

Spotify defends payout norms after Taylor Swift withdraws music

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US singer Taylor Swift pulled her music from Spotify more than a week ago, highlighting the alleged problem that the music-sharing platform does not pay artists enough for their music

Spotify's chief executive said Tuesday his company was on the side of musicians after popular US artist Taylor Swift withdrew her music from

the online music service over a payments spat.

"Here's the thing I really want artists to understand: Our interests are totally aligned with yours," Daniel Ek, the founder of the world's largest online [music](#) service, said in a blog post.

"Even if you don't believe that's our goal, look at our business. Our whole business is to maximise the value of your music."

Spotify and its competitors have come under fire from a number of global artists from Radiohead to ACDC who claim that streaming services pay too little to musicians and damage album sales.

And the company's latest dust-off with Taylor Swift just over a week ago has added fuel to the criticism, particularly as sales of her latest album "1989" have boomed in the offline world.

Ek said Spotify was breathing life into the [music industry](#) by providing an alternative to free downloading websites.

"Piracy doesn't pay artists a penny – nothing, zilch, zero," he said.

"Spotify has paid more than two billion dollars to labels, publishers and collecting societies for distribution to songwriters and recording artists" since 2008, he wrote.

"Spotify is the single biggest driver of growth in the music industry, the number one source of increasing revenue, and the first or second biggest source of overall music revenue in many places."



Music-sharing platform Spotify has come under fire from a number of global artists, like Taylor Swift, who claim streaming services pay too little to musicians and damage album sales

According to Spotify, almost 70 percent of its turnover is paid out to the music industry.

Ek rejected criticism that his company pays too little, adding that 500,000 single listens to a song result in a payout of up to \$ 4,000 (3,200 euros), which he argued is far beyond what radio stations pay in royalties for a similar number of listeners to a broadcasted song.

Spotify is not listed on the stock exchange and few details are available of its financial situation yet, it appears not to have reached profitability.

The service has about 50 million active subscribers, most of whom listen for free with adverts between songs.

The Luxembourg holding company, which owns 100 percent of the Swedish firm Spotify AB, reported a loss of 3.08 million euros in 2013.

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