other income so you can go and do more recordings, put your videos together, do your marketing, pay for

advertising. You can't have one without the other and it's that cycle that probably needs breaking or changing so that people feel streaming is further.

**Siobhan Conway:** Just on the tip jar comment, [Attendee F] has put 'I wasn't able to connect my wallet to the tip jar on Spotify for Artists because I don't like to associate my government name with my music'.

**[Attendee F]:** I think it's just something quite personal, having to let go of that need to disassociate my government name with my art name. The reason why I use my art name is because I don't want to use my name on my music, I mean you can still find me online on my government name, but because Spotify is such a public facing platform when I tried to set up my tip jar on Spotify for Artists it obviously asked me to connect to a payment method that people could pay me in and I wasn't able to do that using my artist name, because obviously my account, my bank account, my PayPal has my name on it so there is no way to really like be anonymous and also get paid online and anonymity is something that for me as a hip hop artist, a singer, I just feel very confident with I guess having my artist persona and so I felt that that was not enabling me to channel my music in a way that I generally feel comfortable doing so it didn't work.

**[Attendee G]:** So I think one of the main benefits of streaming is that it's so easy to get your music out there, but then that also comes with the problem of oversaturation. I think during lockdown there was something like 50-60 thousand tracks being released per day and when you're trying to release music on Spotify it's easy for people to have access to it, but the problem is how to get people to search for you because unless they actually type in your name it's so hard for them to have you come up on their screen. It's just a nightmare to do as an artist especially. And yeah, we also had 50-60 thousand streams this year and I earned £150 from it, and again like someone said earlier if that was before streaming I would have earned a lot more than that.

**[Attendee A]:** In regards to the playlists as well I've been lucky as I managed to get onto Radio Humberside, the BBC Introducing as well as getting onto 6 Music a few times. There is a very small income from those plays, but once again it does take a few months down the line before you get payment. I reluctantly went on to Spotify at the end of last year, up until then I'd just been on Band Camp, and a lot of people weren't using Bandcamp for streaming, and a lot of people were using Spotify so I went onto it, but as has already been said the amount of income generated from it, which is .004p per play is no recompense really. It's just the fact of once again being on there and raising a profile. I think is there was some way that more money, or should we say being fairer to the artist, and actually paying for playing then I think it would work a bit better because we all know some of these companies make millions and millions of pounds, dollars whatever and the artist in the end as the person who creates music but doesn't really feature in any form of payment, which I feel is quite bad. Of course, being a musician and an artist, creating music is really what I enjoy doing so I get my enjoyment from that. Luckily, I'm also retired now, I have been for 2 years, so I have a pension but the thing is it would be nice to earn a little bit of money from playing my stuff on the radio or on some of the digital platforms. And of course, as has also been said not playing live gigs anymore, which is where I sell my merchandise, my CDs, I've got seven solo albums. Sales have dried up, even though I've got a website. I brought an album out 2 months ago and I had initial few sales and then it stopped. Now normally I'd be going out to play to promote that album and you get sales immediately from having played because people like what you're doing, so it's spur of the moment sales, but at the moment just relying on Spotify and various other digital platforms, because I go through [redacted] distribution, so I'm on Apple Music and Amazon Music etc. even though I've been streamed a fair amount on Spotify there's no income so for some people who are just reliant on music as their source of income, I don't think it's possible to survive that way and I feel sorry for a lot



of people because of that, because there are a lot of creative people out there and they need some form of monetary payment to encourage them to keep going otherwise they do have to turn to other things. So, it's not very easy at all, particularly at the moment.

**John Nicolson MP:** We have heard from various sources that young musicians feel a bit hesitant about speaking out because they're worried it will have an effect on their career and they're worried that they will be punished for objecting to the current system and we've asked that people feel free to contact us in confidence with their experience so that we can highlight this and we've stressed that people shouldn't feel intimidated. Do any of you feel that this is the general mood within the industry for young artists, that they don't want to rock the boat, with the fear that they could be targeted.

**[Attendee B]:** I would echo that really. I think it's a double edged sword for people making music. I just think that people genuinely feel quite powerless as to their influence on the situation so you kind of feel that it's important to play the game as it were. So, I do think there's a lot of people who are afraid to speak out about it, because they don't want to fall out of favour definitely.

**John Nicolson MP:** Who specifically is it that people are scared of and what kind of retribution is that they fear could take place?

**[Attendee B]:** I think Spotify in particular, as a kind of market leader, they're seen as being the gatekeepers to artists really. So if they are artists who are managing a half decent level of success, in terms of playlisting and finding an audience, but they don't feel like they're recouping enough financially from that- which is a lot of people- I think they don't want to lose what little they have already. Because they acknowledge that you do sort of have to play the game to be a part of it.

**John Nicolson MP:** What does 'playing the game' mean? Does that mean that you don't complain about the amount of money you get, even if you get 1 million streams? Is that what playing the game is?

**[Attendee B]:** Yes, I would say so. Once you kind of feel like you have a foot in the door in some kind of way you don't want to kind of lose any progress you've made.

**John Nicolson MP:** What could they do specifically to you if they wanted to punish you? What would they actually do?

**[Attendee B]:** I think in terms of future releases there's potential for those to completely underperform algorithmically. Of course, you'd never be able to prove that. And we don't know for sure whether that is something that would do. The bottom line for me is that when streaming platforms emerged 10-12 years ago the fact that they were an emerging market meant that they were the ones who were able to dictate what is fair, in terms of monetary splits, and they were sort of able to do that with little challenge. So I do think it's definitely important to challenge that and it's hard because we don't exactly know how the model works as a whole. But for one thing I think people would be happier to pay more than a tenner a month for a streaming service that gives you access to a vast amount of music in the world. I think that's kind of a problem in itself in that it sort of devalued music as a product in a way with you getting all of that for little fee.

**Kevin Brennan MP:** Following on from what [Attendee B] said there it is an oddity in the music industry in that everyone expects to get all the music in the world for £10 a month on a streaming service, £12.50 if you share with your partner for the two of you, it's an incredible deal. No one would expect for £10 a month to get all the films in the world, on Netflix you get whatever they've got on offer and if you want something else you have to go so to Amazon Prime or somewhere else.

It is an oddity in the music industry and makes you wonder if it's a good thing, it's a miracle as Guy Garvey said in our evidence session that in your pocket you can have the entire catalogue of music in the world- and for people as old as John Nicholson and myself brought up on popping into a record shop after seeing something on the Old Grey Whistle Test and desperately searching for rare vinyl it really is a miracle- but it does beg that question and I think the pricing thing is interesting because they all charge the same which usually means one of two things; you've either got a perfect market or you've got some kind of cartel situation going on. So that's something the Committee are interested in. I just wanted to come to [Attendee B] though, relatively speaking you're a successful artist: you've had million and a half streams, you've won [redacted], you've got good promotion from [redacted], and you've put your own album out through Bandcamp. Have you had any discussions with major record labels, or even indie record labels about your career and if so, what's the kind of things they've said to you about if you were able to get a record deal what that would mean for you, financially or in terms of your career.

**[Attendee B]:** I had some really early conversations with labels that I kind of approached very cautiously, especially the major label kind of format has never been a route that I personally have wanted to go down. Mainly in terms of having creative control over what I'm doing and as has been discussed I still feel that one of the biggest problems is the major labels, record deal model is archaic as people have pointed out, it's very heavily weighted against the artist so it's kind of something that I've always been wary of. For the past few years, I've kind of approached things from a DIY perspective. I ran my own record label for a few years so I've kind of been learning about the industry that way first-hand kind of doing everything myself which has been really useful, but I still have to work another job. From the outside they may seem relative successes, it's difficult as I still have to work as well so you obviously lose a lot of time that you'd rather spend creating, so things take a lot longer.

**[Attendee C]:** Just to go back to the conversation that [Attendee B] had I think I approach it a bit differently about young people, I wouldn't class myself as a young person, but just the people that I've been around at uni, or I've mentored or friends and stuff. Obviously young rappers, and even up and coming DJs, House DJs, producers a lot of them use SoundCloud as a promotional tool and for me with Soundcloud you're not getting any money out of it, but the amount of likes that you can get from it, brings the attentions of promoters and obviously labels. For me, when we're talking about putting music out, we want to see a return from it for all the money that we put into it and obviously that's not right what we're getting. Because obviously we've seen the difference in physical record to digital and now streaming whereas some of the younger generation all they've known is streaming. Student companies have kind of said well you had Napster and Bearshare and LimeWire and people had access to music without paying it because of the boom of the internet and streaming was that model that was supposed to at least give you the option not to steal it. The younger generation have got that, and they've known that, they've not necessarily known to buy records and cassette tapes and things like that. So that's a different angle on it, so I'm saying if you were to be approached by a record label... I suppose in history if you look at who's been signed Duran Duran might have been signed at 16, a big label, Top of the Pops and thinking this is great then as they get older looking at their contracts they realise that they signed a bad deal. So maybe a lot of the younger generation get offered a deal, thinking this is a great opportunity but not necessarily knowing exactly what they've signed or what they're getting back, is it fair and knowing if they speak up will they miss out on that opportunity.

**Julian Knight MP:** Thank you all for your evidence today in front of the Committee in this roundtable and I do apologise for being late, I've been in a broadband debate in the House, but I'll watch the

session back. Just a thought for you and something I mentioned during the session last week, and that relates to profit share, because obviously within publishing you're paid an upfront fee, an advance, and then you effectively earn out that advance with sales of your book and then when you've earned that out you start to earn royalties at a percentage of the book price. Now, taking on board the fact that music, they talk about the fact they need to promote people, they need to do marketing- in books you need to do promotion and marketing, in music they say there's failures but there are failures in books as well (I've written some of them) but what I would say is what is the key difference for it is that the pay for artists for music is so inequitable in comparison to an industry such as publishing which in itself is very competitive and has many of the same characteristics as music.

**[Attendee C]:** I think the main thing, and I'm sure that everyone would join in on this, although you've got Amazon, your kindle devices that you can read but a lot of people still want to hold a physical book so they will go to the shop to buy the book. The difference is that unless you take a picture you can't really steal a book, except maybe a PDF, but music because it's gone digital you can download that music, even from streaming there are ways you can download, you can rip streaming which doesn't go into the pockets of artist. When we're talking about profit shares and stuff that's similar to the old record label deal. Even the movies as well when you get an advance, you're paying off that advance and I suppose that still would work now if you were signed to a label, but the thing is somebody like myself and others we're independent so we own all of that so we have to generate the capital to push it. The thing with streaming as well is that you could literally create your album in a week or in a day and then depending on the distributor you could put that out, and basically the distributor acts like a label, they shop it to the shops and then they cost in different ways depending on what distributor you have. For me, I have to generate £100 worth of streaming before I see any of that money, that's the deal I have with them, with other people they might just pay up front and then that's the money that they've paid and then everything else is what you've earned.

**Julian Knight MP:** What's the difference between a distributor and a record label as such?

**[Attendee C]:** The distributor is, I guess if we use the analogy of the books, somebody has to print it and it has to be delivered to the stores, so you look at that like iTunes, Spotify, Apple Music, Deezer, Tidal they're the digital stores for streaming. The same way that Amazon would be a distributor for eBooks, they negotiate to get the music on to your platform. And even when talking about different territories, say for instance Kazakhstan might have their own platform, or certain parts of Africa might have their own platforms, and even that's important. Not to go off on one but I've got friends from Ghana and basically he does Afro-beats, but though he's based here there's no point him negotiating here when he has the whole of Ghana to support him, and he's won awards, and he's negotiating with [redacted] to be signed. It would be harder for him to get everything shipped off a physical form to another country but digitally it's literally just you negotiate with the right distributor and they will distribute to where is available.

**Julian Knight MP:** So for artists- and this is open to anyone- who are independent so to speak and use a distributor rather than a record label is the ultimate ambition to be signed to a record label or can you actually make a living, can you have the same sort of outcomes effectively by being independent?

**[Attendee B]:** I think that is an ambition that is lessening overall, I think artists are sort of realising that gradually they're being given the tools to potentially build a career themselves, it's just a lot of work. I suppose the comparison with book publishing would be that in reality with book publishing you only have one route to marketing, if you can get in with a publisher and they like your work and

they promote it that's kind of your route, short of printing your books yourself and standing on the street corner and selling them. I suppose the relative model to that in music would be music publishing where you can kind of have similar deals. I guess it's a trade-off. If you're not signing big deals, you're losing that big marketing spend and push and that bigger workforce working on your product, but the flipside is you're going to see a much bigger percentage of what you do earn, it just might take you a lot longer to get to where you want to be in terms of actually earning anything.

**[Attendee D]:** In terms of the label thing for me it's easier to take on the role myself and then you have the ability to see what you're putting out and where it's going and what you're making back from it. One of the main points of that is also having the creative control of your music because I've been signed before and I came out of that because I wasn't happy with it because you make music, and you acquire a fan base, or you acquire whatever you get, wherever you get to and then someone wants to come along and change it. Which is all well and good but, in this day and age that's not necessarily the right thing to do. What isn't broken don't fix it so for me it's about having the control over it all. As [Attendee B] said that does make you very busy, you have to look at all of that yourself. When you have a lack of funds from streaming that doesn't help, when you're trying to advertise everything yourself it becomes more of a struggle however you keep that control. It's a bit of a Catch 22, what would you rather?

**Conor Durham:** Going away from purely streaming platforms, what do you as the artist think is the trade-off between putting your music out on YouTube. The evidence that the Committee has heard so far is that YouTube would argue that it is good for promoting new artists, but lots of people in the music industry say YouTube has a free pass because it's harder to enforce copyright. Do you think that experience is born out in your experience of making music and could you speak to the difference of YouTube as a platform to the others?

**[Attendee D]:** The thing is with YouTube is that if you haven't been running a YouTube account, and you're not a long-time member, you've not built up subscribers you cannot make money from YouTube. To be able to make money from YouTube you need to have a certain number of subscribers which I believe is 1000, and you need a certain amount of watch hours, which is 4000 watch hours over a certain period of time. Now if you're releasing music that is two minutes long you've got no chance of hitting that. It's a good place to be as people want to see videos and that's the main outlet for a music career but in terms of monetisation, YouTube is more of a tool. So I would release a video on YouTube, say go check the video out, so that's more of a marketing tool to say now you've seen the video, you've seen the hype now stream the song I'll add it to a playlist, I'll do something else with it. Unless you've been on YouTube for a long time, you've built that following you are making zero from it basically.

**[Attendee C]:** I would agree, and I'd go back to what I was saying about where people could stream music as well. I've been researching the contestants from the BBC Rap Game and a lot of their streaming comes from the music videos and so a lot of those will approach established channels, and a lot of those will be paying money for their music videos to be recorded and that's how they get seen. But if you look at some of their music on say for example Spotify, there will be quite a difference, they could have like 5000 streams on Spotify but 125,000 streams on YouTube but that's because their audience is on YouTube and not Spotify but that's just one market. But then, as the previous speaker, it's about how you use that YouTube, a lot of people are content creators so a lot of people will do stuff, like for me I might do as a producer a how-to video. So how I made my music, or I might do reviews on music equipment and if I get successful with that to generate the numbers, I might get sponsorship from that. But as has already been said, unless you were at the start it's really hard to generate those numbers, and then you have the job of once you build up those

numbers to actually convince people to come in and download your music and stuff. But that's kind of the marketing angle, that people have said, to build up a fanbase and actually give back to your fanbase, and then at a certain point ask 'I've got a new single, do you want to check it out, here it is'. One last way as a producer, for someone like myself who creates beats, I know there's producers who use YouTube to promote their business which would be to sell their instrumentals to rappers and singers so they might give away 4 or 5 tracks for free for artists to download and to record, but then they would refer them to a website like BeatStars where you can then have set prices to lease the music. Say for instance [Attendee F] was on YouTube and saw a track you really liked, you can follow a link to a website and there might be a tiered system where say for instance you just wanted to record a video on YouTube you pay £30 to use it on YouTube but then if you wanted to buy it outright to make a single you might have to pay £200-£400. So, they're my observations for how musicians have used YouTube, to not necessarily get paid off streams, but to help them in their career to earn money.

**[Attendee B]:** The only thing I would add on that is that as far as I'm aware YouTube are the lowest paying of the services in terms of how much they pay per stream but I don't think we should take that as a barometer of fairness overall as I do think the other platforms definitely aren't paying enough in terms of revenue shares. I think with YouTube as well, it has a bit of a culture of fan sharing so a lot of people upload artists' songs for them, or they upload these random videos, and it's not something I know a lot about, but it seems that the royalties for those songs might be a lot harder to recoup and account for than in other streaming services.

**[Attendee A]:** I think obviously with YouTube unless you've got advert attached to your video as well for earning money, you're quite right you won't be earning any money from your videos. I was on Britain's Got Talent and that video was linked to the Britain's Got Talent site, and that video had one and a half million plus views, and it was one of my songs, but all of the money didn't trickle towards me whatsoever, it went across to Britain Got Talent which obviously is unfair but if it hadn't have been for them I wouldn't have got exposure via the YouTube challenge or the television but I just tend to use YouTube to show off the visual side of my act and occasionally making a video to go with my song. But as I say I've never thought of it as being a monetary thing although they're good points that are coming up here so something I should bear in mind for future ideas and projects I've got coming up. I'm of an age where technology is way ahead of me, I find it difficult to keep up with technology, and I'm learning things all the time, and it's only through having things like this that I can actually keep in contact with what's going on so it's been very helpful.

**Lois Jeary:** The Committee are also really interested in the future of festivals and I'm wondering if I could ask what role gigging plays for your music and what impact the cancellations and lack of opportunities for gigging has had on you and on your careers?

**[Attendee A]:** It was a big blow for me because I managed to play one festival last year, back in March, before the whole lockdown thing started and I had 9 festivals lined up for this year. For me some of them pay reasonably ok, some not so, but it's that fact of getting away and taking your music around the country. It's a promotion tour for your music and I've really missed it because of that. They're also part holidays in a way, you look on them as a weekend away. For me it's been a big blow and I can't wait for them to return. I've been booked up for festivals in 2021 on roughly the same dates that they were this year, but at the moment it's all up in the air. I think with festivals as well you gear yourself up for the whole act, and then touring that act and I haven't at the moment got the momentum for next year as I have no idea if they're going to take place so I would really like to see festivals come back. The impact upon me has been fairly great.

**Lois Jeary:** I get the impression there that it's not something that you can turn on and off, like a tap, you need enough time to build up to it and from a marketing side as well.

**[Attendee A]:** I'm just a solo act, so I just promote myself so I need time, and because I'm a visual performer as well and I have a lot of stage props as well I have to think about the whole act, how it looks as well as how it sounds so I certainly need time to prepare for this. I was all prepared for this year and the first festival went really well, and I thought this is great, but then the lockdown started and I had to go back online to promote myself on Facebook Live, YouTube and Twitch. They play an important part for any artists.

**[Attendee B]:** I would echo what [Attendee A] said there. The importance of touring as a revenue stream has only gotten more important in the age of streaming. Artists have felt defeated by the streaming model, so they've been forced to get out on the road. I know some friends in bands who tour relentlessly, they'll play 200 shows a year, and it's the only way to build any kind of career. But I suppose in the conversation we're having around streaming the focus has shifted towards that again in the absence of touring. The combination of that, and with Brexit on the horizon as well, for me I've been fortunate enough to do some gigs in Europe and we've been able to take advantage of how easy it has been touring the EU, and I think the worrying thing is that there hasn't been any real pledges made to musicians in terms of how their rights to tour will be affected. So this situation feels exacerbated by all of that. The focus has been chipping back to streaming as we have to make money somehow and if it's going to cost us thousands to go and tour in Europe now, when it used to be a viable option where are those revenues going to come from?

**[Attendee D]:** I was sort of 3 years ago starting my performing career and within a year I was performing at one of the biggest festivals around and I felt like things were gaining traction and all of a sudden this happened. For me I'm taking the time to focus on my own content, rather than the festivals, but it is a way of getting your face in front of 200 people and it's gone and until it comes back that's on halt and that leave you now having to spend more time and more money on advertising and marketing yourself and trying to get yourself out there so it becomes a bit of a vicious circle. It goes back to what I was saying with YouTube, for Spotify you need followers and you need subscribers but those people don't put you out there, you have to put you out there, which costs you money. So if you can't keep plugging away and spending money on a little advert here and there, and watching your subscribers slowly tick up which is what's been happening to me, I have a job to fund that in the hope that one day I might not have to work and I can focus solely on this, but at the minute with the streams not paying the right amount, or not paying enough to sustain you doing that. They could help you in other ways by helping you with marketing tools, or ways of getting out there, that doesn't cost money. Maybe put restrictions in place and say it needs to be of this quality, you need to have pictures of this quality and if you've got that we'll give you a lost on an advert once a month. Meet these recommendations and we'll get you there. But you have to do that yourself and without the gigging putting you up there it take a hit on that.