

In first, streaming the top money maker in US

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Streaming has become for the first time the top money-maker for the US recorded music business, but it has struggled to offset falling CD sales and downloads, industry data showed Tuesday.

Releasing its 2015 figures, the Recording Industry Association of America said that streaming grossed more than \$2 billion led by rising subscriptions for services such as Spotify.

Amid the emergence last year of new players such as Apple Music and Tidal, revenue from paid subscriptions to streaming services—which offer unlimited, on-demand listening—grew by more than 50 percent.

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But despite streaming's rapid growth, the [industry](#)'s overall revenue last year went up a mere 0.9 percent to \$7 billion.

CD sales and [digital downloads](#) slipped with revenue from albums on CD, long a staple of the industry, down 17 percent in revenue.

The recording association, while praising the new source of growth from streaming, said that the revenue setup from the sector was not keeping pace.

The industry group, without explicitly condemning companies, clearly was pointing the finger at YouTube and the free tier of Spotify, which make money through advertising.

"We, and so many of our music community brethren, feel that some technology giants have been enriching themselves at the expense of the people who actually create the music," association president Cary Sherman said in an essay on the annual figures.

"We call this the 'value grab'— because some companies take advantage of outdated, market-distorting government rules and regulations to either

pay below fair-market rates, or avoid paying for that music altogether," he said, also renewing longtime criticism of US rules under which radio stations do not need to pay artists.

One major bright spot was vinyl, whose sales went up by nearly a third amid a resurgence of interest by hardcore collectors, reaching a level last seen in 1988 before the rise of CDs.

While vinyl remains relatively niche, the format has been picking up and was worth more than a quarter of the value of CD albums last year.

The \$416 million generated by vinyl accounted for more than all the [revenue](#) brought in by billions of advertisement-supported free streams.

The music industry has not yet released global figures for 2015.

Streaming has risen at different paces, making rapid strides in Nordic countries, while Japan and Germany—the world's second and third largest [music](#) markets—remain strongholds of CDs.

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