

## As music streaming booms, TuneCore eyes global growth

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New York-based TuneCore allows musicians to bypass record labels and distribute directly on streaming sites such as Spotify as well as iTunes and other retailers

Streaming has rapidly shaken up the music business but for many firsttime artists, an underlying presumption has remained that they need the backing of a record label.



Enter into the picture TuneCore, which lets musicians bypass <u>labels</u> and distribute directly on streaming sites such as Spotify as well as iTunes and other retailers.

TuneCore, launched in 2005 in New York, is seeing fast international growth as streaming—which allows unlimited, on-demand listening—becomes mainstream.

The platform in October opened in France, on the heels of starting in Germany in April. TuneCore had launched earlier in Australia, Britain, Canada and Japan.

Scott Ackerman, the <u>chief executive officer</u> of TuneCore, saw no let-up in the pace of the platform's expansion, including eventually into emerging economies.

"We will be in India and China at some point. It's just a matter of when," he told AFP from TuneCore's office in Brooklyn's tech-heavy Dumbo neighborhood.

TuneCore's set-up is straight-forward: An artist pays a fixed price, starting at \$9.99 a year for a single, and the platform distributes it worldwide, with all revenue going back to the act.

Unlike labels that nurture and promote their artists, TuneCore has no standards beyond basic technical and legal specifications, such as avoiding copyright violations.

"We're uploading almost 100 percent. You can scream into your phone and send it to us and we'll send it out and see if it makes money," Ackerman said with a laugh.

## 'Minor leagues' for labels



TuneCore says artists have earned \$733 million since the site's inception through 36.5 billion streams or downloads of songs.

By distributing to commercial sites, TuneCore differs from SoundCloud, a favorite platform for artists to upload music hassle-free.



TuneCore also has offered a distribution outlet to established artists who no longer need the same label support such as Aretha Franklin, Jay Z, seen in 2015, Joan Jett and Moby

Up-and-coming artists form the target audience, but TuneCore also has offered a distribution outlet to established artists who no longer need the



same label support such as Aretha Franklin, Jay Z, Joan Jett and Moby.

Ackerman did not see TuneCore as a competitor to labels, which often invest heavily in promising artists and assist in high-quality production.

"We're kind of the minor leagues for the labels," Ackerman said.

"We are not in the business of saying to an artist, 'Here is a \$10 million advance but we'll take all your rights away.'

"There will always be artists who want that, so I think the labels will be fine," he said.

In one gap for TuneCore, the company does not assist in retailing physical albums—which remain the key format in the German and Japanese markets—although it helps produce CDs which acts can sell directly, such as at concert merchandise tables.

## **Knowing fan base**

Non-US artists already account for about 30 percent of TuneCore, Ackerman said.

But he believes local offices are critical to growth by offering services in different languages and currencies, as well as highlighting success stories in each market.

TuneCore also provides detailed international data to artists who can see where they are most successful—and hence where they should market themselves.

"We've had US artists see fans in Africa and so they know they need to go to Africa. Or French <u>artists</u> can get onto TuneCore and have their



music played in Japan and Vietnam," he said.

"They find out that it's not always your hometown that supports you."

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