

## Indie music labels slam YouTube streaming plans

May 22 2014



The independent music community hits out at YouTube over proposals for a subscription music streaming service

The independent music community on Thursday hit out at YouTube over proposals for a subscription music streaming service, which the Silicon Valley giant is expected to launch soon.

The Worldwide Independent Network (WIN), the organisation that



represents the global independent music community, issued a statement slamming YouTube's reported plans to block the content of members who do not sign a new agreement for the service as "unnecessary and indefensible".

According to the statement, YouTube, owned by Google, has already negotiated separate agreements with three major labels — Sony, Warner and Universal — but has yet to reach a deal for independent labels.

WIN members say that the contracts currently on offer to independent labels from YouTube are on "highly unfavourable, and non-negotiable terms".

"Our members are <u>small businesses</u> who rely on a variety of income streams to invest in new talent," said Alison Wenham, CEO of WIN.

"They are being told by one of the largest companies in the world to accept terms that are out of step with the marketplace for streaming. This is not a fair way to do business.

"We believe... that these actions are unnecessary and indefensible, not to mention commercially questionable and potentially damaging to YouTube itself."

The industry is grappling with how to make money from music distributed over the Internet, and views Swedish-based subscription streaming provider Spotify as a possible model to follow.

YouTube is already the biggest online source of free <u>streaming music</u>, but is reported to be close to lauching its own paid service.

Artists such as Radiohead have criticised such services over the fees that they receive when their songs are streamed.



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Citation: Indie music labels slam YouTube streaming plans (2014, May 22) retrieved 18 April 2024 from <a href="https://phys.org/news/2014-05-indie-music-slam-youtube-streaming.html">https://phys.org/news/2014-05-indie-music-slam-youtube-streaming.html</a>

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