

Music site SoundCloud to start paying artists

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SoundCloud said Thursday that it will start paying artists and record companies whose music is played on the popular streaming site, a move that will bring it in line with competitors such as YouTube and Spotify.

Berlin-based SoundCloud boasts some 175 million unique listeners a month, but so far those who upload tracks to the site haven't received money. To fund the payments SoundCloud is introducing ads, the revenue from which will be shared with musicians and rights holders.

"This is something we've been wanting to get to ever since we started the company," SoundCloud founder Alexander Ljung told The Associated Press. He said artists will be able to decide on which tracks the audio and display ads can appear, and initially only content played in the United States will be counted.

The program will start with 20 partners ranging from major record companies such as Sony/ATV and BMG to independent artists; eventually everyone will be able to join. Advertisers include Red Bull, Jaguar and Comedy Central.

Despite tying in record companies, SoundCloud has no plans to shift away from its support for new, original music, said Ljung. Instead, it hopes that young artists will see it as a way to start earning money with their music early on, he said.

"The more valuable we make (the site), the more they will use it," said Ljung. "We don't have a perspective for going out and buying a load of

content."

Listening to music on SoundCloud is free. However, users who don't want to see or hear the ads will be able to get a subscription that will remove them, he said.

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