

Spotify gets investment as it faces competition from Apple

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Music streaming company Spotify said Wednesday it has gotten a new investment from a Nordic telecoms company as it looks to compete globally, particularly with a rival service that Apple is due to launch this month.

Swedish operator TeliaSonera is paying \$115 million for a 1.4 percent stake, which would value Spotify at about \$8.2 billion.

Based in Stockholm, Sweden, Spotify offers free streaming music and a [premium service](#) for a monthly fee that lets users listen to music offline and without advertisements.

It says it has over 20 million paying subscribers, and another 55 million who use a [free version](#) of the streaming [music service](#). It has over 30 million songs with over 20,000 added each day.

It is seeing increasing competition, however, with Apple launching its Apple Music streaming service at the end of June.

Though Spotify has managed to grow its revenue, it remains unprofitable. In 2014, the unlisted company increased its revenue by 45 percent to \$1.3 billion but booked a \$197 million operating loss.

It has paid \$3 billion in royalties to rights holders since its start in October 2008, including more than \$300 million in the first three months of 2015.

TeliaSonera says the deal with Spotify will extend an existing partnership to focus on "media distribution, customer insights, data analytics and advertising." CEO Johan Dennelind said Spotify has "a world class take on innovation."

In a joint statement, Spotify CEO Daniel Ek said "We're able to take this to the next level together."

Spotify doesn't disclose details about its ownership.

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