

Digital song downloads slipped further in first half of year

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Digital downloads of songs continued to fall out of favor with Americans in the first half of the year, while free and paid music-streaming revenue kept growing, even without much of a bump from the launch of Apple Music.

That's according to mid-year sales figures released by the Recording Industry Association of America on Monday. They show overall music industry revenue fell a half percentage point to \$3.2 billion.

Revenue from paid subscriptions to services like Spotify and Rhapsody grew 25 percent to \$478 million, while revenue from free services like Pandora grew 22 percent to \$550 million. Streaming revenue as a whole surpassed \$1 billion in the first half of the year for the first time.

Download sales revenue fell 4 percent to \$1.3 billion, while physical disc sales dropped 17 percent to \$748 million.

Apple Music, the tech company's online music subscription service, launched on the last day statistics were recorded.

RIAA CEO Cary Sherman said in a statement that while [streaming music](#) revenues continued to grow healthily, he criticized the rates being paid to labels and artists for streaming [music](#), saying they "do not always equal fair market rates." Certain rates for Internet radio are set by government bodies.

The rise of digital streaming has helped the industry maintain annual revenues around \$7 billion since 2010, offsetting the decline in revenue from [digital downloads](#) of single tracks that began in 2013. But the level is far below the industry peak in 1999 of \$14.6 billion when compact discs were dominant.

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