European Commission

Music Moves Europe – A European Music Export Strategy

Final Report

Culture

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Directorate D — Culture and Creativity
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Abstract

The study defines the background, the scope, and proposes a set of measures for a European music export strategy. Following the analysis of the main characteristics of the music sector in the European Union, this report takes stock of the main obstacles, challenges and opportunities faced by European music when crossing borders and shows that Anglo-American repertoire appears to be more successful in this context than music from the rest of Europe. The study subsequently describes the strengths and challenges of European music export strategies, based on the results of a survey circulated to national and regional organisations specialised in the export of music. The study then focuses in particular on four key international territories (United States, Canada, South Africa and China). Building on this stocktaking exercise, a "European music export strategy" is described, through a set of objectives, target groups and measures, including innovative funding schemes and policy approaches, reflecting the need to include music sector stakeholders and policymakers both at national and European level. A proposal for the articulation and the implementation of the European music export strategy is formulated, with key expected results in terms of market structuration, policy developments, data collection and cross-border circulation of European music.

Introduction

EU policy context for the music sector

Among the cultural and creative sectors (CCS), the music sector is the third largest employer, with 1,168,000 employees. The music industry generates revenues of more than EUR 25 billion[1].

The music industry is driven by technology changes. Of all the CCS, it has suffered most from the digital revolution, being hit by digital piracy, the reduction of physical sales (away from highly profitable retail stores), the development of new distribution channels with different monetisation logics (Apple - iTunes setting the precedent by setting prices of downloads independently of the industry). This industry disruption is driven by new powerful digital players, the development of new business models and new consumption patterns with the instant availability of music on mobile devices and, most specifically, the rise of music streaming.

The global music market achieved a key milestone in 2015, as digital became the primary revenue stream for recorded music, overtaking sales of physical format.[2] Digital revenues, i.e. the revenues from streaming and music download now account for 49% of total revenues compared to 26% for physical sales. Performance rights revenues to producers and artists represents 23% and revenue from synchronisation (i.e. the revenue for the licensing of music to advertising or video games) 1.7% of the remaining revenues.[3]

This milestone for the music sector goes hand-in-hand with a growing recognition of the music sector in EU policy making on culture. The Commission (DG EAC) notably decided to hold a series of working level meetings with representatives of music organisations at European level (Ancienne Belgique music working groups), between December 2015 and June 2016. These roundtables, as well as panels and workshops organised by DG EAC at key music conferences such as MIDEM in Cannes, Eurosonic in Groningen and the Reeperbahn Festival in Hamburg, brought together dozens of representative sectorial organisations and key thought leaders in the music community.[4] This was taken up by the European Parliament, and in April 2017, a bipartisan and cross-committee group of Members of the European Parliament submitted a proposal for a Preparatory action, called Music Moves Europe, to be included in the EU budget.

This Preparatory action targets four main objectives that have been unveiled at a Music Moves Europe Conference by Commissioner Navracsics:

- "To develop a better understanding of the market trends and to propose sustainable mechanisms on how to monitor them, as well as to identify funding needs of the music sector,
- To identify innovative and sustainable distribution models that would support European music diversity,
- To promote the cross-border mobility of artists through different cross-sectorial training schemes which are bridging industry silos and addressing the most relevant gaps in knowledge of the sector, and

[1] Ernst & Young, Creating Growth. Measuring cultural and creative markets in the EU, December 2014, based on 2013 figures. More recent data exists but is based on NACE codes, so it includes only labels and some music publishers. As this excludes a significant part of the music sector, we do not use those more recent mappings.
[2] IFPI Global Music Report 2016
[3] IFPI Global Music Report 2019
[4] "AB Music Working Group Report", European Commission, 2016
https://ec.europa.eu/programmes/creative-europe/sites/creative-europe/files/ab-music-working-group_en.pdf

- To develop a strategic approach for the promotion of European music on the international market."[5] The present study refers to this particular point.

Building on the efforts displayed by the Commission (DG EAC), the European Parliament and the European music sector, the proposal for the new "Creative Europe" Programme also includes, for the first time, a "sectorial action" for the music sector, which aims at "promoting diversity, creativity and innovation in the field of music, in particular the distribution of musical repertoire in Europe and beyond, training actions and audience development for European repertoire, as well as support for data gathering and analysis"[6].

"Music Moves Europe (MME)" as an EU initiative relies on four pillars:[7]

- Funding: programme funding for music under Creative Europe (cooperation projects, networks, platforms), additional funding provided under the Preparatory action on music (PA) to test suitable actions for a future sector-specific approach on music. These actions have been implemented through calls for proposals or calls for tenders. In the first year of the PA (2018) several projects were funded on "Online and offline distribution" as well as on "Training scheme for young music professionals". In the second year of the PA (2019) several calls on topics concerning a large part of the sector were announced, e.g. the live music sector, via an open call for projects for the cooperation of grassroots venues.
- Policy: The Member States in the Council of the European Union decided that music should be part of their cooperation on culture at EU level. The aim is to identify transferable best practices and to discuss suitable policy measures at European and national level concerning the diversity and the competitiveness of the music sector.
- Legislation: Music Moves Europe also aims to ensure that the interests of the sector are reflected in other policy fields where the EU has legislative powers, just as the Directive on copyright in the digital single market adopted in spring 2019 did.
- Dialogue: Since the AB music working groups, the Commission started to attend European showcases and festivals to exchange information with the music sector. This dialogue is now framed as a "structured dialogue with the sector" under Music Moves Europe that started in May 2019. The first meeting focussed on the future of music media; the challenges for live music; access to capital for the music sector and the new EU Copyright Directive.

In the context of Music Moves Europe, music export is one of the key actions when developing a European sectorial approach on music. Music export is at the crossroads of several EU policy objectives, and notably the New European Agenda for Culture of 2018[8] which aims to promote the cultural dimension of the EU and to address a series of key societal and economic challenges via more integrated cultural policies. The New Agenda includes three objectives for policy making on culture at EU level which are intrinsically linked to music export activities:

[5] "Music Moves Europe", European Commission, 2017 https://ec.europa.eu/programmes/creative-europe/actions/music-moves-europe_en

[6] "Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL Establishing the Creative Europe programme (2021 to 2027) and repealing Regulation (EU) No 1295/2013", European Commission 2018 https://ec.europa.eu/commission/sites/beta-political/files/budget-may2018-establishing-creative-europe-annex_en.pdf

[7] https://ec.europa.eu/programmes/creative-europe/actions/music-moves-europe_en

[8] https://ec.europa.eu/culture/sites/culture/files/commission_communication_-_a_new_european_agenda_for_culture_2018.pdf

- Economic: support the CCS by facilitating mobility for cultural operators, by reinforcing the Creative Europe Guarantee Facility, by developing skills and by encouraging innovation;
- External relations: increase cooperation with international institutions such as UNESCO, Cultural Institutes, following the joint EC-EEAS "Towards an EU strategy for international cultural relations".
- Social dimension: harnessing the power of culture and cultural diversity for social cohesion and well-being, notably through music, as "one of the means of communicating across language barriers".

In addition, other policy documents set out a vision for the international dimension of cultural policy-making at EU level, in which music export can play an important role:

- The 2016 Joint Communication from the European Commission and the High Representative "Towards an EU strategy for international cultural relations", which sets out the first strategy and roadmap for key actions of the EU in external cultural relations.[9] The mission letter of the new Commissioner in charge of culture, Mariya Gabriel, also clearly mentions the importance of fostering international cultural cooperation.[10]
- The 2019 Council Conclusions on an EU strategic approach to international cultural relations and a framework for action, which sets out some key international actions for EU Member States and the Commission.[11]

Music export creates an opportunity to strengthen the two main pillars of the European Union's objectives in the field of culture: fostering cultural diversity and reinforcing economic collaboration between cultural operators. Music export is also an ideal vehicle to deliver on the European single market, through the creation of incentives for intra-European circulation of artists, professionals, audiences and repertoire.

However, there is currently no consolidated approach or strategy in the EU for promoting European music internationally. This project therefore aims to address this gap by developing a European Music Export Strategy.

Objectives and structure

This project aims to develop a European Music Export Strategy that promotes Europe's music diversity and talent beyond European borders and that enhances the competitiveness of Europe's music sector on the international market. The study also takes stock of existing national strategies for music export and complements existing initiatives (including those co-funded by the EU) to encourage the cross-border circulation of emerging talents and repertoire within and beyond Europe, and test ideas for promoting music export in the future, including through Creative Europe. The main objectives of the project are encapsulated in the table below:

[9] https://ec.europa.eu/culture/policies/strategic-framework/strategy-international-cultural-relations_en
[10] https://ec.europa.eu/commission/sites/beta-political/files/mission-letter-mariya-gabriel-2019_en.pdf
[11] https://eeas.europa.eu/topics/culture/60750/eu-adopts-strategic-approach-international-cultural-relations_en

Table 1: objectives of the study

Objective	▪ **Provide an evidence-based study for a European Music Export Strategy that promotes Europe's music diversity and talent beyond European borders and that enhances the competitiveness of Europe's music sector on the international market.**
Sub-objectives	▪ Identify and analyse the key success factors of existing national strategies for music export and complement existing initiatives (including those co-funded by the EU) to encourage the cross-border circulation of emerging talents and repertoire within and beyond Europe;
	▪ Examine relevant features of some of the most important international music markets (the USA, Canada, China, and South Africa) in light of prevalence of and entry options for European music repertoire, as well as the limiting factors in this regard;
	▪ Analyse the main challenges and bottlenecks for music exports (within and beyond Europe) and identify measures to address these;
	▪ Assess differences between EU countries regarding the facilitation of cross-border mobility in the music sector within Europe;
	▪ Map existing elements and measures, that would facilitate and promote the access of European music to the global market, including recommendations for action at the national and EU level;
	▪ Test ideas for promoting music export in the future, including through Creative Europe.

This study is composed of two core components:

1) A stocktaking exercise, which presents the main barriers to music export, and analyse the main export initiatives. It also presents key data available on music export.
2) The European Music Export Strategy, which sets out a vision and action plan for a thriving European music sector internationally.

The annexes of this report include more comprehensive market reports for Canada, China, South Africa and the USA, while a summary analysis is included in the stocktaking exercise.

A. Stocktaking exercise – preliminary analysis

This section intends to give conceptual and contextual information about music export in Europe. As a first step, it presents a conceptualisation and definition of music export and presents consequently the actors involved. In a second step, it presents some key facts and figures about the European music industry in order to define the environment these actors are evolving in. It then focuses on the legal and policy framework to identify key regulatory challenges for issues around music export and, finally, it assesses the current level of circulation of European music repertoires and artists across Europe, based on the currently available data on music export.

1. European music export

1.1 Definition

Music creation and consumption is to a considerable degree international, meaning that much of the music composed, performed, recorded and released in one country also finds its way across borders to other countries, regions and continents - even more so with the advent of Internet and music streaming platforms. This is an important driver of cultural diversity everywhere and cultural exchanges within Europe are especially valuable. Additionally, the movement of music (including its creators and audiences) across borders also generates a set of important revenue streams for national music industries: the latter is what is meant when talking about music export.

As music can be disseminated and consumed in many ways, it therefore generates many kinds of revenues, both local and export driven. When artists tour and perform concerts abroad, they get performance fees that are an important export revenue stream. These concerts also generate royalties, thus producing music publishing export revenues. When music recordings get distributed either physically and sold in units at stores, or digitally and consumed in streaming platforms outside of a given country, these generate recorded music export revenues. Furthermore, streaming also generates royalties.

Music export, as defined in this report, happens when artists and their representative professional teams and music companies gather revenue by selling their music in various forms outside of their national borders. The main music export revenue streams are:

- performance fees for festivals and concerts (+ eventually merchandising)
- royalties generated by live music performances, broadcasting of music in radio, streaming platforms, television etc.
- recorded music revenues, from physical sales and digital revenues

Furthermore, music export revenues can also come from sync fees (synchronizing or licensing music to various audiovisual media formats), branding and other collaborative campaigns and deals, where artists can charge fees for their personality brands.

While international visitors coming to local music festivals, contributing to cultural tourism and certainly adding to music sector revenues could also be considered as a form of export, this has not been included in any analyses done within this research. Therefore, when referring to music export, this report focuses on artists and repertoire crossing borders and the revenue streams thus generated.

1.2 Subsectors and actors involved

While it can be argued that it is always and only the artists and creators that are at the heart of all value created in the music sector, a complex **value chain** of service providers and intermediaries, including managers, agents, music publishers, record producers, specialised PR and media professionals are required, in an even more complex **music sector ecosystem,** to enable the music industry to function as a whole.

Hence, a key feature of music export is that it is not an autonomous or stand-alone economic, social or artistic activity. Unlike other inherent fields of activity composing the European music ecosystem (such as music education or distribution of online content, for example), the activity of exporting music exists only through its capacity to bring together the three main music industry sub-sectors and operators behind the goal of growing the markets available to each sub-sector.

The main sub-sectors of the music industry are:

- Music Publishing
- Recorded Music
- Live Music

These three sub-sectors drive the industry, but not always with a common goal. They push and pull at each other, in a dynamic relationship, that means they are sometimes aligned and at other times at odds over everything from legislation to revenue splits.

They gather a variety of actors who all play a role in music export. The key actors of the music industry's value chain are artists and creators, professionals with various kinds of music sector competences and music companies. Their core capacity is the ability to create, market, disseminate and sell their music in all its forms, both locally and internationally (should they wish to do so). All these key actors are displayed in the picture below.

Figure 1: Overview of the different actors of the Music Market ecosystem involved in export activities

Source: EMEE

The above figure attempts to sum-up the music sector ecosystem, pointing out for each of the three sub-sectors (publishing / creation, recorded music and live music) the actors involved, the source of revenues generated by the stakeholders and the international and European networks and organisations involved for each sector.

Music export as a cross-border business activity requires further **knowledge** about different markets, **networks of professionals** to access these markets and **investment** to build one's profile and market presence.

1.3 How to assess European music export capacity?

In order to efficiently promote, sell and distribute musical repertoire beyond any given national border, it is necessary to bring on board all stakeholders of the music sector: artists, producers, promoters, labels, publishers, festivals and concert halls, rights management companies, logistics companies, but also public authorities and online and offline distribution companies.

Therefore, it can be argued that **music export capacity** of a national (or regional) music sector depends on whether and to what degree these **key factors** are present in a given country:

- Artists have sufficient knowledge and access to training and education regarding how to develop their careers (starting as Do-It-Yourself);
- There are enough professionals and music companies able to support artists in their career further along the development path;
- There are sufficient training and education, career and strategic mentoring, business development advice etc. resources available to artists, professionals and music companies;
- Artists, professionals and music companies have access to relevant funding to support their (export) development;
- Music sector organisations (such as music export offices and other support organisations) receive sufficient resources from both government and music sector to offer all or at least some of the above-mentioned services to the music sector;
- Collecting societies are working efficiently and effectively;
- Government level music and more generally CCS policies are well aligned with the music sector development needs.

In order to foster the **growth and development** of music export capacity in any European country, region or on a European level altogether, all levels of the multi-layered music sector ecosystem need to be strategically aligned and working together. Music export capacity of artists, professionals and music companies depends heavily on the local music sector ecosystem and its level of development, such as access to education, training, support, availability of funding, access to international professional networks, well-functioning CMOs, supportive governmental policies etc.

If the national context in which these actors are evolving is crucial, it is also necessary to gather some contextual information in order to take stock of the landscape in which music export takes place at the European level.

This information is presented in the following chapter.

Key takeaways

- Music export is defined as the revenue sources of the European music sector stakeholders outside of their national borders. It means that music export encompasses both the circulation of music within Europe as well as outside Europe.
- Music export relies on a multiplicity of possible revenue streams (e.g. performance fees for festivals and concerts, author's right (royalties generated by live music performances, or by broadcasting), merchandising, physical sales, digital revenues, synchronisation for advertising or cinema, personal branding…
- Music export is carried out by artists and the professionals and music companies working with them. All other stakeholders are playing a supportive, developmental role, except collecting societies that are part of the actual business structure, channelling revenue. Music Export Offices are key players in this activity.
- **Music export capacity** (of artists and music companies) depends heavily on the local music sector ecosystem and its level of development (is there education, training, support, funding available, access to international professional networks, well-functioning CMOs, supportive governmental policies etc.).

2. The European music market

2.1 Music is more and more produced and consumed across the EU

Music consumption is on the rise across Europe and the European music industry revenues are growing, led by growth in streaming and live revenues. This growth trend is expected to continue, as shown by recent prospective studies by Goldman Sachs on the future of the music industry. These indicate that the industry could almost double by 2030. This growth will be due, first of all, to a very important increase in streaming revenue (+907.1%) and in live revenue (+72.2%).

Table 2: Prospective evolution of the music market revenues 2015-2030

	2015 (in EUR billion)	2030 (in EUR billion)	Evolution
Recorded Music	20.23	47.86	136.50%
Streaming	1.19	11.99	907.10%
Physical	2.47	0.60	-75.90%
Live	21.00	88.32	320%
Publishing	4.59	7.91	72.20%
Radio	25.08	20.23	-19.30%
TOTAL	**45.82**	**88.32**	**92.70%**

Source: Goldman Sachs Research (2016) Music in the Air, Stairway to heaven & Goldman Sachs (2016) Music in the Air, Paint it Black. USD to EUR conversion rate = 0.85

It is, however, also apparent that this growth, led by streaming, will grow less where the digital market usage is already at high levels, such as in the Nordic countries. On the other hand, a market like Portugal (only 74% of the population online) can expect more growth as can countries like Slovenia where Spotify has not yet even started its operations.

An analysis of the music revenue per capita shows that the EU 28 recorded music market is clearly divided between northern European countries, where spending per inhabitant is significantly higher than in other countries. The first category, which includes the leading 10 countries, represents 82.9% of the music revenue per capita within the EU 28, whereas the other 11 countries represent only 17.11% of it. This repartition is biased by different economic factors, i.e. the spending power but it is useful to show the general trends in terms of European markets structures. The recorded music market of the EU 28 is hence not only driven by France, Germany and the UK but comparatively also by northern EU countries (from Denmark to Belgium in the figure below). They represent together 86% of the total recorded music market of the EU.

Figure 2: Recorded music revenue per capita in EUR (2017)

Source: IFPI (2018), own calculations

2.2 European music sub-sector analysis

i. Recorded Music sector

The Recorded Music sector currently has 3 major labels: Universal, SONY and Warner. The major label market is currently structured into conglomerates: Universal Music Group is owned by Vivendi, Sony Music Entertainment is a division of Sony Corp., and Warner Music Group is part of Len Blavatnik's Access Industries. It is worth noting that two out of three of these labels are non-European, and Universal's parent company Vivendi is trying to sell up to 50% of the company, with reports that between 10% to 20% will be bought by Tencent, one of the largest Chinese tech companies.[12]

It is also composed by the Independent sector, independent music companies which usually owned by the founder(s). It is the fastest growing sector of the recorded music industry according to the WINTEL report[13]. Independent labels grew from USD 6.2bn in 2016 to USD 6.9bn in 2017, which represents a growth of 11.3% year-on-year. Independent labels outperformed the overall music market, which grew by 10.2% last year. Independents also increased their total market share to 39.9% in 2017.[14] It can be explained by a dynamic activity in terms of production: 80% of the European new releases are made by independent labels, according to IMPALA.

Considering only the EU 28 recorded music market, it is the second market worldwide (with EUR 4688.74 million) after the USA (EUR 5265.33 million) and before Japan (with EUR 2427.48 million), according to IFPI data.
The European Music market is on the rise, with strong growth observed over the past few years, as shown in the figure below.

Figure 3: Recorded music revenues in Europe (in EUR million)

Source: own calculations based on IFPI data

[12] Source: Forbes : https://www.forbes.com/sites/samshead/2019/08/06/tencent-in-talks-to-buy-10-of-universal-from-vivendi-for-33-billion/#61898f5cabd7
[13] Source: WINTEL 2018 http://winformusic.org/files/WINTEL%202018/WINTEL%202018.pdf
[14] Ibid.

The growth of the EU-28 recorded music market is very encouraging as it has been increasing since 2013 (from 2% to 4% growth in 2016 and 2017). A recently-released IFPI report however shows that this growth slowed down in 2018: only 0.1% for the recorded music market due to a decline in performance rights (-6.7%), and the continuous decline of physical revenues and digital downloads (respectively –19.4% and –24.3%). Importantly, a sharp decline in revenues is observed in Germany (-9.9%), which means the UK is now the leading market in Europe in terms of recorded revenues. If we take into account that streaming is driving the growth in other markets, then it follows that streaming is now growing more slowly in Europe than in other parts of the world. In comparison, the global recorded music market growth reached 9.7% on the same period, partially because other parts of the world have more room to grow in terms of digital penetration, internet usage, and premium streaming service adoption – which is already mature in many European territories, especially Sweden and the Nordic markets.

In 2017, the EU-28 recorded market revenue was around EUR 4.7 billion. Streaming represented the main revenue source followed closely by physical sales revenues that are still strong. However, total digital revenues (streaming + downloads) amounted to 41% of the total revenue streams.

A more detailed overview by revenue segment for DE, UK, FR is presented hereafter.

Table 3: Detailed overview of DE, UK and FR Recorded Music Revenues by segment 2017 (in EUR million) and share within the EU 28 Recorded Music Revenues

	Total trade value	Physical	Other Digital	Streaming	Performance rights	Synchro-nisation
Germany	1,177.7	505.97	103.69	316.04	240.57	11.39
UK	1,166.52	355.73	134.3	445.53	204.7	26.25
France	823.43	299.49	42.19	239.94	219.65	22.16
Total DE+UK+FR	3,167.65	1,161.19	280.18	1,001.51	664.92	59.8
% of EU 28 recorded music revenues	67.56%	74.84%	80.21%	61.97%	65.86%	77.67%

Source: own calculations based on IFPI Global Music Report 2018 and 2019.

The EU-28 recorded music market revenue totalled EUR 4688.74 million and represented 30.45% of the global recorded music market revenue (EUR 15971.1 million). It is the second largest music market after the USA. It seems that the rise of streaming in other parts of the world (mainly China, and South America) is fostering a faster growth, which stresses the importance of exporting music from the EU-28 music market to those foreign markets.

Looking at revenues by sub-sector, the recorded music sector relies on neighbouring rights and, of course, streaming and physical sales revenues. In many European markets, neighbouring rights are the top revenue source for labels: it is the case for Portugal (43%), Austria (43%), Baltics (42%), Bulgaria (62%), Croatia (77%), Czech Republic (44%), Greece (41%), Hungary (52%), and Slovakia (46%).
Apart from larger European markets like the UK, France and Germany, where the local major companies still sign and invest in local talent, in most European countries, majors build a greater part of their revenues by distributing American music in Europe. Local independent labels on their side generally have a clear interest in exporting rather than importing.[15]

[15] Sources: IFPI, IMPALA, WIN websites

It is worth noting that 10 years ago, IMPALA set up MERLIN to license the independent sector's streaming rights. MERLIN has posted record revenues for its members in its 2019 report[16] all the while proving that several European labels (ex. one traditional Italian label) are now faring better export-wise, with the US becoming their no. 1 market in the digital era, whereas before their no. 1 market was domestic. Independent music currently accounts for between 30% and 39.9% of the global market share and rising, depending on sources.[17]

It is interesting here to highlight the emergence of direct artists (also called DIY artists), included in the independent market share, with a 3% share of total recorded music market, as pointed out by MIDIA research.[18]

Figure 4: Global recorded music market shares, label trade revenues Fiscal Year 2018

Source: Midia Research

ii. Music Publishing sector

The Music Publishing sector is responsible for ensuring that songwriters and composers receive payment when their compositions are used commercially (in the media, on streaming platforms and other usage); publishers are in charge of the authors and composers' copyrights, collecting royalties for the song composition. There are three major publishing companies: SONY/ATV is now the biggest, having acquired EMI Publishing; then comes Universal and Warner-Chappell. There are several large multinational independents such as Peer Music, including in Europe where several large independent music publishing companies are based, like Budde and Schubert to name a few.

An important trend is the intensification of partnerships between collective management organisations and large publishing alliances. In particular, SACEM is acting as the back-office for the new IMPEL initiative[19] for digital rights. IMPEL will also have the option to participate in multi-territory digital licensing deals negotiated by SACEM on behalf of its member and other clients. Similar deals have been signed between SACEM and other publishers such as Music Sales Group, PEN Music and The Music Goes Round Publishing, These deals indicate that several independent publishers may soon pull their mandates from older-model rights societies, switching to a new digitally up-to-date system (e.g. Urights in the case of SACEM).

[16] Source: http://www.merlinnetwork.org/news/post/merlin-reveals-record-revenue-distributions-in-new-2019-membership-report
[17] Source: WINTEL report 2018
[18] https://www.midiaresearch.com/blog/2018-global-label-market-share-stream-engine/
[19] IMPEL is a grouping of independent music publishers that coordinates direct digital licensing deals for its members.

In this sub-sector, the market share between major companies and independent publishers is more balanced than in recording, according to the latest Music & Copyright figures:

Table 4: Music publishing companies, revenue market shares, 2017 and 2018

	2017 (in %)	2018 (in %)	Change (in %)
Sony	27.3	26.0	-4.8
UMPG	19.5	20.2	3.6
Warner Chappell	12.0	12.3	2.5
Independents	41.2	41.4	0.5
Note: Sony's share includes revenue from Sony/ATV, Sony Music Publishing Japan and EMI MP			

Source: Music & Copyright [20]

The backbone of music publishing has always been the "back-end" royalties collected and paid via the collective rights societies; however, synch has recently come to the fore as the "creative" departments of music publishers grow in importance.[21]

It is important to underline here the European domination in copyrights collection. Europe is with EUR 5,438 million, the largest region for copyright collections, followed by Canada/USA (EUR 2,176 million), Asia/Pacific (EUR 1,430 million) Latin America (EUR 525 million) and Africa (EUR 78 million).

Figure 5: Share of copyrights collection by region

Source: Cisac, Global Collections Report 2018

iii. Live music sector

The last sub-sector is the live music market. Their revenue mainly comes from ticket sales. Not to be outdone, certain European concert promoters and venues have also invented their own type of neighbouring right - at least in Germany[22] where the German Association of Concert Promoters (BDV) lobbied to set up a new collecting rights society for promoters.

The live sector is made up of a complex ecosystem of players including venues, festivals, promoters, agents, as well as the surrounding service economy from ticketing companies, PR firms, to the obvious economic benefits it brings by way of cultural tourism.

Available data are rare, but Statista has ranked European live music markets based on estimated market value from 2018 to 2023** (in USD million) that shows a global European live market for 2018 of EUR 7,658 million.[23]

However, it is also arguably the hardest sub-sector to map out in terms of cross-border economies generated in Europe, a quick look demonstrates easily that UK acts - and

[20] https://musicandcopyright.wordpress.com/2019/05/08/global-recorded-music-and-music-publishing-market-share-results-for-2018/
[21] Cisac, Global Collection Report
[22] http://www.musiclawupdates.com/?p=7164
[23] https://www.statista.com/statistics/687692/top-live-music-markets-in-europe/

therefore the English language - dominate the European panorama. Sometimes Belgium, Sweden and Germany punch above their weight, taking into account current spending on music export.

*Figure 6: Ranking of European live music markets based on estimated market value - 2018 to 2023***

Source: Statista, 2019

Key Takeaways

- The European music sector is dynamic and is expected to grow.
- Music markets in Europe are at very different stages of development, three countries are spearheading the majority of the market revenues in the recorded and the live music sub-sectors (UK, DE, FR), 10 others are gathering around 80% of the recorded music revenue per capita meaning that these markets are relying on a strong music sector ecosystems, and 15 others are of a smaller size due to a smaller population, a smaller revenue per capita and/or less developed music ecosystems.
- Overall Europe is dominating in terms of shares of copyright collection on the international stage, compared to other continents.

3. The legal environment for music export: key challenges

This section provides a concise overview of the main aspects of the legal framework for music exports within Europe, i.e. at national and EU level. This is analysed with the help of previous studies and takes into account the recent legal developments impacting the European music sector. Additional insights were provided by stakeholder consultations (interviews and survey to export offices).
The international market reports (China, South Africa, Canada and the USA) also include a specific section on copyright regimes, taxation and visa issues.

3.1 The EU policy and regulatory framework for the music sector

The EU policy framework for music – and more broadly-speaking for the CCS – takes on board all dimensions and policy areas relevant to the sector (including its cultural, economic and social dimensions). This is reflected in Music Moves Europe priorities, and the current policy developments presented in the introduction, particularly the New European Agenda for Culture that has clear social, economic and external relation's objectives, in which music export can play an important role.
In May 2018, the European Commission made a proposal for a new Creative Europe Programme (2021-2027)[24] building on the structure and achievements of the current Creative Europe. Part of the 'Investing in people' chapter of the EU's long-term budget proposal, the proposed new Creative Europe provides for increased opportunities for cross-border cooperation and projects, simplification mechanisms and greater flexibility enabling access to the programme, especially for smaller players. The proposal for the new programme also recognises the need to strengthen sectorial actions including on music, which the Preparatory action will help preparing. The European Parliament also adopted a report on the proposal for a regulation establishing the Creative Europe Programme for the years 2021-2027 proposing a € 2.8 billion budget. By the time of drafting of this study, negotiations on the new programme were ongoing.

In terms of regulatory framework, several key pieces of legislation are highly relevant for the music sector.

- The **directive (2016/0280/COD) on "copyright in the Digital Single Market"** proposed by the Commission in September 2016, as a central component of a broader legislative package on the modernisation of EU copyright rules. The Directive contains – among other provisions - important measures addressing the activity of user-upload content platforms and fair and transparent remuneration of authors and performers. In April 2019, after more than two years of tough negotiations, a final version was adopted, and the legislators agreed on the new normative framework. This includes two key elements:

  Platforms will have to seek a licence for giving access to the songs and audio-visual works that are uploaded by internet users. As a result, creators and other right-holders will have more control over the online use of their creative works and will be remunerated for it. Individual creators (authors and performing artists) will also be more protected vis-à-vis the contractual partners on whom they rely for the commercial exploitation of their works or performances - such as producers, publishers, broadcasters and record labels.[25]

[24] Proposal for a Regulation of the European Parliament and of the Council establishing the Creative Europe programme (2021 to 2027) and repealing Regulation (EU) No 1295/2013, Brussels 30.5.2018, COM (2018) 366 final
[25] https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1558542493753&uri=CELEX:32019L0790

The principle of appropriate and proportionate remuneration has been introduced and is complemented. It allows music creators to access transparent information on how their works and performances are exploited by their counterparts (publishers and producers). This principle is complemented by various mechanisms that will make it easier for creators to negotiate future contracts and receive a fairer share of the revenues generated.

Besides this Directive, other recently adopted EU instruments in the area of copyright with relevance to the music sector are:

- The **Directive on collective management of copyright** (Directive 2014/26/EU) and related rights and multi-territorial licensing of rights in musical works for online uses in the internal market, adopted in February 2014. The Directive aims to improve the way all collective management organisations are managed by establishing common governance, transparency and financial management standards. It also sets common standards for the multi-territorial licensing of rights in musical works for online uses in the internal market.
- The regulation on **cross-border portability of online content services** in the internal market, also known the portability regulation (Regulation (EU) 2017/1128), adopted in June 2017. The regulation became applicable in all EU Member States on 1 April 2018. All providers who offer paid online content services (including music streaming services) have to follow the new rules, which enable consumers to access their portable online content services when they travel in the EU in the same way they access them at home.
- **Directive** 2019/789 laying down rules on the **exercise of copyright and related rights** applicable to certain **online transmissions**[26] of broadcasting organisations and retransmissions of television and radio programmes. Its aim is to simplify the rights clearance procedures for broadcasters including re-transmitters like IPTV service providers who wish to widen access to TV and radio programmes across borders.

In a nutshell, the music sector is subject to a rich and fast-evolving policy and regulatory context, which may affect the development of the sector in the coming years. The development of the music export strategy needs to take into account such regulatory evolutions, as well as more export-specific policy and regulatory issues.

3.2 Lack of harmonisation and social security

There is still no general definition in EU law of what an artist is, or clarity on how s/he works. Given the artists' generally dynamic career pattern, it is common that they are subjected to the simultaneous or combined status of employed or self-employed.[27]

Our pan-European survey shows that 13 countries have a specific legal status for artists[28], often linked to either:

1) a minimum level of remuneration for artists, or;

2) special conditions for social security rights. In other countries, artists and music businesses use a mix of freelancing, sole traders and micro-companies' statutes.

[26] https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CONSIL:PE_7_2019_INIT&from=EN
[27] KEA 2017, Mapping the creative value chains, A study on the economy of culture in the digital age. Directorate-General for Education and Culture, Brussels.
[28] Austria, Belgium, France, Germany, Greece, Ireland, Lithuania, Luxembourg, the Netherlands, Slovakia, Slovenia, Spain and the UK.

The lack of specific employment status weakens the artists' level of social protection especially in the context of music export, where touring and showcasing (that became crucial to compensate revenue loss due to the digital shift and the resulting evolution of the music sector's value chain[29]) lead to an intensification of short-term international mobility, often in different countries.

These periods are often too short for a professional to be entitled to access the local social security system (especially in the case of self-posting – self-employed).

While the labour conditions of artists are determined at national level, the European regulatory framework can help to facilitate the application of existing domestic rights when crossing borders. On 21 June 2018, the Council adopted a new directive[30] revising the Posted Workers Directive of 1996[31] with the aim to facilitate the transnational provision of services whilst ensuring fair wages and a level playing field between posting and local companies in the host countries. While the new directive limits the posted worker status to 12 months, it fails to take into consideration the situation of very short-term posting specific to the highly mobile sectors like music. The lack of special arrangements for very short-term posting can lead to very disproportionate administrative burdens related to the access to social security for both the host countries and the self-posted workers or the artists abroad.[32]

The A1 form[33] remains the main EU document for the coordination of social security systems in case of professional mobility within the EU. It allows the detachment of workers and acknowledges the national social security legislation that is applicable to its holder for the period s/he is working abroad. Here again, the system is conceived for standard employment and it fails to take into consideration short-term posting and the specific working regime of music professionals. Moreover, the validation time of an A1 form by the host country is often too long for music artists working with very short-term contracts.[34]

In line with the Council Work Plan for Culture 2019-2022, aspects relating to the working conditions of artists will form part of a study launched in late 2019.

Key takeaways:

- Touring is of paramount importance in music and often entails activities in different countries with a variety of social rights applicable to artists.
- Professionals of the European music sector do not have the same employment status in their originating countries which weakens the artists' level of social protection.
- This specificity of the European music sector is not subject to a specific regulatory approach at EU level.

[29] KEA (2015) *Feasibility study on data collection and analysis in the cultural and creative sectors in the EU*. A study commissioned by DG Education and Culture of the European Commission. Brussels.
[30] Directive of the European Parliament and of the Council amending Directive 96/71/EC concerning the posting of workers in the framework of the provision of services, Brussels, 14 June 2018 http://data.consilium.europa.eu/doc/document/PE-18-2018-INIT/en/pdf
[31] Directive 96/71/EC of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services, Official Journal of the European Communities 21.1.97, https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:31996L0071&from=EN
[32] Statement of Pearle ahead of the vote in EMPL Committee on 16 October 2017 in relation to the proposal for a new posted workers directive https://www.mobilelabour.eu/wp-content/uploads/2017/10/PEARLE-Statement-Oct-17.pdf
[33] European Union, *Social security cover abroad*, 2018, https://europa.eu/youreurope/citizens/work/unemployment-and-benefits/country-coverage/index_en.htm
[34] KEA 2018, Research for CULT Committee – Towards a European Framework for Mobility in Culture, European Parliament, Policy Department for Structural and Cohesion Policies, Brussels.

3.3 Taxation issues

i. The risk of double taxation due to tax conventions

Taxation issues are highly relevant for music export, and especially for live acts where a multiplication of cross-border payments is the norm. The EU has no competence on tax harmonisation, as Member States have the prerogative on their national taxation systems.

In cross-border situations, most of the EU countries operate according to bilateral tax treaties in the framework of the OECD model tax convention which, in 1963, introduced Article 17 due to the 'practical difficulties' in relation to taxation of performing artists.[35]

Article 17 stipulates that the income generated by a performance in another country than the country of artist's origin may be levied in that country via a **withholding tax**. While Article 17 aims to counteract tax evasion, it can create problems in the country of origin, in which national tax authorities might also levy taxes on the same income earned by the performers abroad. Given the risk of double taxation thus created, a second paragraph was added to Article 17 in 1977[36] which allows artists to deduct their expenses in the host country at source. The optional Article 17(3) provides an exception to the rules set up by Article 17 by allowing countries to exclude performances that are mainly supported by public funds from the application of the Article. Importantly, *Article 17 only applies to 'entertainers' and 'sportsmen'* and does not apply to professionals that do not appear on stage or to artists working in *other disciplines*, to whom taxation in their country of residence applies, according to Articles 7 and 15 from the OECD model.[37] This is an issue for all musicians and bands touring in Europe.
In order to support Member States in developing a more efficient and faster administrative cooperation on taxation, the European Commission has adopted the Council Directive 2011/16/EU on administrative cooperation which introduces procedures for the exchange of information on taxes of any kind except VAT. However, the following issues persist when it comes to music professionals' cross-border mobility:

ii. Complexity and non-uniformity of regulations

Tax certificates are not standardised across the EU and are often only available in the national language of the host country. Withholding taxes vary considerably from one EU MS to another, from 10% to 30% of the profit.[38]

The application of Article 17 itself varies between tax treaties, as it is subjected to interpretation and may result in vague criteria which can increase the risk of double taxation. Also, Article 17 exists under different ordering and naming systems in the different EU countries, which makes it very difficult for a music professional to ask for a tax exemption in his/her home country, provided s/he has the right to it.

iii. Non-deductibility of expenses

Due to the different applications of Article 17, in many countries, music professionals performing abroad cannot make use of the exemption rule and thus cannot deduct their expenses from their earnings. This leads to **excessive taxation** and results in unfair competition between foreign and local artists. The Netherlands eliminated Article 17 in its

[35] Dick Molenaar (2016) The ultimate Cook Book for cultural managers. Artist taxation in an international context. Toolkit prepared for the Creative Europe-funded project EFA RISE. Brussels, EFA, 2016.
[36] European Expert Network on Culture (EENC) (2014), Artists' Mobility and Administrative Practices related to Social Security and Taxation in the European Union: An analytical mapping obstacles and good administrative practices, Brussels.
[37] OECD, *Model tax convention on income and capital*, condensed version, 21 November 2017
[38] EENC *op.cit.,* 2014

bilateral tax treaties. Therefore, an artist performing in the Netherlands is no longer bound to pay taxes there, s/he only pays taxes in his/her country of residence.[39]

Figure 7: Focus - How to address the double-taxation issue for music professionals

When music artists perform in another European country, the standard practice is that the promoter will include a withholding tax on the artist's fee for the performance. The issue of double-taxation emerges when the artist is then taxed (in their country of residence) on their worldwide revenues.
Technically, this issue can be avoided with the current rules if the artist requests a tax certificate for the withholding tax and deducts this from their income declaration.

However, there are four hurdles which makes this unpractical:

1) A certificate is required for each act, which may become very difficult to organise for artists who cannot afford a tax advisor.
2) The certificates are issued in the language of the place of performance and may not be accepted by the tax administration in the artist's place of residence.
3) Very often only one tax certificate is issued for a band, whereas each member needs an individual certificate.
4) The artist may not have a sufficient income to benefit from a tax deduction, depending on national rules.

According to Dick Molenaar (interview), this is especially problematic for emerging artists (small and medium artists) who do not yield sufficient revenues to sustain a support structure providing legal, taxation and accountancy advice, yet do make some income from European acts. At EU level, this also creates a disparity with US acts, which are exempted from the withholding tax. As a result, it is most often more affordable to book a US act than a European one.

Some countries have adopted solutions under the current OECD tax convention, around three models:

1) The USA include a reciprocal exemption on withholding tax for all forms of artistic performances in its model tax conventions, up until $20,000 of revenues generated in a given country where it has signed a convention. This has been systematically included in any bilateral agreement in the last 30 years.
2) The UK and the Netherlands have included a 'personal allowance' mechanism, whereby respectively up to £12,000 and €15,000 of international revenues are exempted from the income tax.
3) Finally, countries can unilaterally decide to give up on recouping the withholding taxes. In the EU, three countries have implemented such rules: Ireland, the Netherlands and Denmark. In 2018, Ireland debated the reintroduction of the withholding tax, which was abandoned due to the little financial benefits gained, and the administrative burden induced.

Although taxation is Member States' competence, some form of EU level guidance could help provide a more level playing field for European acts and encourage cross-border mobility. This is particularly relevant for emerging artists – the main target group of European support measures in the field of music.

[39] *From mobility of professionals in the arts and culture sector to patchwork workers of Europe* at the 4th Cross-Border Culture Task Force Conference from the Association of European Border Regions, 27.04.2016, Mons, Belgium

iv. Indirect taxation / VAT

The level of VAT rates varies across Europe, with several countries providing reduced VAT rate for concerts, and some applying reduction or exemptions to VAT rates for cultural services (including music). An overview of the applicable VAT rate is available below.[40]

Figure 8:Tax rates and exemptions for culture in EU countries

The figure below provides the actual general VAT rate (in blue) and the lowered VAT rate for music, where available.

[40] Dick Molenaar (2016) The ultimate Cook Book for cultural managers. VAT in an international context. Toolkit prepared for the Creative Europe-funded project EFA RISE. Brussels, EFA, 2016.

Figure 9: Variation of VAT rates in the EU

N.B.: For countries having more than one lower VAT rate, only the lower rate has been included.

Source: Dick Molenaar (2016)

The VAT on live shows is particularly important in the context of music export. Respondents to the survey highlighted the negative impact of VAT rates on their live performance scene (e.g. in Hungary with a 27% rate). Others noted that a reduction of concerts' VAT happened recently as a positive trend (e.g. in Romania and Portugal, with respectively 5% and 6% reduced rate on concert tickets). This notably helped to increase audiences at concerts and festivals, and consequently to improve the countries' attractiveness for touring.

In line with the Council Work Plan for Culture 2019-2022, such aspects relating to the working conditions of artists will form part of a study launched in late 2019.

Key takeaways:

- The issue of double or excessive taxation is important. Even if the revised OECD model tax convention and the Directive on administrative cooperation were made to provide answers to the taxation issues of the music sector, issues still persist when it comes to music professionals' cross border mobility.
- Double taxation originates from non-standardised tax-certificates, increasing use of withholding tax, and different interpretation of the article 17 of the 1977 OECD tax convention.
- This results both in administrative burden for touring and a loss in income for music professionals.
- Solutions can be inspired from the examples of the Netherlands or the UK, which have set up measures to address the issue of double taxation.

4. Streaming and radio figures show a lack of circulation of European repertoire in and outside of Europe

4.1 Assessing the scale of music export is hampered by data availability issues

Given the European cultural diversity and cultural behaviour, music repertoires are very varied across Europe. The European repertoire is also growing steadily every year: in 2016 and 2017, GESAC reported 2.2 million new musical works per year were registered across Europe[41].

The market share of non-European music vs. European music crossing borders (repertoires and live) – and therefore the intra-EU circulation of works – needs to be further analysed. There are some data limitations inherent to this exercise, such as the method utilised to identify music revenues and artists as being from a specific country. The stocktaking exercise conducted has yielded some interesting results from several European countries which do collect and analyse export revenues, revealing that no pan-European overview is currently available and that the very definition of an artist's "nationality", or their musical works and output, in economic terms, varies.

For the purpose of our analysis and especially the data collected through BMAT, we used the ISRC classification, as explained in section 4.2 below. This classification uses the "country of recording" approach, so the export revenues are calculated based on the country where the record label is established.

Different data sets can mislead on the identification of the repertoires: although there are multiple sources and datasets from which to draw upon (ex. Rights Societies, DSPs, private companies such as BMAT, Chartmetric, etc.) no individual data set can be relied upon for the complete picture. This point is further discussed in section 4.3 below.

4.2 Analysis of streaming and radio figures – addressing the data gaps through ad hoc data collection

The following analysis, conducted by BMAT[42] on a sample of 38 countries (EU28 + Japan, the Republic of Korea, China, India, South Africa, Mexico, the United States, Canada, the Russian Federation and Turkey) aims to paint a picture of the geographical origin of music consumed via streaming and radio, with a particular focus on European music. This sample offers the possibility of establishing a mapping of the origin of music listened to in the EU, while also providing an idea of how European music performs on some of the key international music markets.

The approach used by BMAT to collect this data, which uses the International Standard Recording Code (ISRC)[43] to determine the origin of the songs analysed, is twofold:

- **Analysis of digital streaming data covering January 2019 until June 2019, based on the shares of streams in "Top 200s" of each platform in each analysed territory:**

For each of the 38 territories analysed, BMAT scanned the availability of all main commercial digital streaming platforms (Spotify, Deezer, Apple Music, Youtube, Itunes,

[41] https://authorsocieties.eu/resources/
[42] https://www.bmat.com/
[43] The code (recognised under the ISO system) is based on the country of the recording. The code, which lacks granularity when looking at the situation of the EU, does not consider the situation of artists recording in a different country than their country of origin. In the case of artists establishing recording contracts outside of the borders of their country of origin, and in particular when looking at the situation of specific EU countries presenting linguistic idiosyncrasies (e.g. Belgium, Baltic countries), this system presents limits. Suggestions are made in this study to address these issues partially.

Amazon, Shazam, Youtube) and based its data collection on the subsequent availability of these services. While for a majority of countries, most platforms are active, it is to be noted that in some territories analysed (e.g. China, Croatia, Slovenia, Russia, South Korea), some platforms (e.g. Spotify, Apple Music, Youtube) are either not available or do not provide targeted data. Nevertheless, the overall data extracted from BMAT's analysis paints a sufficiently comprehensive map of the balance between digital listening shares per country[44]. The six-month data analysis period offers, if not a long-term view, a sufficiently robust timeframe to avoid a "snapshot" bias.

- **Analysis of radio data covering August 1- 31, 2019:**

For each of the 38 countries composing the sample, BMAT conducted a mapping of the most relevant and representative radios channels, covering a vast range of music genres and audience targets. While the landscape is rarely comparable from country to country, BMAT's up to date radio charts database covers all territories analysed and seldom includes radios providing ISRC codes of their broadcasts. While the mapping period is rather short[45], it provides an up-to-date picture of the origin of the tracks listened to on the most representative radio channels of the sample.

The following analysis is articulated around the concept of "listening share pie charts": for both radio and streaming data, on every territory analysed, pie charts were created to illustrate the "listening share" of every country, or group of countries, within the said analysed territory. In order to highlight the most eloquent differences between the various territories studied, the following categorisation was used to determine the origin of the music effectively streamed and played on radios[46]:

- Local repertoire (repertoire of the specific countries or groups of countries analysed in the pie charts, based on ISRC code to determine nationality of repertoire)
- EU-27 (excluding the United Kingdom, as well as local repertoire)
- The United Kingdom
- The United States
- Rest of the world (all countries excluding local repertoire, EU-28 and United States)

This categorisation was built on two main intuitions, which were subsequently confirmed through the analysis of the data: 1- The predominance of American repertoire in the listening share of music worldwide; 2- The singularity of the United Kingdom's music market situation compared to the rest of the EU, in terms of the historical worldwide success of British music and the current economic size of the United Kingdom's music sector compared to its European neighbours.

i. Listening shares within the EU: predominance of American, local and British repertoires

- **Streaming[47]**

The main finding of the analysis of the streaming data made available by BMAT is the modest performance, within the EU, of European music (excluding music originating from the United Kingdom) compared to local repertoires, American music and British music. The

[44] The average availability per country is 5,5 out 7 platforms analysed.
[45] Radio tracking analysis requires a much more resource-intensive process than streaming, and it was therefore no possible to mobilise data over a six-month period in the context of this particular study.
[46] All categories are developed using ISRC to define the origin of the repertoire
[47] Based on the availability of main commercial digital streaming platforms (Spotify, Deezer, Apple Music, Youtube, Itunes, Amazon, Shazam, Youtube) and on the subsequent availability of these services in the territories analysed.

"EU-27" group only represents, on average, 15% of the listening share in the EU, while music from the United States account for 42% of the total analysed data. British music's share alone surpasses the performance of E-27. Local repertoires represent a significant share of the total in Europe, especially in larger European markets[48].

Figure 10: Streaming - EU 28 average listening share

Source: BMAT, 2019

This result based on an average of the EU-28 "import pies" is confirmed when looking at national situations. While a majority of European countries display similar results, Denmark and Poland belong to a category of countries which can be considered as the most representative of the EU-28's listening shares: a dominant Anglo-American presence, a relatively strong local repertoire, followed by the "EU-27" and the "rest of the world" categories.

Figure 11: Streaming - Denmark listening

Figure 12: Streaming - Poland listening share

Countries presenting local idiosyncrasies with regards to local repertoire tend to convey similar results when looking at the performance of EU-27 repertoire. In the instance of France, while the local listening share is almost three times as strong as the European average, EU-27 remains well behind American and British repertoires. In the case of Lithuania, where the listening share of local music is sensibly lower than the EU average, it tends to be at the advantage of Anglo-American music as well - the total of the United

[48] France, Germany and Italy's local streaming shares are all above 50% on the analysed period, and 7 EU countries (UK, Netherlands, Denmark, Sweden, Spain, Poland, Finland) perform above 25% in this category. While in some territories (e.g. France), language broadcasting quotas may have a direct influence on music consumption, the overall trend shows a strong response to local repertoire from the audience of the largest European markets.

States and the United Kingdom's listening shares reaching 72% while EU-27 remains firmly behind.

- **Radio**[49]

The findings of the analysis of digital streaming figures within the EU tend to be confirmed when looking at the radio landscape. While the timeframe of the analysis is narrower in this case, the balance between listening shares is very comparable to the one in the digital world - with the exception of the hierarchy between United Kingdom and local repertoires. It appears nevertheless clear that repertoire from the United States remains far ahead of the other categories; the spread between local, EU-27 and United Kingdom listening shares is narrower, but the EU-27 category remains stable.

Figure 13: Radio - EU 28 average listening share

Source: BMAT, 2019

This birds-eye look on the EU-28 radio situation is once again confirmed when analysing the data on a country-by-country basis. When breaking down the listening shares for Germany and Romania, which can be considered as representative of the European average[50] (despite differences impacting the allocation between local and "rest of the world" categories), the position of American and British repertoire appears to be almost exactly the same, neighbouring 60% of the listening shares when combined, while EU-27 remains between 10 and 15%.

Figure 15: Radio - Germany listening share

Figure 14: Radio - Romania listening share

BMAT, 2019

[49] Mapping of the most representative radios channels per country (audience share), covering a representative range of music genres and demographic targets per country

[50] The choice of "representative" countries in this analysis is based on two main parameters: the relative similarity of their listening share patterns with the European average (especially in terms of US and "EU27" listening shares) and the representativeness of these countries with regards to the geographic and cultural diversity in the EU.

The trend for EU-27 repertoire does not appear to differ very significantly when analysing countries presenting large variations in the share of local repertoire. While Italy's strong local repertoire radio presence tends to lower the share of American repertoire, the EU 27 repertoire remains in a zone close to its average market share in Europe. In the case of the Czech Republic, a significantly less successful local repertoire does play in favour of the EU 27 category, but its listening shares are still surpassed by those of the United Kingdom and the United States.

Figure 17: Radio - Italy listening share

Source: BMAT, 2019

Figure 16: Radio – Czech Republic listening share

Source: BMAT, 2019

ii. Listening shares outside the EU: a significantly lower performance of European repertoires

- **Streaming**

An overview of the 10 international markets sample shows that while the hierarchy between the selected categories remains the same as within the EU-28 group, local repertoires are performing better outside of Europe, at the detriment of United Kingdom and EU-27 repertoires. Among the group of countries selected, the EU-27 category falls under the 10% threshold of listening shares. United States listening shares remain solidly ahead of the other categories.

Figure 18: Streaming - International markets sample listening share

Source: BMAT, 2019

This finding is confirmed when looking at specific national situations. In the case of Turkey and Japan, where local repertoires are significantly stronger and performing better than American repertoire, the EU-27 listening share does not benefit significantly from the shift of balance. While in Turkey, EU-27 music seems to perform better than music from the United Kingdom, it remains far behind American repertoire. In Japan, where local repertoire is dominant, it is very much at the expense of EU 27 repertoire.

Figure 19: Streaming - Turkey listening share

Source: BMAT, 2019

Figure 20: Streaming - Japan listening share

Source: BMAT, 2019

Moreover, the listening share of EU27 category diminishes in the case of international markets where local repertoire appears to be lower[51]. In Mexico and Canada, the share of United States repertoire is significantly higher than the average; United Kingdom repertoire performs within the same margins as in the 10 country-average, while the EU-27 category falls below 5% of listening shares.

Figure 22: Streaming - Mexico listening share

Source: BMAT, 2019

Figure 21: Streaming - Canada listening share

Source: BMAT 2019

[51] In the instance of Canada and Mexico, the small share of local repertoire can be explained by the neighbouring United States proximity and the probable effects of this situation on the subsequent country of establishment, recording and performing contracts and of local artists.

- **Radio**

The mapping of radio listening shares in the 10-country sample provides another angle to a situation which remains rather comparable when looking at the share of the EU-27 category. While one this average of the selected international markets, the "rest of the world" category is performing better than in previous analyses, the share of EU-27 remains relatively stable, at 10% of the total, behind the "rest of the world", the United Kingdom, and representing less than a third of the share of American repertoire.

Figure 23:Radio - International markets sample listening share

Source: BMAT, 2019

A closer observation of some national examples reinforces the tendency of EU-27 to underperform with regards to the international radio landscape. The pie charts of Korea and South Africa, which can be considered as representative of the groups' average,[52] paint a coherent picture of the above-mentioned situation, with an EU-27 between 7 and 13% of the listening shares.

Figure 25: Radio - Republic of Korea listening share

Source: BMAT, 2019

Figure 24: Radio - South Africa listening share

Source: BMAT, 2019

As far as the situation in the United States is concerned, the trend is at its strongest; the combination of the domestic market effect and the dominance of American music

[52] The choice of "representative" countries in this analysis is based the relative similarity of their listening share patterns with the international markets average (especially in terms of US and "EU27" listening shares).

worldwide reinforces the effect. The EU-27 category falls 10 points below the United Kingdom in this case. It is to be noted, however, that among the analysed sample, the EU-27 category tops the hierarchy of radio listening shares in one country, Russia.

Figure 27: Radio – United States listening share

Source: BMAT, 2019

Figure 26: Radio - Russian Federation listening share

Source: BMAT, 2019

Key takeaways

- A clear conclusion to this analysis, albeit limited in time, is the relatively low performance of non-British European music within the EU, as well as worldwide. While local repertoires perform relatively well in the EU, they struggle to cross borders.
- Regardless of the medium analysed (digital streaming or radio broadcasting), the "EU-27" category represents, based on the averages established for EU-28 and a sample of 10 international markets, a significantly lower share than local, American and British repertoires.

4.3 Improving data collection on music export

Based on the available data, Europe represents the largest export markets for EU countries. The other main export markets identified in the context of this study are Canada and the USA. Local repertoires perform relatively well in the EU, but they struggle to cross borders.

Overall the capacity to collect and analyse data on music export is quite weak. In the context of this study, this was partly addressed through an additional ad hoc data collection of streaming and radio market shares. In most cases, data on export is collected and analysed by collecting societies and only a few export offices have the in-house capacity to perform a thorough analysis of the music export revenues of their country. Pooling resources, knowledge and methodologies and a European approach could certainly help export offices to tackle these challenges in a resource-efficient manner. More importantly,

data collection and comparability are hampered by several factors. The main questions and concepts that need to be analysed further in order to draw conclusions are:

1. Industry segments: How are they conceptualised in different countries? Do all countries have the same sub-sectors structuration? Or are there significant differences? What are the current trends?
2. National Music Industry: How do EU nations calculate their own industries and export revenues? What is national, i.e. is it determined by the producers' country or by the artists' nationality? What kind of data sources are available and how are revenue streams differentiated (per segments and otherwise)?
3. Nature of the Data: Data "gates" - what are the key institutions gathering relevant data, how do they analyse it; to whom (if at all) and in what form do they make it available?

i. Industry segments

As explained above, the main music industry sectors can be described as "recorded music", "publishing and/or copyright", and the "live sector". However, given the rise of increasing 360º models (i.e. where companies might look after two or even three of the above sub-sectors), the distinction might not always apply equally to all Member States.

In the last decades, the 360º model has been developed, meaning that some record labels have started artist management and booking branches, earning live revenues. Furthermore, with regards to rights societies that look after author's and publisher's rights as well as neighbouring rights, some Member States have different rights societies covering different types of rights - so even within each sub-sector, there are differences.

Table 5: Concrete examples of the data collection challenge in Europe

In the UK, Phonographic Performance Ltd or PPL (one of the two British Performance Rights Organisation) looks after the neighbouring rights of labels and artists, whereas in Portugal there are separate societies for each, Audiogest for labels and Gestão dos Direitos dos Artistas (GDA) for featured and non-featured artists. There are other national-level problems measuring the three sectors. In Portugal, for example, the NACE business code for "edição" does not differentiate between recorded music releases and music publishing.

ii. National music industry

Defining the national music industry, repertoire or artists plays an important role when discussing music export, as these definitions command the calculation of revenues for each actor in the music value chain, including the national and European market shares of any given territory.

The exact definitions can vary from country to country and are not thoroughly defined in most EU countries. For example, major labels often account for transnational sales as "domestic" sales. Therefore, the statistics based on sales categories might not be comparable between the majors and independent labels. It should be noted that the 'nationality' of music works is in some countries determined by the nationality of the artists, and in other by the country of establishment of its phonographic producer or even music publisher. For example, Irish artists signed to UK labels are potentially making in total a reasonable amount of business for these labels (and that counts as UK music industry GVA), while large parts of the investment into the (export) development of these artists might come from the Irish government. This case is conjectural, but illustrates what kind of analyses need to be done to clarify what is meant by "national artist" or "national

repertoire". When a clear solution is found, it needs to be applied methodically to the data of all EU countries to achieve a comparable result. Furthermore, whatever the definitions of national (nationality vs country of residence), there might be sizable portions of industry revenues of one country that are actually being generated (up the value chain) by artists from another country.

A proposal to potentially address these issues would be to clearly identify the nationality of artists and their musical output according to each type of right. This proposal would classify separately the nationality of the songwriters/ composers; then the performing artists, featured and non-featured; as well as the country of establishment of the phonographic producers and music publishers to track the different revenue streams associated to each artist, repertoire or product.

In practice, the indicator would include the following types of information:

F - Featured Performing Artist Nationality
E - Music Publisher Nationality (Headquarters)
N - Non-featured / session musicians' Nationalities (can be plural)
C - Composer's Nationality
A - Lyrical Author's Nationality
M - Management and Live representation (can be plural)
P - Phonogram Producer (record label) Nationality (Headquarters)
S - Singing language when applicable.

This proposal, encapsulated in the FENCAMPS acronym, could be implemented for European content (following the example of the Canadian MAPL system). This more detailed classification proposal would however need to be tested with the industry to ensure it is adequately taken up.

With regards to the music publishers and record labels, this system should account the revenues to the country where the company is headquartered, separating revenues that flow to the company headquarters from other markets from its own national income.

iii. The nature of the data

The "gates" where data flows, from a national to the European level, must be identified and mapped. From institutional national observatories for culture to business economic measurements, the challenge is to create and implement the above definitions so that measurements can be effectively made.

As far as digital consumption is concerned, the data is at least there - every click is counted somewhere. Instead, the challenge is the availability of data, its quality, its interoperability and its level of granularity. Currently Digital Service Providers (DSP), such as Spotify for example, might have very uneven data regarding the composers of the music as labels and distributors do not always supply that metadata exhaustively. They do provide access to the data they have to the artists/managers who have a 'pro' account (Spotify for Artists and Spotify Analytics for labels). With access to Spotify for Artists, they are able to track which of their songs are performing best and where, as well as learn how fans are discovering and listening to their music around the world. The data available is mostly used to run promotional campaigns, pick new singles, or sometimes to plan their next tour.

Extensive amounts of digital data are fed from the DSP to the artists themselves, the labels, whether individually to the major labels or in aggregated fashion, through MERLIN, to the independent sector. Furthermore, other services such as Apple for Artists and Deezer Backstage provide the DSP data to distributors. There are also large data aggregators like Chartmetric, which go so far as to provide artist data to any commercial user, often with country info attached (without relying on the ISRC system exclusively, since Chartmetric also pools data from each artists' social networks).

In relation to other formats, collecting data about live performance is less evident as it would require direct input from venues and festivals, in terms of artist fees (although that data could and should be anonymized), and in terms of nationality of each artist. This information is not available yet across Europe but could be dealt with through a future project.

Even radio monitoring is very different from country to country, while the technology certainly exists (Radio Monitor, BMAT, WARM and other services) the methods vary and can therefore reach conflicting results with regards to each track's nationality: ISRC's are often attributed by distributors rather than the label in countries where the ISRC system is poorly implemented. This is a double challenge: on the one hand, fostering the knowledge and capacity of European Phonographic Producers and Self-Releasing Artists in understanding how to properly acquire and use ISRC items; and then, on the other, also a challenge of implementation of technology across the EU to better monitor airplay tagging the correct nationality of artists.

Once a clear picture of the data points required is established, then further analyses need to be done to better understand to what extent such data exists and is collected in different countries. This includes mapping the institutions collecting data - Collective Management Organisations (CMOs), music industry stakeholder and representative organisations (independent music associations, composers and songwriters' societies etc.), national, regional or sectoral statistics bureaus etc. An analysis is then required to assess the extent to which these institutions are able and willing to make that data available to others.

Key takeaways

In order to answer the question of what are the main data gaps hindering us from adequately analysing music export activity and cross-border circulation of music, the following issues first need to be addressed:

- Establishing a clear concept for music industry segmentation - categories of actors related to revenue streams linked to logical data "gates". Application of that concept to all EU countries' music industry information.
- Establishing clear definitions of "national" repertoire, artists and industry. Application of that to all EU countries' music industry statistics.
- Comprehensive music industry data collection strategy, detailing from what kind of data points full overviews need to be extracted, what would be the logical data "gates" to tap into the data flows and how it should/could be institutionally organised on national and EU level.

Each of the above steps would require further studies and research. They hint at the need to articulate a more robust and systematic data collection framework and ways to operationalise this framework.
With regards to the limits of the ISRC code, which de facto excludes artists established outside of their home countries, this section suggests to build ad-hoc indicators (gathered under the FENCAMPS acronym) for future music data collection endeavours at EU level, with a view to collect more comprehensive data systematically.
A temporary solution could be to use the ISWC[53] additionally to the ISRC.

[53] The International Standard Work Code (ISWC) is an 11-character international identification system cataloguing works of all genres. It functions on a similar model as the ISRC does, but targets compositions instead of recordings. ISWC tracks the song title, songwriter(s), music publisher(s), and music publisher(s) ownership share(s).

B. Analysis of music export across Europe

The previous section took stock of music export data and market trends, while the second section of this report focuses on the main policy tools and key actors supporting music export across Europe.

The following section and analysis are mostly based on a large survey made among various European music export offices, the key actors with the best knowledge about them at the crossroads of both members of European Music Exporters Exchange (EMEE), and other export initiatives and partners. Rich contextual information about the setup of music export development initiatives and the sector infrastructure around this was collected. In total 29 responding organisations and initiatives from 25 countries were surveyed.

1. Music export policies and tools

Music export activities are a holistic feature of the music sector and therefore to a large degree emergent - that is, there are always some artists, professionals and music companies interested in breaking out of their domestic markets and some of them might be able to reach a degree of success, regardless of the level of guidance, or support they receive. As stated above, the capacity to export is heavily reliant on many factors. Some of them have to do with the talent, knowledge, networks and investment capacity of particular artists and their teams (professionals and music companies), others with the whole music sector ecosystem, i.e. if various support structures are in place and how well they work; if there is training and capacity building available and whether or not there is some form of music export strategy to coordinate activities between the sector organisations and the government. In more and more (by now in most) European countries, the launching and development of **music export offices** (MEOs) has become the central element of export development. MEOs play a key role in articulating the strategies, policies and funding opportunities for music export, and thus support emerging artists in their export endeavours. But they are not the only structures in place and therefore before launching into a more detailed overview of MEOs, a brief analysis of the wider context follows.

1.1 Music export funding in European countries

The landscape of funding to support music export development and activities across Europe is, again, very diverse. To analyse, these aspects should be taken into account:

- Private vs public funding sources
- Direct-to-industry (grant programmes) vs institutional funding (supporting the MEOs or other organisations for example)
- Dedicated music export schemes vs less systemic opportunities from other funds

When analysing **private** funding sources, it is important to distinguish systemic funding, which is funding offered and distributed through grant programmes with open calls etc., from case-by-case direct sponsorships etc. - the latter is not analysed here, as there is no comprehensive mapping available, to the knowledge of the authors of this report. The MEO survey showed clearly that if there is private funding available at all, it is nearly universally the collective management organisations (CMOs) that offer this (notably The Netherlands, France, Ireland, Portugal, Italy, Austria and others) for either further redistribution and/or operations. Out of the 25 countries where information was retrieved, 15 CMOs offer some form of support through grants or programmes to the industry actors. This support is mostly channelled in the form of mobility grants and export activities projects.

All 25 countries mapped have some form of **public** support for the music sector. In 20 countries this support is earmarked for music export activities, however in the remaining 5 countries the support is not clearly defined as music sector specific, but rather covering all fields of culture and CCI fields. The different funding and programme models and approaches are very diverse. Even in those countries with music export specific public funding schemes in place, the setup of those programmes can be very different, as is the relative amount of funds distributed.

1.2 Other kinds of organisations involved in music export support, development or related activities

Music export activities are inextricably intertwined with the wider concept of internationalisation of culture. There are many kinds of institutions operating in the field of culture that count among their mission the promotion of music from a given country. In some cases, it involves mainly working to disseminate information, in others awarding funding directly to artists and organisations and even getting involved in actually organising performance opportunities in other countries. Therefore, the work of these institutions can have an impact and potentially add value to the development of music export capacity at regional, national or European level.

Cultural Institutes

There are several cultural institutes in Europe very actively involved in promoting the culture of their respective countries. Institut Français, Goethe Institute, British Council and many more are regularly involved in organising various kinds of cultural events, where music is sometimes included, or they offer financial support directly to artists in certain cases. The rationale behind the work of these institutes is different from music export development, yet when looking at the sector as an artist or a manager, these might offer additional opportunities.

Music Information Centres

The model of music information centres (MICs) is much older than MEOs. Most MICs have grown out of archives and over time developed a mission of disseminating information and also promoting classical and contemporary music from their respective countries. Therefore, MICs are rooted in in-depth gathering and analysing of information. Many MICs today offer a range of services, again mainly to composers, often to performers of contemporary and classical music, such as publishing and disseminating, sometimes also releasing recordings of new works, offering a web platform, organising representation at trade fairs and doing advocacy work. In more recent times, many MICs have started to work with jazz as well as traditional music and especially in the countries where the MEOs are still yet to be launched or are limited in their scope of activities. MICs are also represented in trade fairs such as Jazzahead!, WOMEX or Classical:NEXT. Furthermore, in some countries MICs have merged in the last decade with MEOs, as in Finland and Norway or taken the role of an MEO as in Austria (Austrian Music Export = MICA in cooperation with the Austrian Music Fund).

Embassies

Several EU Member State embassies have staff dedicated either to cultural promotion and/or foreign trade. For example, Portuguese embassies often have one staff member affiliated with AICEP, the foreign trade agency, as well as having a connection to the Camões Institute that promotes Portuguese language. Regarding France, alongside the Institut Francais local offices, staff with a culture portfolio are working in the French embassies, with the mission of providing local individuals and organisations with access and resources to engage with the national culture and promote it in their own communities. They promote arts, literature, cinema, language, and education across the country they are localised. They can be a useful support for music export actions, as a source of contacts, of information, financial support or event organisers. All in all, embassies can be useful

partners in developing music export activities strategically, be it directly to artists, professionals and music companies or music export offices.

1.3 Music export strategies at national level - a gap analysis:

Given that in all countries there is some form of public funding for the music sector and in a number of other countries there is specific funding for music export development, it is therefore relevant to analyse the potential strategic framework guiding this funding. In the survey, the MEOs were asked about any foreseeable trends in their country's public policies/strategies for the music industry. While there are few countries with a strategic document describing the goals and approach to developing the music sector in general and music export specifically (for instance France, Ireland, Finland), most replies acknowledged that music sector development (even less so music export) does not seem to be a strategically important cultural or economic policy field, at least when considering the allocation of resources.

The challenges are manifold:

- In some countries both the sector (where organisations with the capacity to develop strategies and having an impact on policy design do not yet exist) and the governmental level lack the resources (time, money) **to engage in building a multi-year strategy** to develop the music (export) sector. This is usually coupled with the funding instruments being run with a rather short-term view and not tied to any strategic sector growth indicators.
- Almost all MEOs surveyed - and this correlates with the cross-reference of the survey done among Ministries of Culture[54] - agreed that the **pervasive lack of data about how the music sector operates**, both at national (or also regional) and European level, presents a fundamental challenge to building a strong strategy for the development of the music sector at all levels. Without data, it is neither possible to measure any relevant impacts and therefore have any meaningful understanding of the efficiency of what is currently being done, nor to raise awareness of the potential of what could be done.

1.4 Main challenges for European music export

In the MEO survey, the respondent organisations gave an overview of the main challenges in their view to music export, both in Europe and internationally. The first important conclusion, based on the responses, is that the <u>challenges to music export are almost universally the same within EU and non-EU markets</u>, with a few specific differing factors, such as the markedly higher costs of exporting to non-EU markets and challenges with visas. This strongly corroborates the above analysis, which states that the music export capacity of artists, professionals and music companies depends heavily on the local music sector ecosystem and its level of development. It is the knowledge about how the music sector works in general, capacity of the local music companies (or in many cases DIY artists for lack of other infrastructure) to develop strategies for and invest in crossing any kind of borders, find the relevant business partners, deal with access to markets in terms of visibility and promotion etc. It is vital to take into account that **the first major hurdles in music export capacity development are to an important degree local** when designing a European music export strategy: the first challenge for artists is to operate out of their home territory, not so much operate out of Europe.

Other major challenges to music export identified by the MEOs are:

- **Knowledge about how the music sector operates**, how to build a career and a business in music. Also, **specific knowledge about other markets** and that it is

[54] This survey was conducted by KEA and Panteia for the European Music Observatory feasibility study

possible to build an international career path. In many countries and especially in Eastern Europe, the infrastructure to develop knowledge and awareness is lacking: music business is not taught in vocational or higher education level. In many countries, improving the knowledge base is taken care of by the MEOs through seminars, workshops etc.

- **The music sector infrastructure is not sufficiently developed** - there are not enough music professionals and companies with the required competences, experience and networks to support the artists in building a career and a business in general, and an export strategy in particular. In many of the smaller European countries, this is explained by the limitations of the small size of local markets that do not support the development of a robust local music sector. Artists can manage largely on their own locally, but when attempting to build an international career, the lack of professional teams and networks becomes a severe limitation.
- **Costs of and initial investment in music export is prohibitively high** - Most MEOs, be they from larger or smaller countries with more or less well-developed music sectors, pointed out that the initial investment needed to start to develop an export strategy and career path are very high and support is lacking in many cases. This is also the main point where the **challenge of exporting to non-EU markets is differentiated** from exporting within Europe - the costs are a problem in both cases, but when exporting to non-EU markets these are often multiplied several times. Resources are limited everywhere and the competition to access both funding and other sources of financing will always be harsh for artists and their representative teams. One clear conclusion from this is, however, that in order to improve the European music sector actors' capacity to earn sufficient revenues to be able to also re-invest into music export development out of their own revenues, especially to non-EU markets, it is **fundamental to make the intra-European music export work across EU. Europe needs to become the "home market"**, especially for those for whom their national domestic market is hopelessly limited.
- **Lack of data on sector level to develop proper strategies** - this becomes clear when analytically appraising the whole breadth of the survey responses. While many of the digital channels distributing recorded music offer detailed analytics of their music, containing also geographic usage info, it cannot be easily aggregated on a national/European music sector level. Therefore, MEOs are tasked with building coherent and evidence-based, forward-looking export strategies, but they often have insufficient data at their disposal. Altogether, this indicates a clear need for a European music sector data strategy, that gathers and aggregates data about the music sector, makes it comparable, analyses and publishes as useful information to European music sector actors. The feasibility study for a European Music Observatory commissioned by DG EAC[55] is an important first step to address this issue.
- **Lack of music export strategies and supportive policies on a country level** - as already analysed in the previous section, B1.3.

Other important challenges mentioned, specific to certain countries, include:

- Many respondents named challenges in making music from one's country visible on digital channels and in general to promote music in the digital sphere. This is a challenge for both artists and their teams, and also for MEOs who are working to promote the music of their countries in general.

[55] https://etendering.ted.europa.eu/cft/cft-display.html?cftId=3533

- The insurmountable limitations of a very small local market to developing a more robust music sector ecosystem are noted (Luxembourg, Estonia, Cyprus, but also Austria, for example).
- In certain countries, the so-called talent drain is a challenge, like in Austria and Ireland. This means that when the best local artists reach a certain level of maturity (often by local small music companies), they might get allured to the adjacent bigger markets (Germany in the case of Austria and the UK in the case of Ireland). The investment in artist development by the local music industry is in a way captured by larger companies in the bigger markets. When analysing European music sector development, this needs to be taken into account and the effects of this can be perhaps mitigated by pan-European support schemes for music sector development.
- Three countries in particular (Italy, Poland and Finland specifically in terms of pop music) bring forth an unexpected "golden cage" effect - the domestic markets are large enough to often 'disincentivise' local artists to consider an export career path. This exacerbates the lack of knowledge of other markets and hinders the potential of music export in general.
- Language is mentioned repeatedly - both in terms of artists singing in their local language who have limited opportunities to access export markets, and artists singing in English who also find it very hard to compete on markets where English is the native language.

Key takeaways

- Most countries lack detailed national music export strategies (be they standalone strategies or part of larger cultural policy frameworks). However, there are funding structures in place in many countries.
- There are considerable differences on a country-by-country basis in Europe in terms of funding and other support available for music export activities.
- The lack of data about the music sector presents a fundamental challenge to the development of the music sector and its export capacity.

2. Music export offices (MEOs) - a European overview

The establishment of music export offices (MEO) is a rather recent phenomenon across Europe (the French Bureau Export, one of the first European export initiatives, was launched in 1993), and the landscape is very dynamic: many MEOs were set up in the past few years, and several initiatives to launch new ones are in motion. There is no single model for a music export office in Europe (nor globally). The diversity of organisational and governance structures, funding models and scope of activities presented in the following sections will clearly demonstrate that.

According to the European Music Exporters Exchange (EMEE), the European association of music export offices (see also section B4) "A Music Export Office (MEO) is a non-profit institution, office or initiative serving a representative variety of artists and businesses from different sub-sectors of the music industry on a national, regional or city level regarding export matters". However, as MEOs are almost invariably launched from bottom up, with music sector representatives coming together to drive the initiative, a development path towards a wider constituency and stronger foundation can be observed. Many of the newer organisations start with a narrower focus, whether on certain activities or genres, with the goal to grow the scope gradually.

2.1 Main missions and fields of activity of European MEOs

MEOs show much diversity in terms of the way they are structured as organisations, the kind of activities they undertake, and roles they play in their respective music markets. In line with the sector analyses above, music export capacity is rooted in the overall level of infrastructure development of the music sector. Consequently, artists, music professionals and music companies need various kinds of support, and MEOs very often do much more than offering music export support grants and organising trade missions to various markets. According to the MEO survey, the activities undertaken by different MEOs can be grouped into six sets of activities. The table below shows how many MEOs (in %) implement the different types of activities.

Figure 28: MEOs activities by type

Source: Survey

Professional advice: Professional advice to artists and music professionals is the first step of any export support: without the proper knowledge, contacts and insights regarding how to best approach a foreign music market, no export action can be implemented. Managers and other national music professionals and service providers often lack adequate training on these matters, especially in MS with limited domestic music markets or countries with a heavily domestic recorded music business. Providing mobility funds without first assessing the state of play regarding music export markets among music professionals can prove highly ineffective. That is why almost all European MEOs provide different kinds of professional advice, depending on the needs of the users:

- Tailored advice at any step of international development (such as activity planning, strategy, promotion);
- Capacity building through mentorship programmes, professionalisation and training workshops, such as the Volüüm programme in Estonia, which is presented in the infographic below;
- Information on current events in the domestic and international markets, market trends and information adapted to each professional and/or the artists they represent;
- Ad hoc development of market intelligence tools and contacts (how to go, who to contact and so on in the target export market).

Figures from 2017

VOLÜÜM: the tailor-made export-readiness programme of Music Estonia

Concept

VOLÜÜM is an export accelerator programme for Estonian artists and managers, providing them with a personal mentor for half a year and new skills in the form of seminars and workshops. Developed by Music Estonia, the programme is unique in Europe, giving direct international insight to aspiring international artists. The programme features one-on-one meetings and video calls, seminars, and a visit from all involved mentors at Tallinn Music Week in March every year.

30
30 participants (artists and managers)

-
All international mentoring activities are organised in one city

17
17 international mentors

100
100 individualised meetings and mentoring for artists

Concrete benefits of the events

Direct support to innovative artists

The programme has directly help Trad.Attack! and Maarja Nuut, both innovators in the folk/world genre, but also Estonia's premier jazz artist Kadri Voorand, or post-pop producer and vocalist Mart Avi - among many others.

Monthly activities

Personalised activities organised every month during the semester, providing regular and sustained support for participants.

"Developing an artist career, especially in international markets, is a highly complex long-term strategic challenge that needs a decidedly tailor-made approach - there is no one-size-fits-all model. Therefore, having personal mentoring from someone who is just the right person for your specific needs is probably the most beneficial format for building one's capacity. VOLÜÜM, our answer for international career development in Estonia, has over its four editions helped some of the most remarkable Estonian artists from all possible scenes."

Virgo Sillamaa,
Director, Music Estonia

Mobility funding: Facilitating mobility is still one of the central activities for the majority of MEOs. Most artists and professionals in the early stages of their career path (1 to 5 years, depending on the music industry's characteristics in each country) need some forms of financial assistance such as travel support in order for their export work to be sustainable. One clear example is the participation in showcase festivals, which are a fundamental business opportunity for artists, and for this reason do not usually offer fees or any other kind of reimbursement. Artists thus rely on MEOs support or other kinds of funding to participate.

Funding schemes also vary according to the peculiarity of each music genre and the music business that surrounds it: the differences can concern for example the number of musicians typically involved for each act (for instance, electronic music acts tend to consist of fewer members than world music bands), or the proximity of touring destinations. The scope of funding can also differ: some MEOs offer flat-rate support, or co-financing ranging from 40% to 60% of the total investment.

The types of mobility funding provided by MEOs include:

- Tour support (travel, accommodation, sometimes promotional expenses)
- Showcase support (travel, accommodation, sometimes promotional expenses)
- Travel support for music professionals participating in showcase and conference festivals (travel, accommodation, sometimes entrance fees)

Presence and networking at professional events: As previously described, showcases, conference festivals and professional events are key steps in a successful export strategy.

Support by MEOs is not limited to the refund of the most onerous expenses, but includes other kinds of assistance:

- Targeted networking and promotion (invitation of key stakeholders and business delegates).
- Creation of umbrella stands and/or collective initiatives (organised national presence at trade fairs, conferences, dedicated branded events b2b and/or b2c).
- Support to networking (matchmaking, thematic speed-dating in all industry sub-sectors including recorded music, live, synchronization, and other streams / business opportunities).

Inviting professionals to local events: Inviting foreign music professionals to local music business events can prove to be cost-effective and more efficient in terms of results; that is why many MEOs also concentrate their financial efforts on the **internationalisation of domestic professional events** focusing on music export, while trying to strengthen the bond between music export offices and conference events. These are the so-called "reverse missions". Examples can be seen in the "Bureau Export Days" in France (more details are presented in the infographic below), WHY Portugal Event at Westway LAB in Portugal, Tallinn Music Week in partnership with Music Estonia, Nouvelle Prague with Sound Czech and other such home-grown experiences. Eurosonic is of course the best illustration of this type of synergy, being the premier European event championing European music, in close coordination with Dutch Music Export.

Concrete benefits of the events

Examples of concrete export results

L'impératrice

- Direct confirmation to showcase festivals in Europe: Reeperbahn Festival (DE) C/o Pop (DE) & The Great Escape (UK)
- Contact with the American label Glassnote
- Concert dates in the USA

Kiddy smile

Back-to-back performances of Greek act Theodore at SXSW (Austin, Texas) in 2018 and 2019.

Delgres

- Direct confirmation of touring dates in Germany, Poland and Holland
- Several contacts with UK promoters
- Concert date at the Festival Summerfest (US)

"Joanne and I want to congratulate you on an extraordinary Bureau Export Days last week.

– From start to finish, it was incredible - the content, the participants, the networking sessions, the incredible music. You and your colleagues presented an amazing event, one that we were so privileged to be a part of. Your gracious and welcoming hospitality made last week even more memorable.We are in the process of following up upon the many new relationships we made, and sincerely hope to have many new partners as we continue to highlight the dynamic French music scene at Mondo."

Bobby Habet & Joanne Abbot,
USA, Mondo

"It was wonderful being a part of an extremely successful conference. I believe we motivated, informed, and brought together the music community in the best ways possible. You should be very proud. Thank you for your personal consideration and hospitality to Deborah and myself. It was a very special experience. The feedback and responses are excellent."

Daniel Glass,
USA, Glassnote Music

Promotion and marketing: Despite the pivotal role of marketing and communication investments in the music export process, professionals and music service providers are often led to prioritise different activities over promotion due to financial restrictions. That is why most MEOs provide funding for promotion and market activities related to:

- International tours and concerts.
- Festival or showcase festival appearances.
- International releases (including PR and radio plugging).
- Other communication and/or marketing expenses.

Developing the local music ecosystem: Nurturing the local music ecosystem is a crucial element in fostering music export. As the level of development and particularities of a local music sector ecosystem differs markedly from country to country, MEOs translate these into different activities:

- Research, such as local music market mapping, analysing challenges and practices.
- Local professionalisation initiatives.
- Addressing gender equality.
- Training and education, including coaching, mentoring, seminars, workshops and also in some cases (like Portugal and Estonia) launching formal music business curriculums in collaboration with educational institutions.
- Strengthening local clubs, festival and other live sector actors' capacity to attract foreign interest (both in terms of audience, agents and press).

i. Export vs local activities

It is not possible to draw a hard line between export or locally focused MEO activities. There is an overlap in terms of professional advice, promoting and marketing. However, MEOs who addressed this topic in the survey divided their activities into export and local, based on expenditure. While the methodology involved in these kinds of activities probably differs from one respondent to the other, the key takeaway is still clear to see: MEOs' diversity covers the whole range of possibilities.

Figure 29: share of MEOs expenditure on local and export actions[56]

Source: Survey

The MEOs on the above figure with the smallest share of expenditure allocated to export activities are mainly funding programmes or cultural organisations that are also working to support local music (and cultural) activities. These MEOs are often part of a larger organisation, tasked with multiple roles to support the local cultural and music sectors. This figure is presented in percentage. While the share of export in total expenditure can appear low export for these MEOs with a local mandate, in absolute figures they can outmatch many of the other MEOs.

ii. Target groups and users

It appears clearly that MEOs have very different structures; they do not address their constituency in the same way and the accessibility of the services varies from one office to another. Some are open to any national artist (such as Belgium, Ireland), some to the entire music industry (such as Finland, Estonia) others only work with their "members" (e.g. in France) and the criteria to access these services are very diverse too (some MEOs, for instance the French export office, supports local music professionals even if they invest in foreign artists). This means a Belgian artist signed with a French label or live producer can ask both the French and the Belgian export offices for support.

Beneficiaries can be music professionals of any kind (from booking agents to managers, from publishers to label executives), while one of the main common criteria for artists is their "export-readiness", which implies a dedicated professional team and a consistent international business strategy.

[56] For this figure and in the following figures of this section, the country names are voluntarily left out, since the purpose of the graphs is to highlight the diversity of MEOs rather than focusing on specific countries.

iii. Redistributing vs direct expenditure on export activities

An important function for most of the MEOs is to redistribute funds in the form of support schemes and grants. Some of them transfer a substantial part of their budget further to the industry. Granting is the main function for some of the institutions observed (such as Initiative Musik, PRS for Music Foundation, Music From Ireland and others). Only three of the analysed MEOs lack the redistributing function on a structure level (Estonia, Greece and Portugal). On the graph below the export expenditures of MEOs are divided into three categories:

- Redistributed funds
- Direct expenses on export related activities
- Overhead costs (relevant to export related activities)

Figure 30: Overview of redistributed funds, direct expenses and overheads

Source: Survey

It must be noted that the relative shares in the above and other graphs do not reflect the significant differences of the budget volumes in absolute figures, which range from less than EUR 50,000 to more than EUR 5,000,000. The above figure rather indicates the diversity of MEOs in terms of strategic priorities and capacity or mandate to redistribute funds to other operators.

2.2 Structures and governance

The diversity of MEOs objectives and activities is also reflected in the way they are structured as institutions (or parts of them). Important aspects to take into account when looking at MEOs structures and funding are their relationship with their local music sector and with their national (or regional) government. Among the 24 MEOs surveyed, there is a wide variety of legal status, including:

- Private associations (most often general interest/non-profit)
- Foundations
- Public entities
- Private companies
- Dedicated services/departments of a pre-existing structure (public or private supervision).

In total, among the surveyed structures, there are 6 public and 18 private organisations.

In terms of governance, 2/3 of the MEOs surveyed operate with a board (most often executive board) predominantly composed of representatives from the music industry, and from public bodies (funding the MEO). In many instances, the boards present a mixed composition. Only one third of the MEOs surveyed have an additional advisory or supervisory board, with the members almost always being representatives of the music sector. Only 3 MEOs explicitly indicate an operation based on a membership that can be free or paying. These have a "General Assembly" as the highest authority in the governance structure.

It should be noted that while the majority of MEOs receive most of their funding from public authorities, this does not systematically result in a dominant representation of the respective public authorities/ministries within the governance bodies. In fact, the opposite can be observed - either a balance of sector/policy representation or even a domination of sector actors in the bodies. This trend seems to be true for the bigger and more structured markets: the stronger the market, and the more stable infrastructures it has, the greater the degree of representation and diversity of coverage of the different music sub-sectors is in the governance bodies. In those organisations that receive more than half of their funding from private sources, it is overwhelmingly the CMOs, then, who are contributing. All in all, for 11 MEOs it can be said that the main funders of the organisations are also well represented in the governance structure.

The reason for the funders' representatives not being present in the governance of most of the MEOs points towards a universal feature: almost all MEOs, also the ones within public ownership, depend, for almost all of their budget, on project-based funding that is most often for yearly periods or specific project activities.

i. Regional aspects and genre focus

Many of the larger and more established MEOs can be considered national level organisations, meaning their activities cover the whole country and there is no specific territorial focus; they work with all kinds of music, meaning there is no genre focus. Yet this is not the case with all MEOs. Some countries are host to more than one MEO, for example Belgium, Italy and Spain. Various music export initiatives can be found at regional, sometimes even city level. In some cases, these organisations can be classified as MEOs, simply working with one specific region. It can be beneficial especially in countries with a more decentralised structure or strong regional identities. Among the respondents, there are three regional music export offices: Puglia Sounds from Italy, The Catalan Institute for the Cultural Companies and the Balearic Islands music export office from Spain. Belgium has two regional offices, one for Wallonia and Brussels (WBM), and one for Flanders (Poppunt/Flanders Arts Institute), but they also develop joint undertakings, including the Belgium Booms as shown in the box below:

Belgium Booms: the added value of a coordinated effort between two regions

Concept

In Belgium, public authorities from Flanders and Brussels-Wallonia have always operated with separate organisations to help developing music export strategies and international development of local artists. While obvious differences exist between both markets (chiefly a difference of language), both structures have nevertheless decided to co-operate through the "Belgium Booms" initiative, an innovative re-branding of their respective regional efforts into a collaborative effort. This operation has proved successful in terms of visibility of Belgian bands, and from the viewpoint of budget efficiency for both regional offices.

30
30 networking sessions with +300 international delegates

9
9 events in 8 countries

1
A shared budget between Flanders & Wallonie-Brussels

100
100 Belgian artists supported

Concrete benefits of the events

Direct support & visibility

Direct support and visibility for Belgian acts, regardless of their regional origin at major international events such as the Amsterdam Dance Event (NL), MaMA (FR), the Great Escape (GB).

More music styles covered

Initially intended to support the pop/rock scene only, it has now expanded to hip-hop & electronic music. Belgium Booms will also be adding jazz and world music over the course of the 2019-2020 season.

Well-known meeting point

The networking events organised by Belgium Booms provide a well-known meeting point for the entire European music community.

"Belgium Booms, as a united effort of Wallonie-Bruxelles Musiques and Poppunt, provides a platform that helps carrying the best new Belgian music productions to foreign professional audiences. Over the ten years of its existence, in addition to the obvious cost-cutting, Belgium Booms has built a strong brand that is now recognized in most major and upcoming industry events, despite the relatively small sizes of both French-speaking and Dutch-speaking Belgian markets."

Julien Fournier,
Director, Wallonne-Bruxelles Musiques

13 MEOs surveyed are working with all music genres. Among those which limit their focus, there is a clear pattern to explain this. Classical music is the field of music (which arguably encapsulates quite a few genres by itself) that is most often excluded by MEOs (11 of those surveyed): 6 exclude folk and 5 jazz music.

The reason for exclusion is invariably the same: classical (and folk and jazz where relevant) music was already well funded by many existing institutions at the time when the MEO was launched. In those cases, the newly founded music export initiatives focused on developing music scenes that were previously not covered by any support mechanism, whether privately or publicly funded, supposedly because they were wrongly perceived as self-sufficient.

MEOs work quite differently than most other music support and development organisations from previous times in terms of methods and strategic approaches. They have thus gradually widened their scope and opened up to all kinds of music genres.

In a nutshell, the focus on specific genres for some MEOs does not aim to exclude some kinds of music, but it is rather a conscious choice to step in and work with those who were excluded before (from funding, development support and very often education).

2.3 Funding models

The diversity in the institutional and governance structures is also reflected in the funding models. As stated above, one of the most common features of MEOs is that they depend for almost all of their budget on project-based funding that is most often for yearly periods or specific project activities.

Therefore, many of them are obliged to negotiate their budget every year, and therefore have several limitations in terms of pluriannual activity planning; others rely on continuous lobbying at public and private level to assure adequate funding for their export initiatives, and often have variable outcomes. Instead of - or at least in addition to - talking about funding models, which do imply a recurring, stable setup, it would be appropriate to call them financial coping strategies.

The majority of MEOs receive most of their funding from public authorities. Those receiving more than half of their funding from private sources usually get this funding from the CMOs. It is worth noting that in 2018 almost no MEOs were involved in any EU funded projects, whereas their objectives and missions are well-aligned with the objectives of the EU in the field of culture.

The figure below provides an overview of the repartition of resources for European MEOs, including public funding at national and EU level, and private funding (collecting societies and other sources).

Figure 31: Music Export Funding in European Countries

Source: Survey

i. Public Funding sources

All MEOs which receive public funding receive funding from Cultural Ministries, either as a direct subsidy to the organisations or, less often, as additional funding via grants for particular projects implemented by the MEOs. Funding from Cultural Ministries usually represents almost half of an MEO's budget.
Ministries of Economy are the second largest public contributors to MEOs' budgets. 6 MEOs receive funding from this source, either via a direct subsidy or the export offices are themselves part of the public body responsible for the export of national businesses (e.g. WBM in Belgium). When Ministries of Economy contribute to an MEO's budget it represents on average 10% of its total budget. Finally, some subsidies originate from the Ministry of Foreign Affairs or from the budget of cultural diplomatic networks (8 MEOs which receive on average around 4% of their budget).

There are also practices, particularly in countries with a federal or decentralised governance model, where local authorities and regions sometimes invest more in export schemes than the national initiatives: it is the case of Italy, where the Puglia Region has been supporting music export through its "Puglia Sounds" programme since 2010 and has a yearly budget of EUR 850,000 (including European Regional Development Funds), compared to the EUR 300,000 yearly budget of the national music export office launched by the collecting society SIAE, in 2017.

But MEOs can coexist with several export mechanisms at national/federal level, as also shown by the example of Italy: public authorities run parallel programmes beyond SIAE's Italia Music Export (the Ministry of Culture finances music export support via a private

copying levy, and the Trade Ministry organises a SXSW presence). Italia Music Export is also an interesting example of a newly created MEO, as explained in the below infographic:

Figures from November 2017

Italia Music Export: the first music export structure in Italy

Concept

SIAE, the Italian authors rights collection society, launched the Italia Music Export project in 2017, in order to unleash the potential of Italian music beyond borders. For the first time, Italy is now equipped with a fully functioning export structure involving not only direct funding for artists and professionals, but also tailor-made counselling and support to better train the music community to the challenges of internationalisation.

19
Participation to 19 different professional conferences

50
50 international tours funded

28
28 strategic support for 300 artists and music professionals

146
146 musicians directly benefited from travel funding

Concrete benefits of the events

Direct visibility
Italian artists performed in front of international delegates at some of the most important showcase events in Europe and beyond (SXSW, Reeperbahn Festival, Eurosonic Noorderslaag, MIL Lisbon).

Internationalisation
Opportunities for hundred of Italian music professionals to learn how to internationalise their activities, and how to build relationships with international professionals at music conventions and events.

"Through the work of Italia Music Export, SIAE has provided fundamental training and development of basic music export skills to a vast number of Italian musicians and music professionals, enabling them to better understand the whole panorama of the music sector in foreign markets. Funding has also been a crucial tool for the growth of Italian music abroad, as circulation is often limited by the lack of financial resources. In order to maximize concrete results, we have also built artist-centric resources on international showcase festivals, in which we explain each event's characteristics in detail. Additionally, we organise tailored training sessions for each artist and professional before they participate to a showcase event, making sure they get the best out of every international experience."

Nur Al Habash,
Project Manager, Italia Music Export

ii. Private Funding sources

Three quarters of MEOs receive funding from collecting societies. It represents on average 25% of their budget. However, this hides some disparities. Contributions from collecting societies represent more than two thirds of the budget of 4 MEOs (UK, Hungary, Portugal and Italy), a substantial source of income (between 25 and 55% of their budget) or a complementary source of income for 7 others (less than 10% of the MEO's total budget). The other sources of private funding originate either from membership fees (mostly in Finland) or from private companies. This is particularly true for the Greek MEO which is 96% funded by private companies (2018 data, but since this is a very recent MEO this percentage is expected to vary significantly in the coming years). Funding by private companies represents a sizable share of the MEOs' budget in Switzerland, Poland and Estonia (between 10 and 20% of total resources).

Key takeaways

- MEOs develop a wide array of activities, including notably: providing professional advice, mobility funding, presence and networking at professional events, inviting professionals to local events, promotion and marketing activities for their members, and nurturing their local music ecosystem. Most MEOs develop activities locally: export starts in their home market.
- There is a diversity of funding models and considerable differences on a country-by-country basis. However, funding from Cultural Ministries usually represents almost half of a MEO's budget.
- Although the MEOs are chiefly funded through public sources, more than three quarters of them receive some form of private funding. In particular, collective management societies are very often involved in the financing of MEOs.

3. Strategic methods and approaches to music export

As explained in the previous sections, MEOs are a diverse group of organisations, but they share some similarities in several crucial functional aspects:

- **Flexible and agile as organisations** to be able to respond to the constant instability of the funding landscape, the lack of a larger strategic framework, but also to the fast-evolving realities of the music sector.
- **Closely connected with all stakeholders of the music sector**, be it through membership or governance structure, and certainly through the direct relationship with the artists, professionals and music companies to whom MEOs deliver services and resources.
- **Very inclusive** as in being open to work with all music sub-sectors and mostly all music genres. Generally speaking, MEOs are tasked with a holistic sector development mission.

Therefore, it is still possible to speak generally of certain features, strategic methods and approaches to music sector and export capacity development.

3.1 Market preferences and target markets

As part of the stocktaking exercise, the team researched potential market preferences by music industry actors. The answers from MEOs reveal that there are different approaches to "target markets" and that the concept needs to be clarified. In many instances, MEOs provided little context on which they base their market preferences or identify countries as priority markets. Sometimes MEOs backed their strategic choices by industry data reflecting previous years, sometimes reflecting intuitive logic, like neighbouring countries or countries with larger diasporas etc. Obviously in Europe, Germany (and GSA[57]), UK and France are named most often as they are the biggest and most developed music markets. It is important to note that for an artist, a professional or a music company there is no significant difference between exporting to a country in or outside of Europe, while from the focus of this study it is necessary to try and look separately into what is happening in the intra-European music export and international markets. This important distinction must be kept in mind when drafting European export development schemes, especially when addressing different target groups.
In order to deepen the analysis, the following section explores the different potential interpretations of the "target market" concept.

3.2 Emergent vs. strategic preference

In some cases, it is clear that the preferences i.e. "choices" of target markets referred to in the survey results are **emergent** (or "natural" markets), based on after-the-fact statistics. These natural markets arguably fall into any of these categories:

- **Neighbouring country** - closer to tour, most likely with a broader network of partners, and potentially some shared media across countries, which helps to develop promotional activities. Those who listed target markets in the survey results, always listed at least one neighbouring country as well.
- Countries with a **larger diaspora** (as referred to in the survey by Poland, Romania and Greece) ensuring a potential audience, even if for one's own local language repertoire.

[57] German-speaking territories: Germany, Switzerland, Austria.

- **Large market** - more opportunities, more support available (yet also more local competition). Hence Germany, France, UK in Europe; US, Canada, to some degree Australia outside of Europe.
- **Markets with better infrastructure** (especially for revenue distribution and payment flows) - however the fact that for example Polish CMO Zaiks collects most of its revenues from the US, Canada, Japan and Australia does not necessarily mean that the Polish music export is considerable in those countries, but might also mean that collection from these markets works better than, for example from China.
- **Shared language** - it can be noted from the survey results that a shared language makes it easier to access a market. Irish artists will find a more easily accessible market in the UK and USA than German, Slovenian or Finnish artists. The same can be noted with French and Belgian and German-speaking territories (Germany, Austria, Switzerland) regional exports.

Emergent target markets are decided on individual actor level - a company or an artist finds their market and pursues their business and career. Geography, accessibility and lucrative opportunities (size of the markets) are all factors taken into account, to a certain degree. Mapping what are the emergent target markets requires an analysis of after-the-fact data and assess statistics based on averages and macro-economic data on the music markets (e.g. IFPI data). The weak point in such analyses is that it might not show potentially valuable new markets - those that would need some strategic development on sectoral, regional, national or even European level.

Another concept would be a **strategic target market** where the preference is adopted on a sector level (or regional or national). This can mean a set of activities, such as target market research, trade missions, delegations, strategic collaboration projects between stakeholder organisations, country (genre, scene) promotion etc. That is, activities that would serve as a door opener and support structure to individual companies and artists. Sector-level strategic target market preference will leverage regional, national or sectoral funding and potentially also some form of political support (that backs the funding).

As opposed to passively registering the emergent industry preference from previous statistics and data, strategic preference indicates intentions for future activities and is therefore proactive, e.g. via targeted market research. Strategic target market preference can certainly exist on a single company and/or artist level - especially so in the age of digital consumption data where a label can discover that one of their artists has become popular in a faraway country and starts to develop marketing (and touring) plans accordingly.

From the survey responses it became clear that most MEOs are not sufficiently resourced to work actively and over a period of years to open and develop strategic markets for their music exports, especially outside of Europe. With the notable exception of the French export office that has had satellite offices in several key cities in and outside of Europe, most others focus on regional markets with activities towards non-European countries being rather *ad hoc*. This is definitely an important gap that can be addressed through a coordinated European music export strategy and set of actions. The NOMEX initiative is also an interesting initiative to pool resources and develop a joint strategic approach, as detailed in the infographic below:

Nomex: a Nordic music export platform producing tangible results

Concept

NOMEX is the first-ever collaboration of different countries in a music export initiative. Bringing together the music export organisations of Finland, Sweden, Iceland, Denmark and Norway, the platform aims at reinforcing the position of Nordic music on the international scene, through various channels (direct artistic showcasing, international fact-finding trips, studies, direct promotion on streaming platforms, regular professional meetings, etc.). Launched in 2008, NOMEX has become an efficient format of cross-border cooperation in music export.

-
A worldwide audience on streaming platforms (Nordic Playlist)

5
5 countries participating, 80 Nordic music industry professionals involved

3
3 international trade missions organised (Japan, United States, Sout Korea)

12
12 showcasing opportunities for Nordic artists (JAJAJA)

Concrete benefits

Direct visibility on Spotify & Apple Music

Direct visibility of Nordic artists on Spotify and Apple Music through the Nordic Playlist, co-developed and curated by all NOMEX members.

Regular live showcasing

Regular live showcasing of Nordic bands in two important music scenes in Europe, through the "JAJAJA" club-nights in London and Berlin.

Hands-on approach

"Hands-on" approach on international markets, collective trade missions a dozen Nordic delegates working together for one week on a target country.

Sharing costs

Budget efficiency in sharing costs for all events organised.

"Nomex works to support all music genres and artists from the Nordic region. What makes NOMEX particularily useful is the power of collegial support: the exchange of ideas, experiences and analysis. It also helps you to see your country as a part of a bigger music business and strengthens the export within the Nordic countries. A collective of five countries is good, since everyone's voice can and will be heard. Surely there is also a competitive edge in all the actions, which makes all of us to try even harder. We are all independent and strong enough to trust and support each other, work together and bring the music and voice from our own industries heard."

Strategic funding: As detailed in the above section, a large majority of MEOs surveyed redistribute funds directly to music sector actors via systemic grant programmes. This has several strategic benefits:

- The MEOs can condition the funding to strategic planning, so that beneficiaries need to plan better to be competitive for the grant. This increases competences in the sector and the very same MEO can offer training and education in that regard.

- The MEOs can request the beneficiaries to report back results, thus gathering useful data on the impact of the funds' usage. In general, it is very difficult to gather any information from music sector actors in terms of their export activities, but if MEOs condition the allocation of grants to reporting results, it can help data gathering. Furthermore, the insights from reporting will inform also MEOs strategic planning and actions in terms of which actions in which markets worked (or did not) and why.

- The MEOs usually have large and growing networks of international professionals. It is possible to bring this to bear as an additional value for the recipients of export funding through helping them to grow networks in the markets they are attempting to enter. This can be done, for example, when MEOs organise networking events at international conferences and invite delegates that might otherwise be out of reach for attending artists and professionals. Also, MEOs can help artists and professionals to prepare for networking in identifying and in some cases also facilitating contacts with relevant professionals beforehand.

From the above it can be concluded that it would be a useful practice for all European countries to strive towards a setup where the national MEO is either managing music export grant programs directly or is strategically involved in such funding programs, for example through a steering group or a grant commission membership.

Showcase platforms: Music showcase festivals and connected industry conferences have been launched in many European countries. Some of them are truly pan-European, even global in scope, such as Eurosonic Noorderslag and Reeperbahn Festival. Others are more regional. Many MEOs are either directly linked or closely cooperating with a showcase festival in several ways. The strategic benefits of a local showcase platform are mainly in directing one's resources to inviting international guests to hear local artists while these can perform in front of local audiences and in local venues. The Ireland Music Week is an excellent example connecting local talents with international market players (more details are available in the infographic below). Often the conference programmes have special sessions for young professionals, such as workshops, mentoring etc. Showcase and conference platforms are complex strategic tools also for putting the hosting country or even the region on a map for international music professionals, while boosting the growth and development of local professional music scene.

Ireland Music Week: export-ready talent, showcased live from Dublin

Concept

A five-day music conference and showcase festival developed by the Irish music export structure, First Music Contact (FMC), to bring the best of Irish music to a group of international music professionals (bookers, agents, managers, record labels, media, etc.) and to an audience of thousands of music fans. Over the last twelve years, this approach has created a virtuous circle for the local economy while creating major international export opportunities for Irish artists.

3000
3000 audience members

50
50 international delegates directly invited

28
28 workshops and panels

50
50 export-ready artist showcases

Concrete benefits of the events

Direct visibility on Spotify & Apple Music
50 Irish artists meeting a team of Spotify editors for a one-to-one workshop.

Regular live showcasing
1400 individual speed sessions for artists.

Hands-on approach
1000 speed sessions for music industry professionals.

"We took the approach with our government funders, Culture Ireland, that "the best show is a home show" when it comes to international showcasing of Irish artists. From the outset, we determined that bringing the best of the international music Industry to Dublin to see Irish acts in front of a home crowd was going to give our artists the best possible chance for international opportunities and growth. When we started inviting international delegates to Ireland Music Week twelve years ago, we had just ten international delegates coming to Dublin. In 2019 we will have over fifty international professionals coming to scout and book Irish bands abroad."

Angela Dorgan,
Director, First Music Contact

Trade missions: MEOs sometimes organise trade missions which consists in a delegation of professionals going together to a target country. This helps in organising targeted networking, and it answers specific needs on several sub-sectors (like getting publishers to Synch Up in the USA[58]). Trade missions are mostly linked to a professional event, such as showcase, conference or a trade fair. The main aim is to encourage contacts and real connections with a specific country and to curate the networking opportunities carefully, tailor-making them for the specific composition of a delegation.

Key takeaways

- MEOs have developed many strategic approaches, some of them could be implemented also at EU level (such as the examples highlighted in the infographics).
- Music export capacity development on national and/or EU level cannot be only targeted to export to non-EU markets, it is inextricably tied with intra-European music export as well.
- While intra-European music export is more accessible for some EU countries, going out to non-EU markets requires definitely a European level strategic approach that integrates sector, MS and EU level tools and resources in a smart way.

[58] https://www.a2imsynchup.com/

4. European Music Exporters Exchange - a European platform for collaboration

As detailed in the above section, several key challenges in developing the music export capacity across Europe require also a European level strategic approach, in order to amplify and build on the work that MEOs do on national and regional levels. Communication and collaboration between MEOs have several beneficial aspects:

- Regular **exchange of information and best practices** can be a valuable driver of capacity and infrastructure growth in those countries where the music sector ecosystem is still in development and has not reached a mature stage. Innovative ideas for programmes or strategic approaches that work in one country can be transferable to others, and sometimes to the European level altogether.
- Developing shared ideas and practices can and does lead towards **collaboration projects and joint initiatives between MEOs within Europe**, such as co-creation camps and residencies, strategic country focus events at national music conferences and showcase platforms or swapping mentors and speakers to bring in specific expertise on certain markets. Increasingly also co-funded by European grants, these collaborations strengthen and drive the integration of national and regional music ecosystems towards a European one.
- Regular exchange of information about and experience of organising **strategic export missions to non-EU markets** - a very expensive endeavour to most European MEOs on their own - allows to pool valuable knowledge and informs key actors (MEOs and through them artists, professionals and music companies, but also other music sector stakeholder organisations) in their future planning. As stated in the above sections, going out to non-EU markets definitely requires a European level strategic approach and this can be forged only through regular communication and collaborative initiatives between the many sector actors, most notably MEOs.

Based on these organic developments, European MEOs have informally kept regular meetings since 2013 and these gradually solidified into an organisational structure labeled as European Music Exporters Exchange (EMEE). Legally founded in November 2018, EMEE is a non-profit association made of 24 national and regional Music Export offices from all over Europe, with its registered office based in Brussels.

With a broad mission to strengthen the European music sector by encouraging musical diversity, visibility, and supporting mobility in and outside Europe, the association's objectives include:

- Initiate and facilitate the exchange of expertise, information, data and best practices among European export offices and the artists and companies they empower, through the development of a dynamic and valuable network of European Music Export Offices.
- Develop and organise cooperation between its members by implementing projects inside and outside Europe.
- Represent the interests of its members and those they service before European and International institutions for matters relating to music export.

In the context of European music export capacity development and the strategic approach to achieve this, as detailed below in part E, EMEE can be viewed as a potentially valuable strategic layer, an interlocking mechanism between national and regional level MEOs and European level institutions, strategies and programmes, while also being an expert partner for Member States. This facilitator role is encapsulated in the figure below:

Figure 32: EMEE as an interface between the national music organisations and EU institutions

Key takeaways

- EMEE is needed to foster the development of music export capacity in countries with less developed music sector infrastructure. This is achieved by different actions such as sharing best practices or implementing cooperation projects.
- EMEE can channel and consolidate different MEOs voices and therefore act as a useful partner for the EU level and its institutions as well as other organisations.
- EMEE is well positioned to implement several aspects of a European music export strategy.

5. Conclusion

While there are many imbalances in Europe from country to country in terms of music sector (and export capacity) development, MEOs are increasingly addressing this, and through EMEE are helping to share best practices from those with more experience and infrastructure to those with less. This helps the European music sector and export capacity development along. However, more needs to and can be done via coordinated actions at European level. This is especially true when having ambitions of exporting the full potential and diversity of European music to non-EU markets - this needs more coordination on all levels, extra funding, including at EU level, and a comprehensive strategic approach. MEOs and EMEE can play a crucial role in such an endeavour.

C. International market reports – a summary analysis

1. Introduction

As seen in the previous part of the study, an export strategy should be guided by a strong knowledge and understanding of where to export: exporting is time and money consuming, so before going, it is essential to know which territory should be targeted, and to have a clear rationale to target this specific market.

Notwithstanding the specific reasons for a company or an artist to try to develop an audience in a chosen country (which can be decided strategically for historical reasons or thanks to social media analytics or streaming data…), it is instrumental to gain a good overview of the different markets, and a better understanding of activities in international markets, especially when it comes to non-EU countries. A long and very precise research process is required to develop a detailed analysis of the size of the music markets with a comprehensive view of the local music stakeholders, and an understanding of how to target the local audience.

One of the gaps that came out of the EMEE survey is an unequal access to that type of information on other markets. Some of the larger export offices develop their own studies and complete their desk research with fact-finding missions and trade missions. They undertake these activities in order to gather exhaustive information and organise relevant professional matchmaking meetings, as a core component of their music export development in target countries.

Coherent market information at the European level for the whole European music sector is important. This study has developed the first collective market studies and gathered the main characteristics of international markets, which is an essential first step in order to define existing best export practices and evaluate new opportunities for European music.

2. Methodology

Four studies have been conducted in different countries, covering the US, Canadian, South African and Chinese markets.

A common road map has been defined in order to gather information and try to draw a harmonised result for this overview, including:

- General indicators, political, economic and demographic context
- Legislative framework (copyright legislation, revenues and status of artists, music support and funds, visa policy and trade regulations, taxes)
- Copyright collection societies and main trade bodies
- Recorded music market (revenue, consumption patterns, streaming services, on- and offline distribution, distribution companies and record labels)
- Live (revenues, consumption patterns, venues, festivals, promoters, conventions and professional events, showcases festivals, trade fairs)
- Publishing (collection societies data, publishing market share, licensing and synchronisation, publishing companies)
- Media (radio, TV, press, online media, social media…)

- European music export (good practices and specifics of the market, challenges and opportunities)

Three different approaches

Working in four different territories – Canada, China, South Africa and the US – with very different initial knowledge and already existing relationships, gave a good opportunity to test different methodologies.

- Music export expert approach : Desk research & interviews by music export experts in Canada (Nuno Saraiva from Why Portugal?, who studied, lived and worked in the music industry in Canada for years) and the US (Angela Dorgan from First Music Contact/Ireland, who gained a lot of experience working with Irish music in the US), where a lot of knowledge and experience and insider information from within the EMEE network could be used.

- Research expert approach: Desk research & interviews by research experts on the spot (China: KEA). Philippe Kern used his contacts through the KEA office in China to interview leading Chinese music stakeholders.

- Mixture of export expert and research expert approach: A common fact-finding mission by a music export expert (Franz Hergovich from MICA/Austrian Music Export) and a research expert (Margaux Demeersseman from Le Bureau Export) in South Africa, where several steps were undertaken:

  1- Short survey to EMEE members to identify their interest in target markets in Africa (which led to the choice of South Africa).

  2- Preliminary desk research to identify key information on South Africa, and map stakeholders to interview during the trade mission.

  3- Interview with European leading industry players to collect insights into the market and assess their appetite for the SA market.

  4- Development of a full agenda (annexed) and planning the mission (contacting local stakeholders, setting up meetings, etc…).

  5- On-site interviews and drafting the report.

All international market reports are annexed to this report. The section below presents some highlights of each market study, focusing on key figures of the music market, market specifics and advice for European players to access these markets.

3. International markets highlights

3.1 Canadian market - highlights

i. Key indicators

Record production (statistics Canada 2016)	CAD 417.7 million
Live (PWC 2018)	USD 727 million
Music publishers (statistics Canada 2016)	CAD 282 million

With a Compound Annual Growth Rate (CAGR) of 3.4% between 2017-2022, the Canadian music market is expected to grow, and so are the export opportunities for European artists.[59]
The Canadian market's growth is chiefly driven by live and publishing revenues:

- In 2016, 55% of Canadians' expenditure on music was dedicated to live events.[60] Nielsen's data suggests that more Canadians (59%) attended live events in 2017 compared to 2016. The rate is higher (70%) among those aged 18-34.

- In 2017, SOCAN's (Canada's largest rights management organisation) total revenue was EUR 248.7 Million, an increase of 7% over the previous year. Gross Expenses were EUR 33.8 Million, also a 7% increase, commensurate with growth, and lower in constant dollars than they were 10 years ago. Royalty distributions to members were EUR 208.42 Million, an increase EUR 4.2 Million from the previous year.[61] It makes of SOCAN one of the top music rights organizations in the world.

Figure 33: Digital Import Pie – Canada

Source: BMAT

Figure 34: Radio Import Pie – Canada

Source: BMAT

The average of local music consumption on Canadian radio and digital music platforms is relatively low as 88% of the music broadcasted on radio and 95% of the music played on streaming platforms is imported. US music dominates the Canadian market and has the

[59] PwC, Global Entertainment & Media Outlook 2018-2022, "Music, radio and podcasts," June 2018.
[60] Ontario Creates Music Industry Profile
[61] SOCAN yearly report 2017

lion's share with respectively 60.8% and 78.5% of the airplays and streams. The EU-27 market shares are relatively low with 7.4% and 4.2%.

ii. *The specificities of the Canadian market*

Canada is a domestically strong music market - two in fact: French and English language markets - with viable fan bases for European music. While this dichotomy should be considered when making strategic export plans into Canada, population information points to the main cities as the main live targets where European artists can reach the largest audiences. CIMA, the Canadian Independent Music Trade Association, is the *de facto* export office for Canadian Music and it is working hand in hand with host of funding mechanisms, industry showcases and conferences, other industry associations and groups. Although of course it is strongly impacted by the US market, Canada is a market where European careers can flourish for the right type of artists if they establish themselves and set up a Canadian fan base. This can be done with strategic incursions via Canada's showcases, Canada Music Week (CMW) for developing and fostering business contacts and M for Montreal (or Mundial for world music artists) for showcases.

iii. *Advice to access the market*

The Canadian public is open to European music, but the market can be difficult to enter. The best strategy is to build a Canadian team that is based upon strong artist-to-artist links, co-writing, and shared side-projects. It is a very different market, culturally, from the USA - more European in flavour, but with strong business ties to the US.
Radio continues to be a discovery driver and so an up-front investment in promotions and radio plugging will be necessary. Such an initial investment should include at least a EUR 5,000 budget for promotion and marketing, plus two years' travels: showcases / conferences during the first year, CMW, M for Montreal, and a short key city promotional tour / club tour for the second year, preferably on a double bill with an up and coming Canadian act. A music export strategy for this territory should include a Canadian label and publisher working on the ground, as a result of the first year's showcasing missions.

European exporters wanting to break into Canada need to develop a 360º strategy with at least a two-year plan and the right type of artist / story to have a chance to enter the market; however if and when they do access the market, Canada can provide a career-long fan base and audience that follows artists for a more lasting period of time than the American limelight.

3.2 Chinese market - highlights

i. Key indicators

Recorded music market in 2017 (IFPI 2018)	USD 292.3 million
Live in 2017 (Soundcharts 2019)	USD 747 million
Publishing (Soundcharts 2019)	USD 65million

China is a large country with an uneven socio-economical, demographical and cultural landscape. The main entry points for European music have been the largest, highly internationalised cities (also known as "Tier 1" cities).
The Chinese market went through a major transformation through the last decade. Very well known for being an under-monetised market, the Chinese market is quickly structuring itself.
Music in China is now boosted by the willingness of the government to develop the cultural and creative industries, and the active role of telecom companies who use music as a hook to attract users.

China saw its music revenues grow by 35.3% in 2017, notably driven by a 26.5% increase in streaming revenues (see case study on p.34, IFPI 2018). China is seen by the IFPI as a promising market for the international music industry, and this assumption is also corroborated by PWC.

Figure 35: Digital Import Pie – China

Source: BMAT

Figure 36: Radio Import Pie - China

Source: BMAT

It seems that the Chinese market has an important export potential as it has the largest EU-27 import average of all the markets that have been studied (6.5% average import on radio and streaming platforms against 6.1% for South-Africa, 5.8% for Canada and 3.7% for the US). The digital import pie is however based on a limited dataset as it was impossible for BMAT to access streaming data of the largest Chinese streaming platforms (i.e. the Tencent platforms QQ music, Kugou and Wiami, the Alibaba, Netease and Baidu platforms), which are not taken into account. It shows a relatively low consumption of local repertoire and a strong consumption of "other" (i.e. the non-EU, non-US, and non-local repertoire). It is expected that the figures would strongly vary with the addition of local streaming platforms.

ii. *The specificities of the Chinese market*

The regulatory framework has drastically improved, but is still not ideal for European music business and artists. On the copyright front, the several reforms implemented in the last 10 years led to a significant increase in bargaining power for record companies towards digital service providers (DSPs) and to a lesser extent to an increase in copyright collections for recorded music. Visas to perform in China still require a long administrative process. The new tax of 20% on ticket sales also undermines the profitability of live acts and touring in China.

The live music market in China is split between small clubs and mid-size venues and live houses in large Tier 1 cities. The State heavily invests in real estate investment to create entertainment and cultural infrastructures. Securing a safe landing in China arguably requires creating long-term partnerships with well-established and specialised promoters in China, which would be interested in developing links between the European and the Chinese music scene.

China has a well-developed infrastructure and music education system which caters to a vibrant classical and contemporary music scene (increasing number of orchestras, substantial number of amateur musicians, interested and enthusiastic young audience). However, the long trip and the numerous logistic obstacles may deter some musicians from touring in China.

iii. *Advice to access the market*

The analysis provided a series of tips and advice to access the Chinese market, and notably:

- Engaging with fans is the utmost priority. This is particularly important since the streaming landscape is led by Tencent and its streaming services Kugou, QQ Music and Kuwo. However, these services are challenged by many competitors that try to differentiate themselves through innovative social or fan engagement concepts and karaoke services. Fan engagement is instrumental to access the Chinese market and build a reputation there.
- Focus on Tier 1 and 2 territories, where audiences are more open to western musical genres and spend more money on music than anywhere else in China.
- Have a trustworthy local partner: this is particularly useful to manage the relationship with venue managers and help navigate the Chinese social media, where it is highly recommended to post everything in Chinese.
- Take enough time for the visa process. It needs at least one or two months to go through the visa procedure.
- Get support to address the logistical obstacles. Planning a tour in China can notably benefit from the back-up of an embassy or a European cultural institution. This can also be helpful to complement the remuneration for the concerts.
- Ensure compliance with censorship laws: apolitical bands are more likely to access the Chinese market, e.g. not to stand explicitly for the Dalaï Lama, for the autonomy of Taïwan, to talk about the Tian'anmen manifestations, and religion.

3.3 South-African market – highlights

i. Key indicators

Recorded music market	USD 44.1million
Physical market (IFPI -2017)	USD 10.7million
Digital (download + streaming) (IFPI -2017)	USD 21.7million
Publishing (synch) (IFPI - 2017)	USD 0.7million
Live (IQ)	EUR 74 million

The South African recorded industry suffered from the drop of physical sales, the amount revenue of physical sales has been divided by 4 between 2013 and 2017. Physical sales used to represent 78% of the recorded industry revenues, while it represented 24% in 2017. Even if digital music revenues are increasing (it has been multiplied 3,4 times between 2013 and 2017), these revenues do not compensate the drastic fall of physical sales. As a result, the South African recorded market is still in decline. Revenues from

synchronisation are constant while there is a steady improvement in the collections of performing rights.

South Africa has the strongest music industry of Africa with:

- a recorded industry ranked 31 in the world according to IFPI
- a live sector that represents EUR 74M according to IQ
- a collective management society that collected EUR 31.5M last year (first collective management society of Africa)

Figure 37:Digital Import Pie - South Africa

Source: BMAT

Figure 38: Radio Import Pie - South-Africa

Source: BMAT

Digital and radio figures show that the South-African market is listening to less than a quarter of local repertoire, which is a sign of a highly internationalized market and thus an opportunity for European music export. However, while the share of English-speaking repertoire (US and UK) is larger on digital than on the radio, the share of "EU 27" and "other" is reduced on streaming.

ii. *The specificities of the South African market*

The South African Market presents some interesting opportunities. It is by far the most developed music market in Africa, benefitting from very good infrastructures and a vibrant festival scene.
The wide landscape of radio stations and TV channels have an important outreach across the population and represents an instrumental entry point for music promotion, along with well-developed social media.
Additionally, all international music streaming platforms are available in South Africa, and existing collaborations with Europe makes it an appealing country for European Music Export (despite the distance).

South Africa is a country where touring is quite challenging. This is due to the scarcity of live music venues with an all-year round programming, and difficult touring routes across the country. Together with the fragmented audiences across the country, planning a South African tour can be challenging beyond the main festivals. Finally, South Africa has a strong local repertoire even though the recorded industry sales and top charts are dominated by international artists.

Due to the above described specifics of the market, besides for internationally successful artists, the South African market will most probably be interesting for very specific groups of artists and companies, such as artists with a diaspora background, jazz musicians, especially when they are also interested in workshops and teaching projects, electronic music performers and DJs. In terms of companies, the market is particularly interesting for those working with (South) African repertoire, and companies with a Pan-African scope, which aim to settle on the continent and benefit from the well-developed infrastructures of South Africa.

iii. *Advice to access the market*

Europe is one of the first export markets for South Africa, and South Africa is the first sub-Saharan African market for Europe.

The key challenges to successfully export music in South Africa include notably:

- Finding local partners, such as live agencies or concert promoters, PR agencies
- Finding travel grants to make concerts or a tour profitable
- Maintaining the presence in South Africa

Digital music is a fast-growing market, but strong obstacles are still impeding music export (piracy, high data costs, a very low will to pay for streaming services) and streaming music consumption is still in its infancy. Radio and social media play the biggest role in artist discovery. Most of the famous international artists in South Africa are North American artists or African artists. Nevertheless, the jazz scene, the electronic music scene, "world music" and the diaspora's music scene are some of the niche markets, which can work well for European artists.

As a consequence, European exporters need to first work on social media, radio and television and identify music festivals that suit their music. Then they need to work with reliable local professionals. Looking for artistic collaboration with local artists can also be a sustainable and successful approach.

3.4 The US market - highlights

i. Key indicators

Streaming (RIAA)	USD 8.8billion
Live (Citi & PwC)	USD 9.5billion
Publishing (MIDiA Research)	USD 1.8billion

The US has arguably been one of the most influential music markets—culturally and financially—in the entire world for decades. It also remains the world's largest market (IFPI ranking #1). The global music industry generated around US$51.5 billion in 2018, with around 19.6 billion of that coming from the US alone (IFPI).

Streaming is now the driving growth in the US music industry. As of 2018, on-demand streaming services account for 75% of the music consumption in the US. US forecasts predict streaming revenues to continue to grow in the coming years, with digital music revenue from streaming in the US expected to reach nearly 8 billion US dollars by 2022[62].

[62] Statista. *U.S. Music - Statistics & Facts*. 2019. 1 April 2019.

With the growing popularity, there are now approximately 51 million paid music-streaming subscribers in the US[63].

Figure 39: Digital Import Pie - US

Source: BMAT

US Figure 40: Radio Import Pie - US

Source: BMAT

The US market is the hardest market to reach for European music professionals. There is only around 6% of EU 27 music played on American radios. This number falls drastically when it comes to streaming platforms as the EU 27 music represents only 1.3% of the monthly plays. The better performance of UK repertoire shows the importance of the language and the very small share of non-US, non-EU repertoire shows the US is a relatively closed market. However, being by far the largest music market in the world, it should still be considered as part of a European Music Export Strategy.

ii. *The specificities of the US market*

The key strength of the US music market is the sheer size of the market; it has a huge population with vast European diaspora numbers, specialty radio and live opportunities and a large variety of musical genres.

Coupled with this, the US has a huge Film and TV domestic market which is a secondary income source for European music through synchronization revenues (and also a way to break into the market).

Publishers, labels, promoters and agents all have their head offices in the US and notably on the East Coast. Success in putting a team together in the US means that the artist can "break" into the Canadian and South American markets from a successful American campaign.

iii. *Advice to access the market*

All entry to the US market should begin in the home market. Inviting US agents, labels and publishers etc to European events to see talent locally has a great effect and is paying off in markets such as France, Ireland, Estonia and Sweden. European showcases are a

[63] Hu, Cherie. *Paid Music Streaming Subscribers Surpass 50 Million in US, But There's a Twist: Exclusive*. 9 November 2018. 2019.

great opportunity to gain access to invited US professionals and build up the reputation of European artists.

Funding artists to showcase at the key US events is also crucial to build on this story. An export strategy for an act targeting the US needs to start 2 to 3 year out from any meaningful tour in the US and is in most cases essential for visa qualifications.

The easiest way into this market is to put a US team together, ideally from a European label. Partnerships with a strong label and agent for Europe can help to start developing US contacts, especially given the numerous US-led takeovers on European labels (Paradigm, Windish, Coda etc). The US market is not as closed or domestically driven as the Canadian market and the US can also be a stepping stone to the global market. This means the investment required to break into the US market can be part of a wider global strategy.

4. Conclusion

These four market studies provide some key information to any European music stakeholders willing to find an access to the four markets analysed:

- A clear view of the opportunities of the market;
- the main difficulties they may face and what would be the challenges;
- Some good practices for those who wish to export in the territories covered.

In that sense, these four market studies could be seen as a first step for a European collaborative resource centre. This resource centre would help to address the gaps across European countries in terms of access to specific research, by providing a better understanding of foreign markets, and ultimately increased opportunities of successful international development.

In terms of methodology, we have reached the conclusion that the mixed approach (export expert and research capacity) is a necessity to get a better final tool and we thus recommend reusing that methodology for new specific European market studies mixing these two elements:

- a scientific methodology through research practices
- a pragmatic approach with an export expertise

The outcome will have an immediate and relevant use for any European music professional.

D. From the stocktaking exercise to a European Music Export Strategy (EMES) – Main conclusions

1. Main conclusions from the stocktaking exercise

Despite significant gaps in terms of availability of music export data, the ad hoc data collection exercise undertaken with BMAT demonstrates that music export across Europe represents a largely untapped potential. Furthermore, the survey shows that in some of the countries where the domestic market is more modestly scaled, the vigour of the music sector increasingly depends on export. However, the analysis shows that most countries still need to structure and professionalize their efforts in order to consistently reap the benefits of music export.

In addition, while intra-EU cross-border circulation appears to be the priority target for music export strategies, significant legal and fiscal challenges arise from discrepancies between social security systems, potential double-taxation issues, and a lack of harmonisation in VAT rates, within the EU and relatively to other markets as well. In the specific case of music export outside of the EU, the analysis provided in part C indicates insufficient presence of the European music sector in key international territories. This situation, both within and outside of the EU, reinforces a context of uncertainty for the music sector when articulating cross-border activities.

In light of these elements, and as developed in section A.4 and C, it appears that music from the European Union (exception made for the United Kingdom) is not performing well across national borders. In terms of streaming and radio listening shares, European music struggles to reach international listeners, both within the EU and on the sample of large international markets which was analysed. In both cases, the streaming and radio listening market shares of American, British and local repertoires surpass the one of a "EU-27" group. In short, European music does not seem to travel well beyond national borders.

In this context, the stocktaking analysis reveals significant differences between EU Member States in terms of resources allocated to music export, which more generally translates in the degree of prioritisation by public authorities of their domestic music sector. The analysis of national support efforts to music export shows that all countries successfully exporting music also provide consistent and comprehensive funding schemes to their domestic markets; music export support schemes do not appear to be consistent when articulated as standalone initiatives without a comprehensive domestic support ecosystem. Such national support efforts are rare within the EU and are not complemented by a coherent EU approach to this date.

Furthermore, the research reveals the need for national music sectors to rely on a range of support schemes which can consider the specific and distinct needs of the different sub-sectors. Since this need cannot in all cases be addressed by the concentration of support mechanisms within a single overarching body, in some countries, a strategic alignment of support to sub-sectors through the efforts of Music Export Offices appears to be a coherent approach. MEOs indeed often appear to play a unifying role in bringing together stakeholders from the various interest groups of each music sub-sector and are thus a representative contact point for public authorities at national level but also for European and international organisations and institutions. However, a significant proportion of export offices appear to lack resources, tools and training to efficiently represent their domestic music sector in such forums.

Last but not least, this study indicates a lack of consistent and systematic data collection and of reliable indicators on the music sector in Europe, in order to measure the economic impact of the respective national sectors and therefore provide reliable information for public authorities, the media and consumers. While a European data collection system based on commonly accepted indicators would enable the sector to develop and adapt their export strategies on a systematic basis, such a tool is yet to be developed. This situation appears to create a substantial level of uncertainty when articulating national music export strategies.

In summary, the analysis presents a fragmented music export market in the European Union, where:

1) Domestic music sectors in Europe present substantial differences between one another, showing a widespread need for sectoral structuring, especially in terms of export;
2) Existing regulatory issues, administrative obstacles and lack of shared sources for market information constitute objective barriers to cross-border circulation;
3) European music, as demonstrated, struggles to reach audiences beyond borders when compared to the success of other large music markets in terms of streaming and radio listening shares (Section A.4);
4) Music export efforts and strategies from EU Member States are overall uncoordinated and would benefit from additional alignment, in a context where music export offices, which are in many cases viewed as strategic vehicles to align the various sub-sectors of a national music ecosystem behind a coherent approach, often lack consistent tools to cooperate at European and international level;
5) Data collection and indicators on the European music sector do not appear consistent enough as of now to inform accurate music export strategies.

When scanning the nature and the scope of these issues, it appears that the European echelon could be an appropriate and relevant level where action to tackle such challenges could be taken:

1) Addressing the lack of convergence and structuration between domestic markets is within the scope of the competence of the EU;
2) The EU seems to be the appropriate forum to explore solutions regarding imbalances in various regulatory regimes such as the digital single market, labour regimes, or taxation issues (on this last point, EU Member States are in charge of taxation policies, but pan-European solutions can be facilitated at EU level);
3) Through its Creative Europe Programme, the EU is specifically targeting the objective of increasing the cross-border mobility of European artists and the circulation of European repertoires;
4) The EU, through a variety of consultation and deliberation mechanisms, is a recognised forum for the articulation of national policies and efforts in the field of culture;
5) The existence of EU-backed data collection initiatives, indicators and standards in various fields, including in the audiovisual sector, indicates the possibility, in theory, to provide similar frameworks for other sectors such as music.

Considering these elements, the opportunity of testing the hypothesis of a genuine and coherent music export strategy at the European level seems reasonable. The study indicates that music export activities need more coherence and consistency throughout Europe, and a supra-national strategy appears to be the appropriate way to address most of the problems.

2. Key indications on the opportunity of developing a European Music Export Strategy

As described in the previous section, several substantial challenges have emerged from the stocktaking exercise, indicating that the level of action to address these issues could be the European one.

However, it is important that such an approach should be backed by the stakeholders who would be involved in co-opting, deploying and implementing such as strategy. In this context, several activities carried out in the course of the elaboration of this report have provided clear indications on the relevance of developing a European Music Export Strategy.

2.1 Results from the European Music Exporters Exchange (EMEE) research workshop

During this research, several activities were organised to gather feedback from the European Music Exporters Exchange (EMEE), the organisation bringing together 24 national regional music export offices at European level. One of such occasions was the one-day EMEE workshop organised on April 9th during the Westway Lab Conference in Guimarães (PT). EMEE members constitute the Steering Committee of this research project, and as such, they were asked to brainstorm, provide feedback and formulate recommendations in the light of the various issues raised as part of the stocktaking exercise.

The response from EMEE members on the key challenges faced by music export in Europe can be summed up as follows:

1) Many European countries are relatively under-developed in terms of music sector infrastructure: the EMEE membership considers that such a situation is an impediment to promoting European musical diversity, both in cultural and economic terms. It is acknowledged that a coordinated exchange of best practices at European level, coupled with targeted cross-border cooperation between export offices would significantly boost the maturation of less structured domestic music sectors.

2) Exporting European music to international markets requires significant strategic coordination among national music sector stakeholders and actors: Many aspects of developing a long-term international strategy (gathering market intelligence, investing in network building and market development over several years, potentially without any significant returns) is currently unattainable for most national music sectors and stakeholders (artists, professionals, music companies and national music export offices) in Europe.

3) An improved and comprehensive understanding of the workings of the European music ecosystem through better data would benefit artists, music companies, national or European decision makers involved in the export of music. According to EMEE, the lack of common definitions, indicators and data collection mechanisms hinders the effectiveness of existing support schemes. While the availability of data differs from one European country to another, EMEE considers that gathering all existing data, defining European data needs and developing common tools for better data access at a European level is the key to build precise, relevant and measurable music export support schemes.

4) Empowering music export organisations will have a unifying effect on the European music sector as a whole. According to EMEE, the further development of synergies between music export organisations across Europe, including the creation of platforms to share

ideas, knowledge and best practices, is beneficial for the entire value chain of the music ecosystem, as in most countries, European export offices are central players within their domestic markets.

5) A comprehensive European strategy for music export is needed. EMEE members noted that cooperation schemes coordinated at European level and articulated in a coherent strategy involving EU Member States and the European Union institutions is needed to answer these challenges. According to EMEE, such a strategy should include the coordinated deployment and funding, at EU level, of international capacity building tools, international mentoring schemes, joint trade missions, joint actions to collect accurate market intelligence in non-EU territories, marketing and touring schemes, and data collection mechanisms, among other actions. This is further developed in the next section of this report.

2.2 Results from the European Music Export Conference (Brussels, October 2019)

Another feature in the development of this study was the organisation of the "European Music Export Conference"[64] [65] in Brussels on October 7th, 2019. The objective of this conference was to present the first findings of the stocktaking exercise and to test the first hypotheses regarding the possibility of articulating a European strategy to address the challenges and seize opportunities for music export in Europe.

The conference brought together 136 delegates coming from 34 different countries (EU and Eastern Partnership Member States), ranging from music sector representatives (music companies representing various subsectors, national associations), 24 representatives from music export organisations, various European interest representation associations, national policymakers (21 governments were represented), and European institutions including representatives from the European Commission and the European Parliament.

The event was introduced by the European Commission (DG EAC) and the Finnish Presidency of the Council (i.e. the chair of the Cultural Affairs Committee). During the opening session, clear emphasis was put on the necessity for the "Music Moves Europe" initiative to fully address the challenges and opportunities of music export in its current and future activities.

The Conference was also the opportunity to organise roundtables bringing together this variety of profiles and discuss, among other subjects, the opportunity and the method for articulating a common strategy in the field of music export. These discussions converged to the following consensual points:

> 1) The results of the analysis of listening shares on streaming and radio indicate a clear gap between the economic weight of the European music sector and the ability of European music to cross borders. Participants indicated their concern on the current performance of non-national European music (with the exception of the United Kingdom), as demonstrated by the figures developed by BMAT (as developed in section A.4 of this report). While the issue of economic competitiveness was shared by all categories of participants, the challenge of cultural diversity and

[64] Conference Report on EMEE website, October 8, 2019
https://www.europeanmusic.eu/2019/10/europeanmusicexportconference/
[65] "European music sector calls for ambitious export strategy", in Legrand Network, October 15 2019 http://legrandnetwork.blogspot.com/2019/10/european-music-sector-calls-for.html

representativeness of EU repertoire within and outside of Europe was a particular point of concern in this context.

2) The European Union, EU Member States and the European music sector as a whole should work hand in hand in the field of music export. Discussions indicated the necessity of reinforcing cooperation between European, national and sectoral stakeholders, in the face of the significant disparities between domestic music markets in the EU, and given the lack of coherence between national music export strategies. In particular, the opportunity of developing targeted support to music export in the future sectorial action of the Creative Europe Programme 2021-2027 was put forward, in the larger context of the Music Moves Europe initiative. Participants agreed that the next generation of European funding schemes, if accurately designed, could provide solutions to address the challenges arising from discrepancies between domestic markets within the EU and the lack of coordination between national music strategies.

2.3 Momentum for the development of a European Music Export Strategy

The digital revolution and other changes in the global landscape have resulted into an increased demand for cultural exchanges and cooperation. With the publication of the 2016 Joint Communication "Towards an EU strategy for international cultural relations" and the subsequent 2019 Council Conclusions, the EU has for the first time a strategic approach to international cultural relations as a framework for action to advance cultural collaboration with partner countries. Based on people-to-people exchanges, such a concerted approach requires among others enhanced cooperation among the relevant European actors, pooling of resources, and the development and implementation of joint actions based on a common strategic vision developed at the local level with the relevant local stakeholders.

The EMEE Workshop (April 2019) and the European Music Export Conference (October 2019) have highlighted an awareness, both from the European music sector as well as from national and European decision makers, of an opportunity to cooperate through a more coordinated European approach in this field. It is necessary to add, in this context, that the current policy and funding framework at EU level is appropriately aligned for such a development:

1) The "Music Moves Europe" Preparatory action has been renewed by the European Parliament in 2019, for specific activities to be carried out in 2020[66]. The work programme developed by the European Commission in this context includes a budget for "Export of European Music", which creates a timely opportunity to test specific strategic actions at European level. The Preparatory action will be renewed a second and last time in 2020 with, again, an opportunity to test ideas in the field of music export (Financing decision to be adopted in early 2020).

2) The European Commission's proposal on the new "Creative Europe" Programme 2021-2027 includes a sectorial action on music[67], which could be the appropriate vehicle to develop European activities with a specific focus on music export, addressing some of the abovementioned challenges.

3) The Council Conclusions on the Work Plan for Culture 2019-2022 identified "diversity and competitiveness of the music sector" as a key topic. The Conclusions explicitly mention that through Presidency Conferences, workshop and Council

[66] https://ec.europa.eu/programmes/creative-europe/actions/music-moves-europe_en
[67] https://ec.europa.eu/info/strategy/eu-budget/documents/multiannual-financial-framework/2021-2027_en

Conclusions, Member States will work towards promoting "the mobility of artists and the circulation of local repertoire within and beyond Europe". This represents an occasion for EU Member States to cooperate on the subject of music export at European level.

Considering these elements, the intuition of the need for a European Music Export Strategy is reinforced, as necessary conditions for action appear to be aligned with the identification of clear challenges to address at European level (as developed in section D.1), and the need for European cooperation expressed by music sector actors, representative international bodies, EU Member States and relevant bodies of the European Union (as developed in section D.2).

Based on these findings, and considering the various exchanges organised with music sector representatives and key national and European policymakers during the course of the study, the next section presents a multi-layered strategic approach framed as the "**European Music Export Strategy"**, including common actions and funding schemes, targeting stakeholders, Member States and the European Commission - a comprehensive framework ultimately aimed at reinforcing the cross-border competitiveness of European music and strengthening Europe's cultural foothold worldwide.

E. The European Music Export Strategy

Based on the findings presented in sections A, B, C and D, the following section presents a proposal for a European Music Export Strategy ("The Strategy"). Following an introduction where the key objectives of the strategy and the main target groups are described, this section lays out a proposal for the deployment of the Strategy (methodology and concrete measures) and for its implementation (engagement of key stakeholders, synergies with existing regulatory framework, risk assessment, delivery logic and measurement of results).

1. Objectives and identification of target groups

1.1 Objectives for the future European music export strategy

In line with the main challenges faced by the European music sector identified and assessed beforehand, the Strategy should have the following objectives:

1) Better structuring and convergence in the European music market

The objective of the European Music Export Strategy is to significantly improve the level of structuring and development of the music sector in countries where needed. Creating significant convergence between European domestic markets will in turn contribute to fully explore and use the potential of European music in terms of cross-border circulation, cultural diversity, economic sustainability of domestic music ecosystems, and international competitiveness. The various European music markets which are currently isolated are to be developed to a much higher degree.

2) Improvement of the administrative and regulatory environment for cross-border music activities

The European Music Export Strategy aims at fostering a better alignment of national and international frameworks which can have an impact on cross-border music activities. The ultimate objective is to create a European environment where administrative, social, fiscal and regulatory norms are more favourable to the export of music from one territory to another, both within and outside of the EU.

3) Strategic support for music export development at Member State and at EU level

Music export offices are key stakeholder organisations supporting the development of music export capacity. They are well connected at the European level through the EMEE; they are also regularly collaborating and frequently engaged in European peer-learning and exchange of good practices. The objective of the European Music Export Strategy is to equip national export offices with operational tools helping them to harness the full potential of their cooperation in the European music landscape, in order to increase EU music export. Furthermore, through the design of tailor-made tools for organisations active in the field of music export, the Strategy notably aims at:

- improving knowledge about non-EU markets;
- building international professional networks, and;
- at making export knowledge and resources equally accessible to all European artists, music professionals and music companies based on their talent, competitiveness and strategic ambitions, regardless of their country of origin.

For European countries where there is currently no consistent infrastructure for music export, the objective is to appropriately empower existing organisations already active in the field of cross-border circulation (e.g. music information centres, or cultural institutes)

and to foster the emergence of ad-hoc export organisations everywhere in the EU, based on the advocacy work of EMEE to national authorities and on the good practices observed at national level where consistent strategies already exist.

4) Significant progress in cross-border circulation of European music within and outside of the EU

Considering the current performance of European music on radio and streaming services around the world (see sections A.4 and C), the objective is to significantly improve the listening share and consumption of music from the EU, both in European and international markets. The average listening share of non-British European music on these distribution channels can currently be estimated at around 15% within the EU and slightly less than 10% on key international territories (meaning an EU-27 group performs just below the United Kingdom alone), whereas music from the United States performs just under 40% on average both in the EU and internationally. A particular attention should be given, in this context, to the United States, Canada, South Africa and China, where there is a great margin for improvement for European music, and for which market characteristics, opportunities and challenges are described in detail in this report.

This progress, which cannot be achieved through market approaches only, also requires to take into consideration the practice of cultural relations: co-creation, joint projects and mutual capacity-building allow to build stronger bonds between the peoples, which contributes to increased engagement and exchanges in the long term.

This objective should also give particular attention the development of efficient promotion strategies with regards to the main online streaming platforms, a better understanding of the algorithms used by these operators to aggregate musical content, in order to facilitate access to European music worldwide.

5) Implementation of systematic data collection and analysis efforts

The development of European music export capacity requires much better data collection and analysis at national, European level and international level. The success of the European music sector depends on its capacity to assess and understand its challenges and assets more accurately. Another objective for the European Music Export Strategy therefore is to equip the sector, as well as public authorities, with operational tools to 1) better understand the composition of the music ecosystem, 2) identify export opportunities (notably through streaming platforms), and 3) gain knowledge on new markets, inspired, for instance, by the model and tools currently existing at European level for the audiovisual sector[68].

1.2 Identification of target groups through a multi-layered approach

Achieving the above objectives requires a high level of coordination between categories of stakeholders. Addressing complex issues such as market structuring, regulatory frameworks, structural cooperation or cross-border data collection demands careful examination of what is a stake, what is needed and what is the appropriate level of action. These challenges create complex responsibilities and coordination opportunities for music sector actors (creators, professionals and service providers), but also for the wider music ecosystem: national and international networks and associations, music export offices, governmental initiatives and bodies, European institutions and programmes, as analysed throughout the stocktaking exercise.

[68] This includes specific funding lines within the MEDIA Strand of the Creative Europe Programme, as well as the European Audiovisual Observatory, an initiative of the Council of Europe co-funded by the European Union.

The variety of areas of action and the scale of the challenges identified in this study and the objectives of the European Music Export Strategy both imply several levels of stakeholder engagement, public decision and deliberation. While it appears clearly that the European level of action is the most appropriate dimension to develop a strategy aiming at improving the environment of music export (as developed in section D), it is important to clearly identify which stakeholders should be engaged, their main role in the music ecosystem, what are their general needs, and most importantly, how they can benefit from a strategy developed at European level.

The European Music Export Strategy addresses this complexity through a proposal for a **multi-layered target groups approach**: the identification of different levels of target groups, from a micro to a macro level of activities, needs and relationship to the European Music Export Strategy. These target groups differ in terms of the activities they carry out in the music ecosystem, and of their current needs across the variety of challenges identified; their relationship to activities developed throughout a European Music Export Strategy will necessarily differ as well. These important distinctions further reinforce the need for a multi-layered approach.

The target groups can be divided into these four categories:

1. The music sector itself (artists, professionals and companies);
2. Representative organisations within the sector;
3. EU Member States[69];
4. EU institutions[70]

Each of the target groups, depending on the nature of their activities and needs, are described considering their relationship with the European Music Export Strategy, whether they will be acting as:

- Beneficiary: Target of the activities of the Strategy;
- Strategic Partner: Participant in the strategic deployment of the Strategy;
- Enabler: Authority making available the political, regulatory and funding framework designed in the context of the Strategy;
- Funding Entity: Authority allocating public funding necessary for the implementation of the Strategy.

The following table further describes the multi-layered approach, breaking down activities, needs and relationships with a European Music Export Strategy for each of the target groups.

[69] This target group includes national governments designing and implementing cultural policies, but also their diplomatic and consular representations, cultural institutes and other national and regional bodies, which are important operators on the ground that engage with local actors in third countries through a variety of initiatives (e.g. co-creation workshops, residencies, joint projects, showcase activities, etc.) that could be used to build upon.

[70] Relevant central EU bodies, but also EU Delegations, which are important to consider with regards work with Member States' diplomatic and consular representations, cultural institutes, local stakeholders, etc.

TARGET GROUP	ACTIVITIES	NEEDS	RELATIONSHIP WITH THE STRATEGY
Target Group 1 **Music sector actors - artists, music professionals and music companies**	**MUSIC EXPORT** Creation, performance, recording, release, dissemination, marketing, promotion, and export of music	Knowledge, information, training and education, capacity building, funding schemes, appropriate policy frameworks	**BENEFICIARY** As creators and disseminators of European music, sector actors are the main beneficiaries of a strategy to reinforce export capacities of European music.
Target Group 2 **Representative organisations (notably European music export offices)**	**MUSIC SECTOR DEVELOPMENT AND SUPPORT TO EXPORT** Professional advice, funding for mobility and circulation, visibility and networking at international events, cooperation with international professionals, promotion and marketing, development of local music ecosystem.	Professional capacity, stable and sustainable funding models, support schemes targeting precise cross-border activities, access to information and data, collaboration and networking at European level.	**STRATEGIC PARTNER AND BENEFICIARY** European organisations active in the field of music export are in a position to carry out coordination and active participation in activities within a European strategy. Music Export Offices are connected to their respective domestic music sectors and provide an interface between the sector and public bodies at national and EU levels.
Target Group 3 **EU Member States**	**POLICY, SUPPORT PROGRAMMES, EUROPEAN COOPERATION** Design and implementation of policies and support programmes for the music sector, support stakeholder organisations, collection and analysis of national data and information about the sector, cooperation with other Member States and the European Commission at EU level (In line with the objectives of the "New European Agenda for Culture" and the Council Work Plan 2019-2022), activities carried out by cultural institutes and embassies	Information about the sector at national and European level, its development potential, its challenges and needs; support from the music sector to design and implement relevant policies and programmes at national and European level; support for the work of cultural institutes and embassies	**ENABLER, STRATEGIC PARTNER** Many EU Member States currently provide national or regional support systems based on domestic cultural and CCI policies. Implementing a European strategy requires a strategic partnership between the EU Member States (mostly through ministries of culture), relevant stakeholder organisations, and relevant EU bodies.
Target Group 4 **EU Institutions**	**POLICY AND SUPPORT PROGRAMMES AT EU LEVEL** Design and implementation of policies and regulatory frameworks, management of support programmes directly available to the sector, consultation with stakeholders, collection and analysis of information.	Information about how the sector is performing on a European level, its international development potential; European cooperation opportunities; political support for its policies, including from the sector, from stakeholder associations and from EU Member States.	**ENABLER, STRATEGIC PARTNER, FUNDING PARTNER** A European Music Export Strategy echoes to: -The "Music Moves Europe" initiative; - The strategic EU policy framework for culture, (i.e. the New European Agenda for Culture); - The work topic on "music" in the Council Work Plan for Culture. -The EU's ambition to foster cross-border circulation of music in Europe through the proposal for a future "Sectorial action" on music of Creative Europe 2021-2027; - The EU framework for international cultural relations

Table 6: the European Music Export Strategy - a multi-layered approach

2. Articulation of the European Music Export Strategy

In the sections developed above, a series of key drivers for a European Music Export Strategy have been identified:

- Challenges faced by the European music sector in the field of export;
- Opportunities to deploy a strategy at European level;
- Objectives for a more sustainable and competitive environment for European music export;
- A multi-layered set of target groups to engage in the context of a European strategy.

Considering these elements and the consultation processes with key stakeholders during various phases of the project (EMEE Survey, EMEE workshop, European Music Export Conference among others), the following section formulates a proposal for a European Music Export Strategy, focusing on two main elements:

- The development of a rationale for the main areas of action of the Strategy;
- The articulation of this rationale with the needs, objectives and roles of each of the target groups identified.

2.1 A "development path" as the backbone for a coherent strategy

The rationale to deploy this strategy is built as a **development path**, based on six different themes articulated in progressive steps, which are focused on answering the needs of the target groups and on fulfilling the objectives of the Strategy. This rationale, which was developed through the engagement of EMEE (see D.2.1) and subsequently tested during the European Music Export Conference on October 7th 2019 (see section D.2.2) is in line with the main identified challenges faced by the sector (as developed in section D.1) and the objectives of the Strategy (as developed in section E.1.1).

STEP 1: LEARN	Creating the conditions for the European music sector to access relevant knowledge and understanding of domestic, European and international music markets.
STEP 2: GROW	Laying down the conditions for the European music sector to structure itself, reinforce its operational and professional capacity, and be better equipped to bolster its export potential.
STEP 3: CROSS	Providing the music sector with a relevant and tailor-made framework of support mechanisms to substantially increase its export potential within the EU.
STEP 4: RISE	Providing the music sector with a relevant and tailor-made framework of support mechanisms to substantially increase its export potential in key international markets beyond EU borders.
STEP 5: EXCHANGE	Creating opportunities for the development of a music export framework as a "two-way street", enabling more international music professionals to discover European music through activities organised in the EU.
STEP 6: MEASURE	Developing European indicators, data collection mechanisms and measurement frameworks which enable the accurate assessment of existing economic and cultural parameters, current and future challenges, opportunities and areas of progress in the field of music export.

Table 7: The six steps of the development path

These 6 steps are built according to a progressive logic: The completion of progress within each step is meant to unlock further engagement in the next step and area of action. The gradual improvement within each step ultimately leads to a substantial improvement of knowledge, common methods and understanding to measure the progress of the entire the ecosystem, which ultimately lays the ground for a significantly improved future landscape for music export at local, national and European levels.

The most appropriate illustration for this method is that of a gradual upward movement, or development path, as illustrated in the following figure:

Figure 41: the development path logic for the European Music Export Strategy

2.2 Alignment between the multi-layered target groups approach and the development path

In order to ensure the operability of the development path logic, it is necessary to consider the relationship between each target group and each of the 6 steps.

The objective of this methodological approach is to help navigate the diversity of roles be played by the various target groups in the context of the Strategy, and how ultimately each target group will be involved in its implementation.

Carrying out the Strategy in an efficient manner will require a systematic understanding of the needs and specific objectives of the European music sector actors, the value proposition of the various steps of the Strategy for European strategic partner organisations, and the accurate forms of support required from public authorities at national and European level.

This approach is hereafter presented as the ***vertical alignment*** of the European Music Export Strategy: a coherent matrix presenting the relationship between the 4 target groups and the 6 steps of the development path, considering the position of each target group (beneficiary, strategic partner, enabler, funding partner), their needs, specific objectives, their positioning in terms value proposition, and the level and nature of political, regulatory or funding support on a European level.

	LEARN	GROW	CROSS	RISE	EXCHANGE	MEASURE
	Keywords: relevant market information, knowledge.	Keywords: Improved operational capacity, training, scaling of activities.	Keywords: Mobility, promotion, distribution, networking (*EU level*)	Keywords: Mobility, promotion, distribution, networks (*international level*).	Keywords: Presence of international music partners in the EU (through events, conferences, festivals, missions).	Keywords: Comparable indicators, definitions, quantitative and qualitative music data.
<u>Target Group 1</u> **Music sector actors - artists, music professionals and music companies** **--** **Relationship with the Strategy:** BENEFICIARY	**NEEDS**					
	Information on how, when and where to export music.	Skills, Co-creation, professional development, exchange and capacity building opportunities.	Ability to tour inside EU and to promote music across national borders, grow audience and network in the EU.	Ability to tour internationally, promote music across European borders, grow audience and network beyond the EU.	Opportunities to showcase before international professionals, grow professional network of international professionals.	Access to strategic market information, knowledge on relevant export potential and strategic export destinations.
	SPECIFIC OBJECTIVES					
	Better knowledge on the music sector in Europe and beyond, improvement of the general environment	Development of coherent business strategies, structuration cross-border professional cooperation, reinforcement of competitive-ness of the ecosystem.	Export more music from Europe to new EU markets.	Export more music from Europe to new non-EU markets.	Growth of professional networks, visibility of European music to the rest of the world.	Strategic use of data and market information to optimise export capacity.
<u>Target Group 2</u> **Representative organisations (notably European music export offices)** **--** **Relationship with the Strategy:**	**VALUE PROPOSITION TO MUSIC SECTOR ORGANISATIONS**					
	Ability to generate resources (information, data, analysis, research, fact finding missions) for a better understanding of domestic, European and international music markets.	Ability to offer and organise tailor-made capacity building activities (mentoring, traineeships), exchange programmes	Ability to coordinate tailor-made projects increasing mobility, circulation and marketing opportunities within targeted funding programs.	Ability to reinforce competitivenes s and visibility of European music, organisation and participation in trade missions, showcase events in international markets.	Ability to host delegations of international professionals, liaising with European music events to offer exchange opportunities.	Access to relevant data, information and analysis to deploy relevant European actions in the field of export.

STRATEGIC PARTNER AND BENEFICIARY						
Target Group 3 **EU Member States** **--** **Relationship with the Strategy:** ENABLER AND STRATEGIC PARTNER	**SUPPORT TO THE MUSIC SECTOR THROUGH POLICY COOPERATION**					
	Informed national policies and legal frameworks, access to relevant resources on music export, understanding of key challenges at national and European level, informed work in line with the objectives of the "New European Agenda for Culture" and the Council Work Plan 2019-2022.	Creating conditions for local MEOs to provide capacity building schemes via cooperation at national level, and to exchange good practices within the Council Work Plan 2019-2022.	Creating conditions for local MEOs to provide mobility and circulation schemes at national level via targeted funding, discussion on improved mobility and circulation frameworks within the Council Work Plan 2019-2022.	Facilitate work with the music sector outside of the EU through diplomatic and consular representations, cultural institutes and other networks. Member States Enhanced EU cooperation in the framework of the EU strategic approach to international cultural relations	Support for the identification of international music partners to invite to domestic and European events, through diplomatic and consular representations, cultural institutes and other networks.	Access to data and analysis to measure the results of national music export activities.
Target Group 4 **EU Institutions** **--** **Relationship with the Strategy:** ENABLER, STRATEGIC PARTNER, FUNDING PARTNER	**SUPPORT TO THE MUSIC SECTOR (MUSIC MOVES EUROPE, INCLUDING SECTORIAL ACTION ON MUSIC IN CREATIVE EUROPE)**					
	Informed European policies and legal frameworks, access to relevant resources on music export, understanding of key challenges at national and European level Development of a specific resource centre at EU level on music export	Dialogue with the music sector in the context of the "Music Moves Europe" initiative, building up on existing forums (i.e. "European Music Export Conference", October 2019) Creation of operational tools for music export offices to carry out exchange of good practices, mentoring	Alignment of support to the music sector with the priorities relating to cross-border circulation in the "New European Agenda for Culture", the Council Work Plan 2019-2022 and the "Creative Europe" programme Creation of operational tools to	Alignment of support to the music sector with the EU strategic approach to international cultural relations (enhanced EU cooperation, culture in external relations policies, programmes and projects) Development of concrete funding schemes for	Alignment of support to the music sector with the EU strategic approach to international cultural relations (mutual learning and capacity-building, cross-cultural understanding and trust between the peoples of the EU and third countries)	Dialogue with the music sector on data collection in the context of the "Music Moves Europe" initiative Creation of an operational data collection and analysis tool for the music sector at EU level

	Development of fact-finding and market intelligence capacity	activities, cross-border professional exchanges and co-creation programmes	increase the intra-EU cross-border mobility of artists and their marketing capacities	the international development of European music on key markets	Creation of a funding platform dedicated to international professionals coming to the EU	

Table 8: Relevance of the development path to the four target groups

2.3 The European music export toolbox – six concrete support tools to strengthen music export at EU level

As presented in the table above, the European music export capacity for beneficiaries and strategic partners is reliant on a set of concrete actions to be deployed at European level. In this section, each tool will be developed into operational measures with a detailed description of needs, objectives, criteria for beneficiaries, format of implementation and funding projections. All of the tools correspond to different steps of the development path approach. The toolbox was developed in the framework of a consultation with the EMEE during the development of this study, and subsequently tested with representatives of all target groups identified during the European Music Export Conference held on October 7th, 2019.

An important aspect of the development of this toolbox, which also consists of new funding schemes actionable in the context of the European Music Export Strategy, is that it relies on currently available funding projections for the next generation of EU funding programmes, and in particular on the future "Sectorial action" on music developed in the European Commission's proposal for the Creative Europe Programme 2021-2027. Consultation with all key target groups during the drafting of this report, notably at the European Music Export Conference, has indeed consistently pointed in the direction of the future "Sectorial action" on music as the appropriate future funding source to develop such tools. This section will thus focus primarily on the upcoming music-oriented feature of Creative Europe.

This intuition is reinforced by the presence, in the list of actions unveiled for the 2019 Work Programme of the "Music Moves Europe" Preparatory Action (which is "intended to test suitable action with a view to a possible future fully-fledged funding scheme for music within the next generation of EU Programmes"[71]), of a budget line dedicated to the "Export of European music", possibly to be extended in 2020. This development further indicates the opportunity to target the future "Sectorial action" on music as the most relevant funding strand for this toolbox.

Additionally, some of the proposed tools could also contribute to the implementation of the EU strategic approach to international cultural relations.

In this context, and considering the current inter-institutional negotiations currently ongoing on the EU Multi-Annual Financial Framework 2021-2017, the projected funding estimates listed in this section remain hypothetical; they will not only depend on the final budget of the future Creative Europe Programme, but also on the repartition of funding lines between the various Sectorial actions, as well as on the distribution of funding, within

[71] https://ec.europa.eu/programmes/creative-europe/sites/creative-europe/files/prepatory_action_music_moves_europe_2018.pdf

the Sectorial Action, between the various priorities laid out for the music sector in the European Commission's proposal.

The following proposals are therefore suggestions for action, and as such not an exhaustive list of funding lines to be simultaneously activated. Given the existing resources at the disposal of the EU in the field of culture, it is currently not feasible to operate all the schemes proposed thereafter at the same time. The toolbox is, in this sense, a set of proposals to be actioned by the European Commission as needed and as considered most relevant, considering the progressive development path approach described in this report.

Furthermore, as a principle, EU calls must remain open to all eligible organisations fulfilling the necessary criteria to carry out the activities.

In light of these elements, the concrete actions which could be deployed at European level as part of the European Music Export Strategy are developed hereafter:

1. LEARN: Improved and shared knowledge of the music sector

Need: The stocktaking analysis has shed light on a gap in terms of access to information regarding non-domestic music markets across the European music ecosystem. A pre-requisite to the increase of the competitiveness and export capacity of the European music sector lies in better access to market information, better assessment of cultural, regulatory and structural specificities, and the identification of relevant contacts and entry points.

Objective: Creation, compilation and sharing of the necessary resources for a better understanding of European and international music markets.

TOOL A: Resource Centre

Concept: A platform on which all relevant information about European and key international music markets (market reports, regulatory scanning, contact databases, interviews with relevant stakeholders) is made available to European music professionals.
Process: The beneficiary European organisation commits to compile, coordinate and make easily accessible (through an online portal) all relevant information collected through existing data, networking and market research.
Format: Multi-annual framework partnership with a relevant European music organisation within the Sectorial action on music of the Creative Europe Programme 2021-2027.
Funding: Estimated EUR 50,000 / year

TOOL B: Fact-finding missions

Concept: An annual one-week fact-finding mission in a key non-EU music market, consisting of establishing relevant local contacts that seek out and prepare new partnerships, developing interviews and surveys and collecting information to be made available to all European music operators wishing to develop activities in the visited market. Such actions should build upon the work already being done by Member States' diplomatic and consular representations as well as cultural institutes, and in collaboration with EU Delegations, where relevant.
Process: The candidate organisation presents an application to organise a fact-finding mission, which included at least two European export offices and one or several research specialists.

Format: Targeted annual call(s) for proposals within the Creative Europe Sectorial action on Music
Funding: Estimated EUR 50,000 / year

2. GROW: Capacity building tools for music professionals and artists

Need: Improved skills, co-creation opportunities, professional development, exchange and capacity building opportunities.

Objective: Provision of accessible professional skills development schemes, mentoring and education programmes to European music professionals and artists, in order to complement existing initiatives at the bilateral and multilateral levels, both within the EU as well as between European and third country actors.

Tool A: Export mentoring programme

Concept: Providing mentoring to music artists and professionals through a network of experienced international music professionals.

Process: National music export offices organise annual calls for mentees and select a group of candidates according to objective, predefined criteria. Mentors are selected directly by export offices and remunerated through a grant.

Format: Annual call for proposals within the Creative Europe Sectorial Action on Music, 10 beneficiaries selected.
Funding: Estimated EUR 200,000 / year (approx. EUR 20,000 / beneficiary)

Tool B: Export professionals exchange fund

Concept: Enabling music professionals to gain knowledge, international experience and expertise through a three-month professional exchange or traineeship in music sector organisations and companies outside of their country of origin.

Process: Applications are submitted directly by grantees to beneficiary organisations, including clear motivations and desired outcomes. Three-part arrangements are drawn up between the employee/trainee, the company and a national music export organisation acting as facilitator. A 6-month paid exchange is provided by the host organisation. Preparatory workshops for the trainee and the company are provided by the facilitator organisation.

Format: Annual call for proposals within the Creative Europe Sectorial Action on Music, with 10 beneficiaries selected.
Funding: Estimated EUR 60,000 / year (EUR 8,000 maximum per grantee)

Tool C: Co-creation fund

Concept: Developing opportunities to develop peer-learning activities and establish artistic residencies involving performers, producers and songwriters from various EU Member States.

Process: Applications are selected by national export offices. Residency programmes are set up with clear objectives with regards to the lifecycle of the co-created works. Each participating organisation presents a roster of co-creation / production / writing candidates and a list of relevant events where the activities will be organised.

Format: Annual for proposals within the Creative Europe Sectorial Action on Music.
Funding: Estimated EUR 80,000 / year (maximum EUR 20,000 per project).

3. CROSS: Intra-EU cross-border circulation schemes for music artists and professionals

Need: Most EU Member States struggle to achieve consistent and regular cross-border success on the main music distribution channels. Reasons include a lack of structured national support organisations, a lack of cross-border exposure for European artists, as well as regulatory, administrative and financial obstacles. While some actors already to support mobility and cross-border circulation in the field, more can be done through target actions for the music sector.

Objective: Creation of a relevant and reliable tour support framework in order for artists and professionals to achieve cross-border success.

Tool A: Cross-border mobility fund

Concept: A coherent, comprehensive scheme managed by a relevant European music organisation, supporting the cross-border mobility of artists within the EU. The scheme would provide grants to cover travel, accommodation and production costs linked to cross-border music tours.

Process: An on-demand, dedicated fund managed by the beneficiary organisation. All requests must be directly linked to an incoming tour, formulated through standard application files (including budget, activities, justification for EU-added value, management strategy). Economic and infrastructural differences between EU regions are taken into consideration (through a points system[72]) by a pool of music export specialists. They would be selected through an open call for experts, issued by the beneficiary.

Format: Multi-Annual framework partnership with a relevant national music export organisation within the Creative Europe Sectorial Action on Music.
Funding: EUR 800,000 / year (EUR 1,000 to EUR 20,000 per individual grant, depending on the activity developed in the application).

Tool B: Cross-border marketing fund

Concept: A one-stop-shop financial resource managed by a relevant European music organisation, accessible to EU artists and artist representatives wishing to launch an international promotional activity.

Criteria: An on-demand, dedicated fund managed by the beneficiary organisation. All requests must be directly linked to an incoming promotion campaign, formulated through

[72] The mechanism developed by the MEDIA programme, where countries with a low or medium level of audiovisual production gain additional points, could be a source of inspiration for this points system. See for example the award criteria of the MADIA call for development - slate funding: https://eacea.ec.europa.eu/creative-europe/actions/media/3-development-audiovisual-content-slate-funding-call-eacea-182019_en

standard application files (including budget, activities, justification of EU-added value, management strategy), and processed through a points system by a pool of music export specialists. They would be selected through an open call for experts.

Format: Multi-Annual framework partnership with a relevant national music export organisation within the Creative Europe Sectorial Action on Music.
Funding: Estimated EUR 500.000,000 / year (EUR 1,000 to EUR 10,000 per individual grant, depending on the activity developed in the application).

4. RISE: Reinforcing the international foothold of the EU music sector abroad

Need: European artists and professionals need to strengthen their presence on key non-European territories in order to increase the visibility and the competitiveness of music from the EU.

Objective: Better promotion of EU music on key international markets, more frequent participation of European artists and professionals in international showcases, creation of a systematic framework for the organisation of shared trade missions for music export professionals.

Tool A: European Music promotion initiative

Concept: The initiative aims to enhance the visibility of European music in professional music showcase events, radios and music streaming platforms outside of the EU. A series of coordinated promotional activities are organised targeting one territory. A brand is created to boost the visibility of the concept.

Process: The project is developed by a consortium of relevant European music organisations, in cooperation with relevant organisations (e.g. national diplomatic and consular representations, cultural institutes, EU Delegations, relevant European music associations and companies). The consortium liaises with such organisations within a partnership framework. The roster of European artists selected to perform in the framework of the initiative is supervised by national export offices. The selected non-EU territory must be an appropriate export target for European music artists and professionals.

Format: Annual call for tender for consortia of organisations active in the field of international music activities within the Creative Europe Sectorial Action on Music.
Funding: Estimated EUR 400,000 / year

Tool B: International showcase fund

Concept: A fund for national export offices wishing to access a new international market by participating in a professional showcase event. The applicant organisation carries out a set of eligible activities (concerts, speed-meetings, networking events, marketing and branding activities) throughout the duration of the event.
Process: The targeted music showcase event must represent an added value in the context of the European Music Export Strategy and be located outside of the EU. Funding can be renewed for a maximum of 4 years to the organisation who wish to establish long-term presence on the selected market.

Format: Annual call for tender within the Creative Europe Sectorial action on Music.

Funding: Estimated EUR 200,000 / year (EUR 5,000 to EUR 20,000 euros per grant, depending on the activities developed in the application).

Tool C: Showcase fund to non-EU countries

Concept: A fund for European export organisations who wish to access a new international market through shared participation in a professional showcase event, representing at least 3 EU countries. The applicant organisations carry out a set of eligible activities (concerts, speed-meetings, networking events, marketing and branding activities) throughout the duration of the event.
Process: At least 3 different EU countries must be represented. The targeted music showcase event must be located outside of the EU.

Format: Annual call for tender targeted to music export within the Creative Europe Sectorial Action on Music.
Funding: Estimated EUR 100,000 / year (EUR 10,000 to EUR 20,000 per grant, depending on the activities developed in the application).

Tool D: European trade missions

Concept: An annual one-week trade mission on a key non-EU music market, based on information from the "European export resource centre" (described in the "LEARN" box above).
Process: The selected team (10 to 15 members, representing at least 6 EU countries) forms a delegation of several export offices sharing their resources to organise networking events and plan meetings, in order to develop business opportunities for European music actors in the selected territory. Participants in the mission (representatives of export offices) prepare the mission, articulate the activities and draft an annual market report on the visited country. The report is made available to all European music operators who wish to develop activities in the visited country. The trade missions can also be organised with specific objectives for some music sub-sectors.

Format: Two annual calls for tenders within the Creative Europe Sectorial Action on Music.
Funding: Estimated EUR 100,000 / year (EUR 50,000 per mission).

5. EXCHANGE: Music export as a "two-way street"

Need: Consultation with EMEE members has revealed the efficiency and cost-effectiveness of inviting influencers and music industry executives to hear music at the location where it originates. For international industry operators, it is sometimes challenging to travel long distances to attend one national music sector event in one relatively small European market. As a result, European events are under-invested by non-EU music industries.

Objective: Developing an appropriate support framework to invite international professionals to European music showcase events and professional music conferences.

Tool A: International delegations tour

Concept: A one week travelling system is developed and curated by European music export offices for a selected group of 10-15 music sector professionals from a non-EU territory. The delegation is provided access to showcase events, professional conferences,

professional meetings, visits of music venues, among other activities, in three European countries (on a rotating base every year).

Process: The delegation is selected by a consortium of European organisations involved in the field of music export and music showcasing. The tour must include at least three European countries. All activities are curated by the national export offices of the visited countries. The consortium must submit a report (activities, outcomes, challenges) once the tour is completed.

Format: Two annual call for tenders within the Creative Europe Sectorial action on Music.

Funding: EUR 100,000 / year (two calls for EUR 50,000 each – maximum EUR 5,000 per individual member covering traveling, accreditation, subsistence and accommodation).

6. MEASURE: indicators, data and analysis to assess challenges and opportunities

Need: The stocktaking analysis has shed light on a paramount issue for music exporters: the absence, at European level, of comparable indicators, definitions, figures and qualitative music data from one European country to another to measure the size and main trends of the European market.

Objective: Developing, at EU level, a tool to provide data on the challenges and opportunities faced by the music ecosystem in Europe, as well as the economic and cultural impact of European music globally.

Tool A: European data collection structure

Concept: Establishing a stable framework for data collection and analytical research on the key characteristics of music markets of all EU Member States and on the impact of European music internationally.

Process: A data collection and analysis tool, relying on common European indicators, which would provide a systematic provision of "hard" data (e.g. economic information on the music sector or information on fiscal policies for music activities), qualitative elements (e.g. information on audience patterns per EU Member State; characteristics of venue and festival infrastructures per Member State), European charts with a permanent system to track the cross-border circulation of European repertoire (e.g. on radio, streaming platforms and live music), the international mobility of artists (e.g. a cross-border touring monitor), and finally provide Key Performance Indicators for the European export action.[73]

[73] In this context, the European Commission has launched a tender for the "feasibility study of a European Music Observatory" in May 2018. The final report should be published by early 2020. The recommendations of the report could address some of the key priorities laid out in this tool proposal.

The following table presents the European Music Export Strategy toolbox in a summarized format:

	LEARN	GROW	CROSS	RISE	EXCHANGE	MEASURE
TOOL A	European Music Export Resource Centre	European export mentoring programme	European cross-border mobility fund	European Music Promotion Initiative	International music delegations tour	European Music data collection and analysis structure
TOOL B	European fact-finding missions	European music professionals exchange fund	European cross-border marketing fund	International Music Showcase Fund		
TOOL C		European music co-creation fund		European Music Trade Missions		

2.3 Optimisation of existing European and international frameworks

The articulation of an operational toolbox of publicly funded schemes to bring about a "development path" for all music stakeholders constitutes a key parameter in the implementation of the Strategy. However, new measures to improve the export capabilities of the sector will not yield optimal results unless they are coupled with an adequate regulatory framework at European and international level. There is indeed room for manoeuvre for the reform of existing regulatory structures in addition to the development of new tools.

a) Channelling international trade and regulatory aspects

The stocktaking exercise undertaken in this study, as well as the international market reports, have highlighted two key regulatory challenges for music export, which need to be addressed in a common strategy: visa and taxation issues.

As part of the European Music Export Strategy, the Commission could thus encourage Member States to remove obstacles to music mobility by reviewing regulation related to:

a. The recognition of the specific working regimes of artists and cultural professionals;
b. Withholding taxes;
c. The issuance of travel documents (visa).

Several options can be put forward to address those issues:

1) The development of a « Cultural Passport for artists » which would make it easier to cross borders. That would be an all-encompassing solution creating exemptions to taxation and visa regulations for artists. As pointed out in section 1 of the report, the current exemptions in the OECD tax codes are insufficient to properly encompass the complexity of music touring.

2) Under the current taxation rules, an immediate action would be for the Commission to encourage Member States to set up an exemption mechanism for the withholding tax, where earnings in another country for a performing artist would not be taxed in his/her country of residence. The UK and the Netherlands have set up such exemption mechanisms for up to EUR 15,000 per year.

3) Moving forward, the EU should consider using the US model, which includes a clause in all trade agreements whereby the withholding tax mechanism is forfeited on a reciprocal basis. Such a mechanism would allow European acts to be more competitive on the EU scene and in countries where such an agreement is reached, while the tax income loss is negligible (as seen in the Dutch case study in section). This would however only apply to future trade agreements.

4) In terms of visa policy, the project has shown that this is still challenging in some countries (see the market reports on China or the USA). Two solutions could be developed: a) setting up a European label for artists, in cooperation with export offices helping artists to access specific international markets. The label would act as a quality seal to facilitate visa processes requiring some formal international recognition of the artist (which is highly challenging for most emerging artists). This could be achieved by extending MMETA to include more artists (even with an honorary prize); b) negotiating on a country-per-country basis a specific artistic visa process that would facilitate artistic mobility, with guidelines developed at EU level.

b) Seeking synergy with the EU strategic approach to international cultural relations

The European Music Export Strategy will be launched as part of a wider policy framework, and notably the external dimension of EU policy on culture. This policy is articulated around a corpus of key policy documents:

1) The 2016 Joint Communication from the European Commission and the High Representative "Towards an EU strategy for international cultural relations", which sets out the guiding principles, main strands and approach for the EU action in this field.[74]
2) More recently, the Council Conclusions on an EU strategic approach to international cultural relations and a framework for action (April 2019), which include recommendations for EU Member States, the Commission and the High Representative of the Union for Foreign Affairs and Security Policy, notably to facilitate the mobility of artists and cultural professionals between the EU and third countries.[75]
3) The New European Agenda for Culture of 2018 also aims to raise awareness of Europe's shared, diverse heritage and to use the full potential of culture in building a more inclusive and fairer Union. It also seeks to strengthen international cultural

[74] https://ec.europa.eu/culture/policies/strategic-framework/strategy-international-cultural-relations_en
[75] https://eeas.europa.eu/topics/culture/60750/eu-adopts-strategic-approach-international-cultural-relations_en

relations, by making the most of the potential of culture to foster sustainable development and peace. [76]

In this context, the European Music Export Strategy should be aligned with this policy framework and whenever possible seek to act in synergy with the existing partnerships and trust relationships developed by the variety of European actors in their work with third countries.

c) Mobilising existing European diplomatic and international cultural networks.

The EU and its Member States have set up a wide cobweb of ties across the world through diplomatic and consular representations, cultural institutes, EU delegations and other organisations, which are closely connected with the cultural ecosystem of the country where they are based. The actions foreseen as part of the European Music Export Strategy would strongly benefit from a close cooperation with these actors. Indeed, enhanced European cooperation is part of the EU strategic approach to international cultural relations and mentioned in the 2019 Council Conclusions.[77]

This type of cooperation has actually been tested as part of this project through the work carried out in order to develop the four international market reports. Contacts with EU delegations and cultural institutes have been used to develop contacts with the local music industry, plan the logistics of the fact-finding mission in South Africa, and strengthen our knowledge and understanding of the local market specificities. In China, cultural institutes and diplomatic networks are also ideal entry points to plan a tour as an invited artist. Strengthening cooperation with export offices sounds like a "win-win" partnership, where diplomatic strategies would feed into the export pathways designed by the export offices and vice versa.

The 2016 Joint Communication foresees an enhanced role of EU Delegations[78], whereby these are requested to act as local platforms for cultural institutes and other stakeholders in facilitating coordination and cooperation. The EU Delegations can help identify local needs and opportunities, and ensure that actions fit with local cultural contexts, while simultaneously serving the EU's strategic objectives. In this context, the European Music Export Strategy shall engage with EU delegations in the different countries where the strategy will be operationalized. This is especially true when developing an export approach to countries where no prior relationships have been developed.

In this context, it is interesting to note the recent creation, in France, of three "music export counsellor" positions within the Ministry of Foreign Affairs, whose mission will be to better articulate the relationship between the diplomatic and cultural efforts of the French Government in South America, Africa and Asia in the field of music. Such a model could, with an appropriate and balanced mandate, be replicated in other EU Member States, and eventually at EU level through the activities of the European External Action Service, for instance.

[76] https://ec.europa.eu/culture/sites/culture/files/commission_communication_-_a_new_european_agenda_for_culture_2018.pdf
[77] Council Conclusions on an EU strategic approach to international cultural relations and a framework for action
[78] EC (2016) Towards an EU strategy for international cultural relations. Joint communication from the European Commission and the High Representative.

3 Implementation of the European Music Export Strategy

The previous sections present a proposal for the European Music Export Strategy, its rationale and its articulation, through funding tools and regulatory measures, with the expectations and roles of each main target groups.

Based on this, the following section focuses on the implementation modalities of the Strategy, considering a coordinated engagement of all identified target groups (3.1), the proposal for a delivery logic (3.2), the potential risks associated to the approach (3.3), and the necessary measurement of results (3.4).

3.1 Conditions for engagement of all relevant target groups in activating the Strategy

Implementing the Strategy will require the simultaneous engagement of all four target groups. As developed in section E.2, an alignment between needs, activities, and interests of the target groups and the content of the development path approach is necessary to bring together all relevant stakeholders.

The following section thus focuses on the necessary conditions to engage target groups in the Strategy.

1) Music sector actors (artists, professionals and music companies)

The European music sector is a rich and diverse ecosystem, consisting mostly of micro and small actors, representing a multitude of genres, cultural expressions and territories. In order to efficiently engage with such a diverse fabric of stakeholders, investment in the following elements is required:

- **Information about the objectives of the Strategy, existing regulatory frameworks and funding programmes for music export.** Without accessible and relatable information on the Strategy, the sector will not be able to identify participation opportunities. In this context, European and local stakeholder organisations are key, especially national (and regional) music export offices, which provide an interface between with the sector and the EU institutions.

- **Relevance of the schemes to the immediate needs and availability on reasonable terms.** While the toolbox based on a six-step approach is designed to make available schemes which can cater to the needs of the entire music sector, self-financing or short-term financial conditions should not be prohibitive to artists, professionals or music companies. Particular emphasis should be put on the operability of the schemes.

2) Music sector stakeholder organisations

As there are many functions in the complex music value chain, as well as many sub-scenes and genres to operate in, the sector stakeholder organisations are accordingly diverse in kind. Export offices, which constitute the main tool of music export in Europe, are very much aligned with the mandate of the EU in the field of culture: finding the right balance between the promotion of the intrinsic value of music (hence encouraging cultural diversity and participation) and the need to reinforce competitiveness, innovation, visibility, jobs and growth within cultural and creative industries.

In this context, they are the most relevant players to activate the development path of the European Music Export Strategy. It therefore seems logical to primarily engage music export offices, and their respective European representative body, EMEE. In this context, the main conditions for involvement for music stakeholder organisations include:

- **Active cooperation with other music sector organisations**. EMEE should be empowered as the main interface with national and regional export offices, but also other active European associations in the field of music.

- **Relevance of the schemes to the characteristics of eligible export offices.** The design of the funding measures made available within the Strategy toolbox should consider the nature of export offices as enablers and strategic partners for the entire music ecosystem. EMEE, as a focal point for export, should play a central role in this context.

- **Regular consultation at EU level** (with Member States and relevant EU Institutions) is necessary to enable the continuous adjustment of needs, goals and measures for the sector in the context of the Strategy. EMEE, as a representative EU organisation, appears to be the main partner for the EU in this framework.

3) EU Member States

As described in the stocktaking analysis, national strategies and support efforts in the field of music export are not sufficiently homogeneous and coordinated. This parameter contributes to the fragmentation of the European music market and can explain, in part, the relatively low performance of European repertoire across borders. An increased cooperation and coordination effort between Member States in the field of music export policies constitutes a key element of the Strategy; it however requires the following conditions:

- **Information and data on the European music sector is readily accessible and made available**. In order to elaborate appropriate national music export policies and measures, relevant national bodies need information about how the music sector operates, as well as data and analysis (based on common indicators) on the potential of music sector, main challenges in terms of cross-border circulation, and export growth opportunities.

- **Strong and active local music sector stakeholder organisations connected with European music sector networks, platforms and organisations**. Local stakeholders help governments develop policy arguments supported by relevant knowledge, information and best practices from other parts of Europe. In this context, the engagement of Member States in the Strategy requires stronger and better equipped local music sector actors.

- **Political willingness** to address the key issues laid out in the stocktaking exercise and to articulate proposals to optimise existing regulatory frameworks as described in the Strategy. The implementation of the Strategy requires a stronger level of involvement of Member States including at EU level, as it is the case today. The

topic of music export should become a clear part of the cultural policy agenda and cooperation between Member States at EU level.

4) Relevant EU institutions

There is an undeniable momentum at EU level to tackle the issue of music export, given the recent developments with regards to the "Music Moves Europe" initiative, including the Preparatory Action, the inclusion of the issue of cross-border circulation of music in the Council Work Plan for Culture 2019-2022, and the proposal, developed by the European Commission and supported by the European Parliament, of a "Sectorial action" on music in the next Creative Europe Programme 2021-2017.

A particularly timely element is the inclusion of an action on "Music Export" in the 2019 Work Programme of the Preparatory Action on music: this opportunity could kick-start the activities of the Strategy, by implementing at least one element of the Strategy toolbox. Launching concrete activities in 2020 will enable the early operational deployment of the Strategy, its immediate visibility, and possible engagement of European institutions in its delivery.

In this context, the involvement of the EU in the implementation will rely on:

- **The launch of an operational "music export" activity in 2020 through the "Music Moves Europe" Preparatory Action**, inspired by one of the proposals developed in the Strategy, which could test and lay the ground for future funding in the "Sectorial action" on music in Creative Europe.

- **The continuation of the "Music Moves Europe" initiative**, notably of the structured dialogue with the sector, in order to maintain a regular channel of communication and elaborate relevant tools and policies through sectorial consultation.

- **The effective implementation of the music-related activities (Presidency conferences, workshops, possible Council Conclusions) in the Council Work Plan for Culture (2019-2022).** Member States should be fully engaged in the Strategy, e.g. through policy dialogue, monitoring of good practices, exchange with stakeholders and regular policy recommendations inspired by the Strategy.

- **The sufficient endowment of the Creative Europe Programme 2021-2027** and of its proposal for a Sectorial action on music, in order to ensure that an appropriate allocation of funding to the tools and schemes laid out as part of the Strategy. Budget negotiations for the future Multiannual Financial Framework negotiations which are currently underway should reflect the ambitions and objectives of the "Music Moves Europe" initiative.

- **The development of a framework to collect, analyse and disseminate data on the European music sector**, particularly in the field of music export. Without indicators and comparable and accurate data on the performance of European music across borders, the EU will not be able to accurately assess the long-term relevance

of a European Music Export Strategy. It is therefore important to address this issue jointly with the development of the various measures proposed as part of the Strategy.

3.2 Delivery logic

The following table proposes a delivery logic in line with the conditions for engagement of all relevant target groups developed in section E.3.1. Following the analysis of the various success factors for the implementation of the Strategy, it appears that the most appropriate timeline for its deployment is the one described below:

	Activities implemented (coordinated involvement of all target groups)						
	Consultation and dialogue between sector, Member States and EU bodies (optimisation of existing regulatory and policy framework, funding strategy)	Test phase of the Strategy 6-step toolbox (Preparatory Action): Implementation of one or several tools	Development of guidelines for calls and funding mechanisms of the Strategy toolbox in Creative Europe	Council Work Plan Activities (discussions, best practices, policy and regulatory aspects)	Funding and implementation of the Strategy toolbox (development of specific activities following the 6 steps development path)	Data collect-ion and analysis on music sector at European level	Assessment of operational results of EMES and realisation of objectives
2019							
2020							
2021							
2022							
2023							
2024							
2024							
2025							
2026							
2027							

3.3 Risk assessment

As explained throughout this section, the Strategy requires a detailed coordination framework involving a variety of approaches, target groups, tools and regulatory frameworks. The implementation of such an endeavour is necessarily accompanied by challenges and risks. Some of the key risk factors are preliminarily discussed here.

1) Nature of the music sector and future developments

Firstly, it is important to recall that the music sector in Europe is profoundly fragmented, diverse and unevenly developed. Furthermore, it is a highly competitive ecosystem, since opportunities to build professional careers and establish businesses in the music sector are

scarcer than the aspiring artists and professionals who seek it. Competition is an important risk factor when it comes to the availability of information, funding opportunities and visibility.

Additionally, the relation of the various stakeholders to the concept of music export can significantly differ from one sub-sector, territory, or genre to one another. Some actors are keen to see the development of a European approach to music export, but others have already reached global success and do not require support or guidance to operate across borders. The activities developed as part of the Strategy should give particular attention to acknowledging success where it exists, in order not to convey the message that the entire European music ecosystem is in need of support. At the opposite side of the spectrum, there is a myriad of local music companies which have a local focus only and are not looking to develop any export capacity – their position should always be considered as well. In this context, when evaluating sector stakeholder support, the level of requirement and investment in music export should be appraised by national and regional music export offices before launching measures and tools.

Moreover, and considering the important evolutions of the music sector in the past decade, it is important for the Strategy to take into account the potential developments in the global music industry for years to come. The future shifts in distribution technology, market morphology and consumption patterns, while by nature difficult to map today, will represent both new opportunities and challenges for the European music sector's export capacities. It is clear that music markets are growing and developing in many parts of the world, notably in Asia and South America and most likely in the near future also in Africa. The future activities of the Strategy should be able to evolve, in order not to become rapidly obsolete in the face of this ever-changing landscape.

2) Lack of sufficient response at Member State and EU levels

To fully achieve the goals of the Strategy, the imbalances in national music sector infrastructures throughout Europe are key concerns to be addressed. A factor of risk in this context is the level of response by Member States where music sector infrastructure development is lacking, and where policies are not adapted to cross-border success. The uptake of the Strategy will not be sufficient if these Member States fail to develop the minimum capacity at national levels to participate in European level schemes, notably through efforts to sustainably support national level music sector organisations. EU programmes require a financial commitment from national actors, and while self-financing can be expected from the music sector actors, stakeholder organisations are non-for-profit and fully depend on local public or private funding for their operation.

In addition, since culture, including music, are Member States' competences according to the EU Treaties, any development in this field will necessitate a clear, long term commitment from national governments in the EU. In this context, the Strategy clearly describes the necessary engagement of Member States for achieving the set objectives. A clear risk factor in the early phase of the implementation of the Strategy to be considered is the lack of homogeneous information, engagement and policy action of Member States where music policies are still relatively under-invested. In order to prevent this, the Commission and representative stakeholder organisations at European level need to be pro-active in channelling information, addressing concerns and formulating the advantages for all Member States to participate in the Strategy, in terms of cultural, economic and diplomatic relevance.

Finally, the possibility for the European Union not to follow through on the current momentum embodied by the "Music Moves Europe" initiative needs to be considered. While a momentum exists today, some key parameters can have a negative impact on the

implementation of the Strategy, such as the lack of consensus between Member States on regulatory reforms, the lack of political support, or possible cuts in the Creative Europe Programme within the ongoing negotiations on the Multi-Annual Financial Framework 2021-2027.

3.4 Expected results

With respect to the objectives, the approach, the different target groups, conditions and risks developed in previous sections, it is considered attainable for the Strategy to deliver the following results by the end of the next Multi-Annual Framework period:

1) Structuring and convergence in the European music sector will increase

- Artists, especially in Member States where resources are currently scarce, will have enough access to knowledge, training, education, career mentoring, and business development resources to develop their international careers;
- Music professionals and music companies, especially in Member States where progress is needed, will be better equipped to support artists in their international career, following the development path of the Strategy;
- Artists, professionals and music companies will have access to relevant national and Europe funding to support their export development;

2) Administrative and regulatory environment for cross-border activities will improve

- Working regimes of artists and cultural professionals will better reflect the needs of the European music sector, for instance through the "Cultural Passport for artists";
- The issues relating to VAT and withholding taxes for musicians and professionals will be adequately addressed, through appropriate exemptions and reforms;
- The issuance of travel documents will be made more accessible, in order for artists and professionals to have a facilitated access to touring, attendance to professional events and activities, and showcase opportunities;

3) Strategic support for music export development at Member State and EU level will deliver results

- Member State policies to the music sector will be better adapted to export development needs, better coordinated at EU level, and aligned with the objectives of the "Music Moves Europe" initiative;
- European music export offices, through the EMEE, will be working actively with relevant EU Institutions (via regular interaction and cooperation) in ensuring all conditions are in place for the implementation and the continuation of the Strategy in the future;
- The Creative Europe "Sectorial action" on music will provide stable, long-term and ambitious levels of funding on the topic of music export, adapted to the ambitions and the needs of sector stakeholders;
- Diplomatic and international cultural networks will be engaged in contributing to the delivery of the Strategy. EU delegations, diplomatic and consular representations as well as cultural institutes will be fully engaged to efficiently support the delivery of the expected results.
- In EU countries there are currently no active music export offices, such structures will be created, or relevant existing bodies already active in the field of cross-border music circulation will be empowered.

4) Cross-border circulation of European music within and outside of the EU will show significant progress

- Tailor-made schemes will provide funding for artists, music companies and organisations in the fields of touring, marketing, and co-creation, and professional exchange, thus increasing their cross-border capabilities within the EU and outside of the EU;
- Knowledge of international music markets will be significantly increased through fact-finding and trade missions, and will be made available to the entire European music ecosystem through a dedicated resource centre;
- Key markets analysed in these report (in particular China, South Africa, Canada and the United States) will be the subject of targeted efforts through fact-finding missions and other initiatives as laid out in the toolbox.
- The European music promotion initiative will showcase the best of European talent every year to a different international market, creating unprecedented visibility for European repertoire abroad, especially on streaming platforms;
- International music professionals will be provided with more opportunities to discover the European music market, through a "two-way street" approach to music export;
- The listening share of European music on relevant European and international distribution channels (especially on streaming platforms, for which appropriate promotion strategies for European content will be developed) will be brought closer to the listening share of the United States.

5) Systematic data collection and analysis efforts will be carried out

- A relevant, sector-backed data collection and analysis tool, relying on common European indicators, will provide a systematic provision of data (e.g. economic information on the music sector or information on fiscal policies for music activities), qualitative elements (e.g. information on audience patterns per Member State; characteristics of venue and festival infrastructures per Member State);
- European charts will exist with a permanent system to track the cross- circulation of European repertoire (e.g. on radio, streaming platforms and live music), the international mobility of artists (e.g. a cross-border touring monitor);
- Key Performance Indicators will be measured for the European export action.
- Appropriate analysis efforts will be engaged to better understand and asses streaming platform algorithms, in order to better deploy European content online.

4. Conclusion

This European Music Export Strategy is based on the research and analysis presented in the stocktaking exercise. While there is a lot to learn from the diversity of existing ways of supporting music export, the study shows that structural policy, regulatory and market barriers still hamper the capacity for European music as a whole to circulate efficiently within and outside of the EU. There is a lot of room for manoeuvre to strengthen domestic markets; there are also many opportunities for European music organisations, Member States and relevant EU institutions to better articulate music export efforts in Europe**.** The Strategy is also the outcome of a research journey during which different international

markets were analysed, showing that there is no "one-size-fits-all" approach to music export in a heterogeneous international music environment, and providing useful sounding boards for the different tools and actions envisioned.

In order to fulfil the objectives identified as part of the Strategy, this document has identified key target groups, and developed a method to engage them in a meaningful manner. The development path approach described in this report provides an ambitious sector-specific canvas to deploy efficient activities in the context of the Strategy. Concrete measures and recommendations are described, which aim at significantly improving the operational capacity of sector actors and organisations in the field of music export. These schemes and policy measures are analysed in the light of every target group's key characteristics and roles in the Strategy, and tested against success factors, risks and expected results. To summarize, the Strategy should enable a more dynamic, sustainable and homogenous music export market, in order to unleash the opportunities of Europe's rich music diversity.

Finally, this strategy relies on active rounds of discussions and exchanges with relevant stakeholders and target groups, notably following the organisation of the EMEE workshop in April 2019 and of the European Music Export Conference in October 2019, which brought together numerous representative stakeholders from all identified target groups. As such, the Strategy ambitions to reflect, as accurately as possible, the priorities and aspirations of the entire European music ecosystem, and to drive a significant improvement of the cross-border success of European music.

Annex 1 - country per country overview of export activities

Austria

Music market overview

Austria's global recorded revenue was EUR 114.84 Million in 2018. It ranked 11th within the European countries.[79] The growth rate of recorded music revenue from 2014 to 2018 was 16%. In 2018 Austria represented 2.31% of European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
11	8	14	7	7	9

Growth rate 2014-2018
16%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 91 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was of EUR 192 million (USD 212 million).

Austrian Music Export

Austrian Music Export (AME) is an initiative of two private associations: *Music Information Centre Austria* (MICA) and the *Austrian Music Fund*. Founded in 2011, AME's aim is to be a service and resource centre for exporters of contemporary Austrian music in all genres and aspects (recordings, live, synch, etc.). This includes providing access to information on Austrian artists and companies, building a substantial network of industry professionals and media, providing travel support and representing Austrian music at international trade shows, conferences and festivals. Austrian Music Export promotes international showcases of local artists and develops measures to strengthen international exploitation of Austrian repertoire by acting as a catalyst for export-oriented Austrian labels, agencies and artists. Its budget dedicated to export activities for 2018 was EUR 441,931.00. Public financing represents 73,26% of AME's export budget. The largest funder is the Ministry of Culture, followed by the Ministry of Economy, the Ministry of Foreign Affairs and the cultural diplomatic network as well as a small share stemming from European Funds. The private financing sources represent 26,74% of the export budget and are composed by collective management societies as well as a direct contribution of private companies. The table below is a visual presentation of the share of public and private funding sources within AME's budget as well as the share of the different funding sources within it.

[79] The ranking and the revenue have been calculated on the basis of the 31 countries taken into account in the scope of the study i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there is a total of 24 countries ranked.

AME's export activities' costs are mainly reported in showcasing, networking (including staff travel) as well as communication and PR actions. AME also invests important resources in education and implements a lot of capacity building actions (but with mostly internal staff costs, whereas the above table only shows the external spendings). A more detailed list of the activities carried out by the Austrian MEO is presented below.

Overview of Austrian Music Export's activities

- **Providing professional advice to artists and companies (labels, managers, publishers, agencies)**
  - Advisory services:
    Austrian Music Export offers advice on any aspect of professional music life to musicians and the people working in the music industry.
    This includes legal advice from a lawyer specialized in music contracts and intellectual property rights, which can be given during personal meetings, via email or by phone.
    In 2018 Austrian Music Export conducted approximately 1200 advisory

services sessions. Of these, more than 300 concerned legal topics related to music contracts.

Workshops:
Austrian Music Export organizes workshops on topics such as marketing, copyright and funding opportunities. Although such workshops are organized in all nine provinces, the majority of them takes place in Vienna. In 2018 the Music Export office organized 38 workshops, working closely with higher music educational institutions (e.g. Music University Vienna, Mozarteum Salzburg, Bruckner University Linz…etc.). While some music workshops were directed at newcomers and approached very basic topics, some others specifically addressed music professionals (e.g. a workshop with international music supervisors for Austrian labels and publishers). Furthermore, the Export Office also conducts teaching activities at music managers' education courses.

- Online Services:
  Through the website https://www.musicaustria.at/praxiswissen/ the Austrian Music Export provides easily accessible information on counselling topics regarding for instance the founding of a label, live performances, record production, self-promotion, as well as several links to additional information on music. Another online tool also offers model music contracts https://www.musicaustria.at/mustervertraege/ – 27 in German, 12 in English.
- Brochures:
  Together with an organization specialized on youth work, the Austrian Music Export prints brochures on live music and copyright-related subjects. More information on:
  https://www.musicaustria.at/praxiswissen/downloads/
- Conferences:
  The Austrian Music Export (co-)organizes several music conferences in Vienna, where information is provided and knowledge exchanged through panels, presentations, speed meetings, networking and round tables. Among the organized conferences are: Waves Vienna, Popfest, Wien Sessions, and conferences at Wien Modern.

- **Providing information on Austrian music**
  - The Website of Austrian Music Export provides information on Austrian artists (b2b information https://www.musicexport.at/artists/), international concerts of Austrian artists, Austrian festivals and projects with international relevance.
  - Its music database contains information on more than 50.000 works by Austrian composers together with their biographical information.
  - An international newsletter is also sent on a monthly basis to more than 6000 contacts.
  - Additionally, the Music Austria shop contains music sheets and mp3s tracks of more than 200 contemporary Austrian composers.

- **Providing travel support and funding opportunities**
  Austrian Music Export provides several showcase support and international tour support programmes for artists and companies, and supports newcomers in the Austrian music scene through the ETEP – European Talent Exchange Programme and NASOM – New Austrian Sound Of Music.

- **Organizing exchange programmes and networking events in Austria and abroad**

- **Organizing Producer Camps**

- **Representing Austrian music and the Austrian music industry abroad (trade shows, conferences, festivals & showcase festivals)**
  Austrian Music Export organizes showcase and networking events at the most important showcase festivals every year.
  More info on: https://www.musicexport.at/service-information/showcasing/

- **Inviting international professionals to local events**
  The Export Office mostly invites festivals bookers and media people to events such as Jazzfestival Saalfelden, Popfest Wien, Wien Modern, Musiktheatertage Wien, Waves Vienna, often organizing customized programs for them.

- **Organizing local events**
  Every year the Export Office, in cooperation with the local club Porgy & Bess, organizes a two-day event on world music and jazz music called Kick Jazz, inviting international festival bookers.

- **Conducting PR activities**
  Austrian Music Export conducts the following PR activities:
  - Developing promotion tools & international partnerships and public and media relations in order to increase the presence of local artists and their releases;
  - Managing a Website, a Newsletter and Social Media activities;
  - Conducting international PR in cooperation with international agencies (Factory 92)

- **Conducting International Networking**

  Austrian Music Export is an active member of international organizations such as EMEE. IAMIC, EJN and participates to several international projects such as ETEP, EMES.

All the services provided are free of charge and no membership is needed to access them.

Belgium

Music market overview

Belgium's global recorded revenue was EUR 94.35 Million in 2018. It ranked 13th within the European countries.[80] The growth rate of recorded music revenue from 2014 to 2018 was 3.4%. In 2018, Belgium represented 1.89% of European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
13	10	12	7	12	14

Growth rate 2014-2018
3.4%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 108 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was of EUR 193 million (USD 213 million).

Belgian music export

The music export in Belgium is implemented by two regional bodies: *Wallonie-Bruxelles Musiques* for the French linguistic community and *Poppunt / Flanders Arts Institute* for the Flemish community. Wallonie-Bruxelles Musiques is a part of *Wallonie-Bruxelles International*, the central administration responsible for external relations. In Flanders, *Poppunt* and *Flanders Arts Institute* operate as export offices for non-classical and classical music for Flanders and Brussels respectively. *WBM* is a public agency whereas *Poppunt* and *Flanders Arts Institute* are legally non-for-profit organisations.

WBM export budget

WBM budget dedicated to export activities for 2018 was EUR 342,000. Public financing represents 100% of WBM's export budget. The largest financer is Wallonie-Bruxelles International (the foreign affairs body for the Wallonia-Brussels Federation), followed by the Ministry of Culture. There are no private financing sources. The table below is a visual presentation of the share of the two public funding sources of WBM's budget.

[80] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

WBM's export activities' costs are quite evenly spread between showcasing and networking (including staff travel) as well as education and communication and PR actions. WBM also has a substantive amount of transversal actions. It represents the highest export activities budget line.

Poppunt / Flanders Arts Institute export budget

Poppunt / Flanders Arts Institute's budget dedicated to export activities for 2018 was EUR 322,000.00. A substantial amount of this amount is allocated to employee salaries. Public financing represents 99.42% of Poppunt / Flanders Arts Institute's export budget. The largest financer is by far the Ministry of Culture. The Ministry of Economy's and Creative Europe's contributions to its budget represent together 1.24% of the organisation's total budget. Their private financing sources are made of the Belgian collecting society Sabam which contributes to 0.58% in the organisations budget.

Poppunt / Flanders Arts Institute's activities' costs are mainly shared between communication and PR actions, networking (including staff travel) and showcasing. Poppunt / Flanders Arts Institute does not have any budget lines earmarked specifically to education programmes for export.

Overview of WBM's and Poppunt / Flanders Arts Institute's export activities

WBM

- Promotion through flyers and social media;
- Organization of targeted email campaigns and word of mouth to international delegates;
- Organization of showcase soirées;
- Support to professionals working in the music sector by covering their travel costs to international festivals and conventions;
- Invitation of music professionals to major events in Wallonia and Brussels;
- Career advice to musicians;
- Acting as an intermediary between musicians;
- Discovering new partners/showcase festivals;

Launching initiatives on gender equality in the music sector in FWB.

Poppunt / Flanders Arts Institute

- Supporting, promoting and developing Belgian acts abroad, in partnership with WBM and with the support of Sabam for Culture;
- Promotion through flyers and social media;
- Organization of targeted email campaigns and word of mouth to international delegates;
- Organization of showcase nights;
- Organization of campaigns for classical, jazz, world and folk music, including, among others, Jazzahead, Womex, and Classical Next;
- Identifying upcoming showcase festivals;
- Providing promotional tools;
- Conducting specific research on the music industry;
- Inviting international delegates to major Belgian release shows (Nuit Belge, Botanique, AB, …);

Providing daily advice for music professionals on subsidies, international contacts, career advice…etc.

Czechia

Music market overview

Czechia's global recorded revenue was EUR 35.73 Million in 2018. It ranked 16th within the European countries.[81] The growth rate of recorded music revenue from 2014 to 2018 was 31%. In 2018, Czechia represented 0.72% of the total European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
16	15	16	17	15	15

Growth rate 2014-2018
31%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 36 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was EUR 24 million (USD 27 million).

Music export in Czechia

Czech Music Office (SoundCzech) is a sub-office of the Arts and Theatre Institute (ATI), which is financed by the Ministry of Culture. Its budget dedicated to export activities for 2018, was EUR 170,000. The Ministry of Culture of Czechia is the sole public financing source and largest funder, and its contribution represent 95,8% of Sound Czech's export budget. The private financing sources represent 4.20% of the export budget and are coming from contributions of collective management societies (3.36%) as well as contributions of professional federations (0.84%).

[81] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

Sound Czech's export activities costs are mainly dedicated to showcasing. A smaller part of its expenses is dedicated to education as well as communication and PR actions.

Overview of Sound Czech's activities

- Representing the Czech music sector abroad at international music conferences and events;
- Supporting a number of professionals (through an open call system, evaluated by SoundCzech board);
- Providing touring support schemes through the program SoundCzech on road;
- Exchanging concert support schemes through SoundCzech Connect;
- Supporting locally held music professional events by refunding travel costs of international speakers and professionals participating to the events through the Programme SoundCzech CR;
- Organising yearly educational workshops in Prague, Brno and other Czech cities, aimed at preparing professionals to be more internationally -driven.

Estonia

Music market overview

Estonia global recorded music revenue is only calculated by IFPI via the total revenues of the Baltic territories, which amounted to EUR 21.08 Million in 2018. It ranked 19th within the European countries.[82] The growth rate of recorded music from 2016 to 2018 was - 2.78%. In 2018 the Baltic territories represented 0.43% of the total European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
19	18	20	21	20	n.a.

Growth rate 2016-2018
-2.78%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

Estonian music export

Music Estonia is a privately-owned non-profit membership association. Its budget dedicated to export activities for 2018, was EUR 313,900.00. Direct and indirect European funding (via Interreg and via a multi-year project funded by Enterprise Estonia via EU structural funds) are the largest funding source for Music Estonia. It amounts to 80.16% of the Estonian budget with the contribution of the Ministry of Culture. The private financing sources represent 19.84% of the export budget and are coming from contributions from private companies, collective management societies as well as membership fees.

[82] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

Music Estonia's export activities costs are mainly dedicated to networking (including staff travel), and showcasing. A smaller part of its expenses is dedicated to education. While Music Estonia does not have a specific line of expenditure on international communication and PR, these themes are still an integral part of other export initiatives (such as trade fair presence etc).

Overview of Music Estonia's activities

- **Conducting development programmes in order to increase knowledge, know-how and practical experience of Estonian music industry professionals (including artists):**
  - **VOLÜÜM programme:** an export accelerator programme for Estonian artists and managers providing them with a personal mentor for half a year and new skills in the form of seminars and workshops. Although after the 4th edition the programme will be discontinued due to lack of funding, upon closure it has reached 36 artists/management teams mentored with some of the leading exporting artists (Maarja Nuut, Trad.Attack!, Kadri Voorand

etc).
More information at:
https://musicestonia.eu/activities/programmes/voluum;

- **INTRO programme:** a 3-month Internship program in which interns work closely with selected artists, on organising music-related events or other relevant tasks that contribute to their skill-set and also to the field. Each edition includes 4-6 young music professionals. The 6th edition is in progress. The programme has been a great success in terms of opening doors and encouraging young people to enter the music industry as (future) professionals.
- **SONGWRITING CAMPS:** Music Estonia has organized 6 different songwriting camps over the past 3 years, bringing in international writers and producers, as well as local ones. The camps have had a significant effect on the local music scene, introducing co-writing as the norm of music creation and have produced some top 10 hits in Estonia.
- **SÜNKROON:** a theme program about music in the audiovisual media. The programme started as a series of seminars and workshops but was recently turned into a three-month development programme including presentations, seminars, workshops, mentoring sessions, and networking events. It is aimed at music creators and producers or their representatives – managers, record labels, publishers – who already have an experience in creating or mediating music for audiovisual media or a strong motivation to do it in the future.
  More info at: https://musicestonia.eu/activities/programmes/sunkroon
- **BUUSTER:** a new 3-month development programme for music managers launched in February 2019.
  More info at: https://musicestonia.eu/activities/programmes/buuster

- **Conducting international activities to facilitate the building of international networks; and building the Estonian music sector visibility and profile in general.**
  This is done through attending to trade fairs (Jazzahead!, Classical:NEXT, WOMEX, Also Eurosonic, Reeperbahn and if possible smaller events: MENT Ljubljana, BUSH, Waves Vienna etc.), offering a subsidies package for participation, taking part in networks (EMEE, IAMIC) and collaboration projects (Finest Sounds, ETEP etc).
- **Developing the Estonian music sector ecosystem through various kinds of activities, from research to facilitating collaboration between different parties.**
  This is in development and will be done by 1) developing a curriculum for "Music Entrepreneurship Specialist" for Ots' Music School in Tallinn, 2) participating in some research projects and tutoring MA students writing on music industry topics, 3) participating as expert in various kinds of round tables, expert groups, juries, etc.

Finland

Music market overview

Finland's global recorded music revenue was EUR 21.08 Million in 2018. It ranked 19th within the European countries.[83] The growth rate of recorded music revenue from 2014 to 2018 was 26.51%. In 2018 Finland represented 1.48% of the European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
14	17	11	18	14	19

Growth rate 2014-2018
26.51%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 64 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was of EUR 59 million (USD 65 million).

Music export in Finland

Music export office's activities in Finland are conducted by Music Finland, a non-profit organization combining the activities previously conducted by Music Export Finland and the Finnish Music Information Centre. Its budget dedicated to export activities for 2018, amounted to EUR 591,217. Music Finland's financing sources are 57.51% public and 42.49% private. Public funding originates from the Ministry of Education and Culture as well as the Ministry of Economy. European Funding contributes also to almost 1% in the budget of Music Finland. The private financing sources are mainly coming from membership fees, foundations contributions are made of contributions from private companies, collective management societies as well as Music Finland's own resources via its own music score's sales.

[83] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

Music Finland's export activities costs are mainly dedicated to networking (including staff travel), and communication and PR. A smaller part of its expenses is dedicated to showcasing and education.

Overview of Music Finland's activities

- **Conducting networking activities and liaising with partners**

- **Conducting Publicity and Promotion activities:** Such activities include 1) the sending of newsletters, tailored newsletters to professionals, curated SYNC Newsletters to music supervisors; 2) editing the Finnish Music Quarterly -magazine which promotes awareness of contemporary, classical, jazz and folk music and is targeted to international readers and researchers; 3) managing Music Finland Sheet Music Library and CORE database which contains a large selection of Finnish sheet music and distributes unpublished works by Finnish composers; 4) managing Music Finland's Composers & Repertoire website which provides comprehensive information on Finnish classical and contemporary composers and their works, as well as an international online store for sheet music; 5) conducting research on music export and the music industry.

- **Conducting activities directed towards internationalization**

  - **Organising events:** Music Finland organizes showcase events and events for professionals. It also participates to the major showcase events and helps Finnish musicians and their teams to find showcase opportunities and support their travels and communication activities. Additionally, Music Finland participates in major trade fairs, festivals and conferences and supports the Finnish music industry to participate to the events most relevant to their actions, genre and export level.
    Music Finland also organizes showcase events in Finland (so far for folk, jazz and contemporary music). Those events have showcased great Finnish music and built bridges between the Finnish music industry professionals and international stakeholders (agents, promoters, conductors, label representatives and decision makers from clubs, festivals and ensembles). The focus is on building networks and creating new international partnerships, and ultimately strengthening the export possibilities for these three genres. Music Finland also manages the invitation of international guests to Finnish events and co-operates with Finnish live events, also inviting relevant gatekeepers to Finnish Festivals. In addition to the festival, Music Finland organizes networking events for Finnish professionals to meet the international guests.
  - **Managing grants and programmes:** Music Finland manages several grants and programmes in support of the Finnish Music Industry and its internationalization such as the Live Support Programme, the Work Export Support or the Fast Track Programme.

- **Conducting coaching, mentoring and networking activities:** These activities include 1) services for songwriters (and publishers); 2) co-writing camps (for both the US and Asian markets), 3) services for film and TV composers: coaching, networking with music supervisors, international mentoring, 4) trade missions tailored to different customer segments and well-analysed target market, 5) mentoring programmes to provide freelancers working in various facets of the contemporary music field with the tools and information to build an international career.

France

Music market overview

France's global recorded music revenue was EUR 843.12 Million in 2018. It ranked 3rd within the European countries.[84] The growth rate of recorded music revenue from 2014 to 2018 was 12.97%. In 2018, France represented 16.93% of European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
3	3	3	3	1	2

Growth rate 2014-2018
12.97%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 1,006 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was of EUR 665 million (USD 733 million).

French music export

The Bureau Export is a non-profit professional organisation with the aim of developing music made in France all around the world. Its budget dedicated to export activities for 2018, amounted to EUR 4,964,000. Bureau Export's financing sources are 57.7% public and 42.3% private. Public funding comes from the Ministry of Culture as well as the Ministry of Foreign Affairs. The private financing sources are coming from contributions of collective management societies and membership fees.

[84] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

Apart from funding its members (labels, live producers and publishers) for their export spending (i.e. 25% of the global spending), Bureau Export's export activities costs are mainly dedicated to showcasing and networking (including travel costs). A smaller part of its budget is dedicated to education, communication and PR.

Overview of the activities carried out by the Bureau Export

- **Networking activities:** 1) Conducting networking activities between International and French professionals; 2) Organizing networking events with French industry professionals (in France and abroad); 3) Managing invitations to international festivals and conferences such as Printemps de Bourges, Trans Musicales, Musicora, Babel Med, etc.; 4) Providing access to relevant French music professional contacts.

- **Information and training activities:** 1) Expert recommendations and assistance for discovering and working with Made in France artists, 2) Latest updates on music

Made in France in the UK, in the US, in Germany (chic-schnack.org); 3) Promotion of made in France events via local newsletters and social media; 4) Promotion of made in France music via Bureau Export's own playlist service 'What The France'; 5) Information on the French music industry.

- **Promotion:** creation of a brand to promote "made in France" artists abroad (What the France) with playlists, website with news in 4 different languages (French, English, German and Spanish) and showcase abroad (What the France Berlin Festival)

- **Funding activities:** 1) Financial support for made in France projects abroad; 2) Awarding funds for international prospection, promotional costs (independent PR, promo trips, showcases), international tours, etc.; 3) Financial support for local partners and professionals promoting music Made in France outside of France.

- **International network** of Le Bureau Export desks: Offices in Brazil, UK, USA and Germany to provide tailor made export intelligence

Germany

Music market overview

Germany's global recorded music revenue was EUR 1,115.2 Million in 2018. It ranked 2nd within the European countries.[85] The growth rate of recorded music revenue from 2014 to 2018 was 5.29%. In 2018, Germany represented 16.93% of European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
2	1	2	2	2	4

Growth rate 2014-2018
5.29%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 758 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was of EUR 1,036 million (USD 1439 million).

Music export in Germany

In order to strengthen the development of German rock, pop and jazz music, the Federal Government is involved in the "Initiative Musik" and funds the majority of its budget. The non-profit company promotes young musical talent, music export and cultural integration. Its budget dedicated to export activities for 2018 amounted to EUR 1,130,000.00. Initiative Musik's financing sources are 83.40% public and 16.60% private. Public funding comes from the Ministry of Culture as well as the Ministry of Foreign Affairs and the Ministry of Economy. The private financing sources are coming from contributions of collective management societies and contributions of private companies.

[85] The ranking and the revenue have been calculated on the basis of the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia,there are a total of 24 ranks.

Initiative Musik's export activities costs are mainly dedicated to showcasing, networking (including staff travel) and communication and PR. A smaller part of its budget is dedicated to education.

Overview of the activities carried out by Initiative Musik

- **The German Export Office has three main funding activities:**
  - Künstlerförderung – Funding programme for artistic projects (album release, large tours, etc.), active since 2008.
  - Infrastrukturförderung – Funding programme for infrastructure projects, since 2008
  - Kurztourförderung – Short Tour Funding programme, since 2010. Travelling grants for short international tours (max. 5 dates, up to 50% of the travelling costs and 1 lump sum for promotion costs)

- **Other funding programmes and projects of Initiative Musik** (not directly related to export)
  - APPLAUS - Auszeichnung der Programmplanung unabhängiger Spielstätten. Competition Award for the best programme in independent German music venues, active since 2012.
  - Digitalisierung der Aufführungstechnik in Livemusikspielstätten in Deutschland (2016 + 2018) and Technische Erneuerungs- und Sanierungsbedarfe in Livemusikspielstätten in Deutschland (2017). Funding programmes for the renewal and the digitalization of the technical equipment in German music venues.

Greece

Music market overview

The Global recorded music revenue in Greece was EUR 20.57 Million in 2018. It ranked 20th within the European countries.[86] The growth rate of recorded music revenue from 2014 to 2018 was 5.29%. In 2018 Greece represented 0.41% of European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
20	20	18	15	21	8

Growth rate 2014-2018
-4.19%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

Regarding the live music sub-sector, the revenue in 2018 was of EUR 85 million (USD 94 million).

Music export in Greece

Greece Music Export office is a non-profit organisation registered as Cultural Organisation within the Ministry of Culture. Its budget dedicated to export activities for 2018 amounted to EUR 22,019.55. Greek Music Export's financing sources are both public and private. Since the organisation is very recent, this balance between public and private funding is expected to evolve significantly in the next few years. The financing sources are coming from contributions of the Hellenic ministry of culture and sports, and private companies.[87]

[86] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.
[87] Due to the recent creation of Greece Music Export, data on the budget sources is not yet available.

Greek Music Export's export activities costs are mainly dedicated to showcasing, networking (including staff travel).

Overview of the activities carried out by Greek Music Export

The office activities mainly aim at measuring the demand and identifying the need of the domestic music industry. They include the following activities:

- **Providing one-to-one consultancy services free of charge:** Such service aims to identify the needs of the artists and their representatives.
- **Organizing showcase concerts**
- **Managing the participation of international delegation to showcase festivals in Europe and USA:** the objective is to promote Greek music and build reliable networks from personal contacts, as well as to improve the knowledge on the industry for the educational programmes.

Hungary

Music market overview

Hungary's global recorded music revenue was EUR 23.38 Million in 2018. It ranked 18th within the European countries.[88] The growth rate of recorded music revenue from 2014 to 2018 was 25.57%. In 2018, Hungary represented 0.47% of European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
18	19	19	19	17	21

Growth rate 2014-2018
25.57%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 39 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was of EUR 38 million (USD 42 million).

Music export in Hungary

Hungarian Oncoming Tunes (HOTS) is the Hungarian Export Office. Its budget dedicated to export activities for 2018 amounted to EUR 476,163.00. HOTS's financing sources are 11.74% public and 88.26% private. Public funding comes from the Ministry of Culture as well as the Ministry of Foreign Affairs and the Ministry of Economy. The private financing sources are coming from contributions of collective management societies and contributions of private companies.

[88] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

HOTS's export activities costs are mainly dedicated to showcasing and education. A smaller part of its budget is dedicated to networking (including staff travel) and communication and PR.

Overview of the activities carried out by HOTS

The main activities conducted by Hungarian Export Office HOTS, are the following:

- **Organizing network-based events (showcases, conferences)**
  - description: setting up delegations and helping acts to get selected for international events
  - objective: to educate and inspire Hungarian professionals, and also to enable Hungarian acts to play on relevant professional event for their key markets.
  - beneficiaries: professionals from all music sub-sectors, musicians
  - type of support: financial & knowledge-based
  - budget allocation in 2019: continuous, approx. 72.000 EUR for the whole year.
- **Managing training schemes and information-sharing (workshops & mentor camp, songwriting camps)**
  - objective: to provide specific knowledge and information for the stakeholders of the domestic market from those specific subsectors where there is a lack of knowledge or infrastructure.
  - beneficiaries: professionals, songwriters, authors
  - type of support: setting the infrastructure for a pro-active training system to encourage the relevant sectors about setting short- and long-term plans on artistic and financial levels.
  - budget allocation in 2019: continuous, approx. 57.000 EUR for the whole year.
- **Open funding through Hungarian Cultural Fund (NKA)**
  - description: touring & promotional costs, strategic funds needed for entering various markets.
  - objective: to increase international royalty incomes
  - beneficiaries: the whole infrastructure.
  - type of support: annual, financial.
  - budget allocation in 2019: approx. 280.000 EUR for the whole year.

Iceland

Music market overview

Iceland's global recorded music revenue was EUR 6.1 Million in 2018. It ranked 23rd within the European countries.[89] The growth rate of recorded music revenue from 2014 to 2018 was 7.02%. In 2018 Iceland represented 0.47% of European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
23	23	21	23	n.a.	n.a.

Growth rate 2014-2018
7.02%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 4.9 million in 2018.

Music export in Iceland

Iceland Music is the national Export Office. Its budget dedicated to export activities for 2018 amounted to EUR 312,922.00. Iceland Music's financing sources are 88.41% public and 11.59% private. Public funding comes from the ministry of culture as well as the Ministry of Foreign Affairs and the Ministry of Economy. The private financing sources are coming from contributions of collective management societies and other sources.

[89] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

Music Iceland's export activities costs are dedicated to education, networking (including staff travel), showcasing and communication and PR.

Ireland

Music market overview

Ireland's global recorded music revenue was EUR 57.55 Million in 2018. It ranked 15th within the European countries.[90] The growth rate of recorded music revenue from 2014 to 2018 was 35.61%. In 2018, Ireland represented 1.16% of European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
15	12	13	10	18	20

Growth rate 2014-2018
35.61%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 30 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was EUR 117 million (USD 129 million).

Music export in Ireland

First Music Contact's project Music From Ireland is the Irish Export Office. Its total budget for 2018 amounted to EUR 333,000 of which EUR 135,000 dedicated to export activities. First Music Contact's financing sources are 81.38% public and 18.62% private. Public funding comes from the Ministry of Culture. The private financing sources are coming from contributions of collective management societies and other sources.

[90] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

First Music Contact's export activities costs are mainly dedicated to showcasing and networking (including staff travel). A smaller part of its export budget is dedicated to communication and PR.

Overview of the activities carried out by First Music Contact

- **Providing funds to artists and resource organisations** and **Event-funding:** currently funding participation to Eurosonic, SXSW, Tallinn Music Week, The Great Escape, Primevera, A2Im, Reeperbahn, Mondo NYC, Ireland Week, M For Montreal and Iceland Airwaves;
- **The Ministry of Culture separately provide funding for tours for artists of all genres**;
- **The Ministry of Culture separately provide funds to artists and resource organisations** at showcase events such as Womex, Celtic Connections and Folk Alliance, Classical Next…

Italy

Music market overview

Italy's global recorded music revenue was EUR 228.91 Million in 2018. It ranked 5th within the European countries.[91] The growth rate of recorded music revenue from 2014 to 2018 was 4.60%. In 2018, Italy represented 19.53% of European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
5	4	7	5	5	3

Growth rate 2014-2018
4.60%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 450 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was of EUR 448 million (USD 494 million).

Music export in Italy

Music Export in Italy is managed by two export offices, Italia Music Export and Puglia Sounds. Italia Music Export is currently one of SIAE's (Italian Society of Authors and Publishers) offices/departments. Its budget dedicated to export activities for 2018 amounted to EUR 307,000. Italia Music Export's financing sources are 2.28% public and 97.72% private. Public funding is coming from the Italian Trade Agency, part of the Ministry of Foreign Affairs. The private financing source originates solely from contributions of the collecting society.

PUGLIA SOUNDS is the regional public office dedicated to the development of the whole music sector; it is an integral part of the public body called Teatro Pubblico Pugliese - Consorzio Regionale per le Arti e la Cultura (TPP). The yearly budget of Puglia Sounds dedicated to export activities amounts to EUR 850,000. The main sources of funding originate from Puglia Region Funds, the European Regional Development Funds, as well as Development and Cohesion Funds (national funding).

[91] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

Italia Music Export's export activities costs are mainly dedicated to grants for artists and music professionals, networking (including staff travel), communication and PR and showcasing. A smaller part of its export budget is dedicated to education.
Puglia Sounds' main expenses consist in operational /staff costs (EUR 100,000; as well as a wide range of grants (EUR 750,000).

Overview of the activities carried out by Italia Music Export

- **Tour support:** beneficiaries are artists and music professionals working with/for them. The objective is that of facilitating Italian musicians touring abroad by refunding some of the major costs.
- **Showcase support:** beneficiaries are artists and music professionals working with/for them. The objective is that of facilitating Italian musicians' participation to showcase festivals by refunding some of the major costs. Related activities run by Italia Music Export include the organization of Italian showcases, advertising, and pre-showcase training to artists and their staff.

- **Travel support for music professionals:** beneficiaries are music professionals from any area of the Italian music business. The objective is that of stimulating Italian professionals' attendance to international events by refunding some of the major costs.

- **Workshops:** beneficiaries are artists and music professionals. The objective is to address the information/education gap regarding export.

- **International songwriting camps:** beneficiaries are Italian artists and writers. The aim is to foster international artistic collaboration.

- **Promotion:** the office promotes Italian music through newsletter, website, social networks, Spotify, and constant contact with the foreign press. Italia Music Export organises Italian music showcases during showcase festivals, as well as networking sessions and speed meetings with Italian/foreign professionals.

Overview of the activities carried out by Puglia Sounds

PUGLIA SOUNDS EXPORT delivers the following activities:

- **Conducting international promotion**: through different communication tools (website, newsletters, social network).

- **Providing information and professional training on the various international markets:** workshops, mentoring and international networking sessions organized during Medimex, the international Festival and Music Conference that Puglia Sounds promotes every year.

- **Developing international networking**: aimed at connecting music operators with the key players in the supply chain of international music markets.

- **Managing international partnerships and participation in Music Trade-Fairs and Conferences**.

- Supporting the **internalization of the music sector and especially the live music sector** through the following **funding programmes** implemented via yearly calls.

- Support for **International Tours.**

- Support for **music professionals** to participate in the international music **Trade-Fairs and Conferences.**

- Support for **artists** to showcase in the international music **Trade-Fairs and Conferences.**

Lithuania

Music market overview

Lithuania's global recorded music revenue is only calculated by IFPI via the total revenues of the Baltic territories, which amounted to EUR 21.08 Million in 2018. It ranked 19th within the European countries.[92] The growth rate of recorded music from 2016 to 2018 was - 2.78%. In 2018 the Baltic territories represented 0.43% of the total European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
19	18	20	21	20	n.a.

Growth rate 2016-2018
-2.78%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 5.6 million in 2018.

Music export in Lithuania

The Lithuanian Music Business Association is responsible for the Lithuanian music export support activities, as part of its wide portfolio to support music businesses in Lithuania. Its budget dedicated to export activities for 2018 was EUR 28,004.77 (the budget of the project "Development of export possibilities for Lithuanian music") and EUR 63,080.98 (the budget of the project "What's Next in Music?"). The financing sources for the Music Export activities are both public and private. The exact share varies from one activity to another. For the activity "Development of export possibilities for Lithuanian music", the largest financer is the Ministry of Culture (through the Council of Culture) with 53.5% of the budget, followed by private financing coming from the members of the association (39.3%). Finally, a contribution was made also by the project partner Lithuanian culture institute (7.2%).

[92] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

Lithuanian Music Export's export activities costs are mainly dedicated to networking (including staff travel), and showcasing. A smaller part of its expenses is dedicated to Communication and PR. These showcasing/networking expenses are equally dedicated to education as several educational activities (conferences and workshops) are attended at showcase and networking events. "What's Next in Music?" is mostly dedicated to education, showcasing and networking.

Overview of Lithuanian Music Business Association's export activities

Lithuanian Music Business Association carried on its activities through the following projects in 2018:

- **"What's Next in Music?":** showcase festival-conference, showcasing the best of the local as well as regional talents for a selected group of international music industry professionals.
    - **Aim:** international networking, education of both artists and management, encouraging exports.

- **Development of export possibilities for Lithuanian music** by taking part at the main showcase festivals and industry events (bringing selected group of export ready artists and managers by partially covering costs for travel and accommodation, participation fee, promotional material).

Lithuanian music business association is active only in the field of popular music - it does not cover other genres (classical music, world music, jazz etc. – other genres are covered by other institutions like Lithuanian music information centre, festivals and private initiatives).

Luxembourg

Music market overview

There is no data available on the size of the recorded music industry in Luxembourg.

Music export in Luxembourg

music:LX is the music export office for Luxembourg. Its budget dedicated to export activities for 2018, amounted to EUR 468,631.00. music:LX's financing sources are 89.38% public and 6.38% private and 4.23% sponsorship. Public funding comes from the Ministry of Culture and is completed with a small part of European Funding. The contribution of collective management societies SACEM Luxembourg and different sponsorships are the only private financing source.

Its export activities costs are mainly dedicated to showcasing/tour support and communication and PR. A smaller part of its expenses is dedicated to networking (including staff travel).

Overview of music:LX's export activities

- **Providing support:** by financially helping artists with the promotion of their releases outside of Luxembourg and in international tours and showcases events.

- **Providing information** on the music industry and the evolution of the markets outside of Luxembourg. This is done through a newsletter for the artists and professionals. Additionally music:LX runs a constantly updated database of contacts (venues, festivals, labels, booking agencies...) in order to provide the artists with all the information they need e.g. to play at events and shows, find a label or a booker.

- **Networking activities**: music:LX helps to establish and consolidate relationships between artists from Luxembourg and international music professionals. It does so through organized meetings both internationally and in Luxembourg, along with networking events at different conferences/fairs including: Eurosonic, MaMA, Jazzahead, Classical:NEXT, Reeperbahn Festival, Sonic Visions and many others.

- **Promotion**: music:LX promotes music from Luxembourg through its website, newsletter, social networks and through participation at international fairs and festivals. music:LX does targeted research to promote and suggest Luxembourgish artists directly to the labels, editors, booking agencies, promoters, festivals.

Netherlands

Music market overview

The Netherlands' global recorded music revenue was EUR 250.75 Million in 2018. It ranked 4th within the European countries.[93] The growth rate of recorded music revenue from 2014 to 2018 was 38.10%. In 2018, the Netherlands represented 5.04% of European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
4	6	4	9	4	7

Growth rate 2014-2018
38.10%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 191 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was of EUR 397 million (USD 438 million).

Dutch music export

Dutch Music Export is an initiative by Fonds PodiumKunsten, Buma Cultuur, and Stichting Popcoalitie. Its budget dedicated to export activities for 2018 amounted to EUR 1,000,000. Dutch Music Export's financing sources are 50.0% public and 50.0% private. Public funding comes from the Ministry of Culture and private funding from collective management societies.

[93] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

Dutch Music Export's export activities costs are mainly dedicated to showcasing. A smaller part of its budget is dedicated to networking (including staff travel), education and communication and PR.

Overview of Dutch Music Export's activities

- Support on international Showcase Events; DME supports DJs and rappers who operate within a myriad of fields, as well as pop music viable for both mainstream and niche markets.
- Co-financing international Marketing & Promotion for 'export-ready' artists: those with a sufficient vision and realism, and show a sufficient network to operate on an international and professional level. Training and coaching is delivered to artists to help them reach this maturity level.
- Hosting and organizing networking moments (drinks, dinners etc);
- Education and professionalization of the Dutch Music Industry. Dutch Music Export advocates a structural and sustainable plan of action to back a productive congregation of internationally active and accomplished artists.

Poland

Music market overview

Poland's global recorded music revenue was EUR 96.99 Million in 2018. It ranked 12th within the European countries.[94] The growth rate of recorded music revenue from 2014 to 2018 was 56.59%. In 2018, Poland represented 1.95% of European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
12	5	15	14	11	11

Growth rate 2014-2018
56.59%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue distributed for music creators and publishers amounted to EUR 83 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was of EUR 110 million (USD 121 million).

Polish music export

There are two entities involved in music export: the Adam Mickiewicz Institute (AMI) and Music Export Poland Foundation (MExP). The Adam Mickiewicz Institute is a State cultural institution (governmental) with a wide spectrum of activities that aim to promote Polish culture abroad. AMI operates in Poland as a music export platform through one of its programmes, namely "Don't Panic! We're from Poland" (DPWFP).
Music Export Poland Foundation's budget dedicated to export activities for 2018 amounted to EUR 125,000. MExP's financing sources are 44.0% public and 56.0% private. Public funding comes from the Ministry of Culture. The private financing is coming from contributions of collective management societies and contributions of private companies.

[94] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

MExP's export activities costs are mainly dedicated to education. A smaller part of its budget is dedicated to networking (including staff travel), and communication and PR. It should be noted that MExP started its operations in October 2018, so the data sample is not wholly representative of the activities of MExP. For the first 11 months of 2019, the largest part of the budget was spent on trade missions, while the share of educational activities was much lower.

Overview of the activities carried out by the polish Music Export associations

- **MExP is financing** songwriting camps, workshops improving export skills for artists, managers, and industry professionals, foreign trade missions (including organising the Polish booth on music showcases), and maintains a comprehensive data base. All the activities are open for everyone from the music industry: artists, managers, creators, labels.

- **Adam Mickiewicz Institute**

The Adam Mickiewicz Institute promotes Polish culture abroad and enhances the export of Polish music through the following activities:

- Support for Polish artists performing at international showcase festivals (such as logistic support, PR, and networking advice);
- Support for Polish managers, labels, publishers, festivals, agents, promoters and all other professionals of the music industry at international music events (open calls for delegates at trade markets, showcase festivals etc.);
- Operating Polish stands and Polish focus programmes at international music trade markets and other events;
- Operating Polish artists mobility grants and open calls of programmes supporting artists and managers, which include international touring, developing artistic collaborations, etc;
- Managing study visits for international journalists, managers, labels, publishers, festivals, agents, promoters and all other professionals of the music industry at Polish festivals and other events;
- Knowledge transfer and strategic advice on music export, financing possibilities;
- Organising workshops, conferences and seminars;
- Commissioning classical music works from Polish composers;
- Organising performances of Polish classical repertoire by prominent international artists worldwide;
- Organising and co-organising performances of Polish musicians abroad as part of wider multidisciplinary cultural projects.

Portugal

Music market overview

Portugal's global recorded music revenue was EUR 32.73 Million in 2018. It ranked 17th within the European countries.[95] The growth rate of the recorded music market between 2014 and 2018 was 28.35%. In 2018, Portugal represented 0.66% of the total European recorded music market.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
17	14	17	16	16	16

Growth rate 2014-2018
28.35%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 42 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was of EUR 69 million (USD 76 million).

Music export in Portugal

Founded in 2015, Why Portugal is supporting the export of Portuguese music. Why Portugal's budget dedicated to export activities for 2018, amounted to EUR 81,701.25. Why Portugal's financing sources are 12.24% public and 87.76% private. Public funding comes from the Ministry of Culture, via the DGartes agency, as well as AICEP the foreign trade agency; while private financing comes from contributions of the two neighbouring rights collective management societies, Audiogest (Producers) and GDA (Artists).

[95] The ranking and the revenue have been calculated on the basis of the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia,there are a total of 24 ranks.

Why Portugal's export activities costs are mainly dedicated to showcasing and networking (including staff travel). A smaller part of its budget is dedicated to communication, PR and education.

Overview of the activities carried out by Why Portugal

- One "Portugal Country Focus" event per year (ESNS 17, Waves 18, MMVV 19);
- WHY Portugal Event inverse mission (invitation of foreign delegations) at Westway LAB Festival & Conference;
- Professional Development Workshops;
- Participation protocols with showcase & conference b2b events

Slovakia

Music market overview

Slovakia's global recorded music revenue was EUR 12.07 Million in 2018. It ranked 22nd within the European countries.[96] The growth rate of recorded music revenue from 2014 to 2018 was 53.76%. In 2018, Slovakia represented 0.07% of the total European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
22	21	22	19	22	22

Growth rate 2014-2018
53.76%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 8.2 million in 2018.

Music export in Slovakia

LALA is a non-profit organisation responsible for the Export of music from Slovakia. LALA's budget dedicated to direct export activities for 2018, amounted to EUR 7,312. LALA's financing sources are 91.43% public and 8.57% private. Public funding comes from the Ministry of Culture and private funding is coming from contributions of collective management societies and other sources.

[96] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

LALA's export activities costs are mainly dedicated to education, as well as communication and PR. A smaller part of its budget is dedicated to networking (including staff travel) and showcasing.

Overview of the activities carried out by the polish Music Export associations

- **LALA Experience** – a series of educational events (presentations, workshops) on topics relevant for music professionals (accounting, authors' rights, marketing, functioning of festivals, labels, distribution etc).
- **LALA Stories** – inspirational speeches of international respected professionals for local Slovak music audience. The purpose is to motivate and show positive examples from abroad.
- **LALA Mondays** – regular informal meetings of the Slovak music community – to get to know each other, learn from each other and strengthen cooperation.
- **Slovak compilation** – three editions of compilation of Slovak export-ready music

- **Music escalator** – mentoring program for young musicians led by an international expert.

- **LALA goes** – international delegations of Slovak music professionals to expand their knowledge and international network (Reeperbahn, Waves Vienna, BUSH).

- **Other international activities** – support of Slovak acts at international showcase festivals.
  SHARPE conference & festival: LALA is the main organizer of both the festival and conference – half of the acts are from Slovakia and the whole event is strongly oriented on supporting the growth, education and export of Slovak independent music scene.

Spain

Music market overview

The global recorded music revenue of Spain was EUR 193.8 Million in 2018. It ranked 6th within the European countries.[97] The growth rate of recorded music revenue from 2014 to 2018 was 31.92%. In 2018, Spain represented 3.89% of the total European recorded music revenues.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
6	7	8	6	6	5

Growth rate 2014-2018
31.92%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 227 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was of EUR 256 million (USD 282 million).

Music export in Spain

Music export in Spain is carried out through the platform Sounds from Spain, managed by a partnership between the ICEX (the Spanish exterior commerce agency), the National Institute of Performing Arts and Music (INAEM) and the several private institutions. Music export in Spain is also carried out by two regional export offices. The Catalan Institute for the Cultural Companies (ICEC), through its Market Development department and its brand for internationalization, Catalan Arts, works as the Music Export Office for Catalonia. The government of the Balearic Islands also has an organisation dedicated to culture (including music) export.
ICEC's budget dedicated to export activities for 2018, amounted to EUR 875,443. ICEC's financing source is 100% public and only originating from the Ministry of Culture.

[97] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

ICEC's export activities costs are mainly dedicated to networking (including staff travel) and showcasing. A smaller part of its export budget is dedicated to communication and PR.

Overview of the activities carried out by ICEC

- **Organization of stands in trade fairs** (Mide, Womex, Jazzahead, etc.) open to all the companies interested in taking part. The main goal is to facilitate the Catalan companies' access to the main professional events.

- **Organization of networking activities** (cocktails, presentations), trade missions and participation in projects such as ETEP. The main objective is to enhance the networking opportunities of the Catalan companies, and to give a more direct access to international partners.

- **Circulating promotional material** to give more visibility to the music companies.

Switzerland

Music market overview

Switzerland's global recorded music revenue was EUR 118.75 Million in 2018. It ranked 10th within the European countries.[98] The growth rate of recorded music revenue from 2014 to 2018 was 21.08%. In 2018, Switzerland represented 2.38% of European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
10	9	10	4	13	12

Growth rate 2014-2018
21.08%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 121 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was of EUR 278 million (USD 307 million).

Swiss Music Export

Swiss Music Export's budget dedicated to export activities for 2018, amounted to EUR 389,380.53. Swiss Music Export's financing sources are 36.36% public and 63.64% private. Public funding mainly comes from the Swiss Arts Council. The private financing sources are coming from contributions of collective management societies.

[98] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

Swiss Music Export's expenses consist of 78.34% of direct export expenses via its own programme of operations and activities, as well as 21.66% of fund redistribution to artists and professionals through grants and programmes. Swiss Music Export's export activities costs are mainly dedicated to showcasing. A smaller part of its budget is dedicated to networking (including staff travel), education and communication and PR.

Overview of the activities carried out by Swiss Music Export

- **Platforms outside of Switzerland / Showcase Festivals** (Reeperbahn Festival, Waves, MaMA Festival, The Great Escape, Eurosonic, Printemps de Bourges, Transmusicales, etc).

- **Platforms in Switzerland:** organising networking and educational programmes, and inviting business from other countries. Swiss showcase festivals include m4music, Label Suisse, Swiss Live Talents, OOAM, B-Sides, Bad Bonn Kilbi, etc.

- **Business Support:** Custom Help for artists and/or business structures, individual Showcases, financial help for promotion, travels, lawyers, showcase concerts, etc.

- **Consulting hours** at Swiss Music Export offices for artists and business structures (agencies, labels, managements, publishers, promoters, etc)

- **Website** with almost complete concert agenda of Swiss artists; monthly international newsletter, ad hoc swiss-only newsletter

United Kingdom

Music Market Overview

The United Kingdom's global recorded music revenue was EUR 1189.83 Million in 2018. It ranked 1st within the European countries.[99] The growth rate of recorded music revenue from 2014 to 2018 was 19.97%. In 2018 the UK represented 23.89% of European recorded music revenue.

European Ranking 2018					
Total	Physical	Streaming	Other digital	Perf. rights	Synch.
1	2	1	1	3	1

Growth rate 2014-2018
19.97%

Source: Own calculation made on the basis of the *IFPI Global Music Report 2019*

The revenue in terms of publishing amounted to EUR 671 million in 2018. Regarding the live music sub-sector, the revenue in 2018 was of EUR 1,288 million (GBP 1.1 billion).[100] A recently released report by UK Music also provides additional data on the vibrancy of the UK Music sector:

- The UK music industry contributed £5.2 billion to the UK economy in 2018.
- The Live Music sector made contribution of £1.1 billion in 2018 - up 10% from £991 million in 2017.
- Employment in the industry hit an all-time high of 190,935 in 2018.
- The total export revenue of the music industry was £2.7 billion in 2018.

Music Export in the UK

Amongst its different missions, the PRS Foundation works as a music export office for the UK. Its budget dedicated to export activities for 2018 amounted to EUR 799,000. PRS Foundation's financing sources are 14.21% public and 85.79% private. Public funding comes from diverse sources, including the Ministry of Culture, the Ministry of Foreign Affairs and is completed by European funding and other public sources. Private financing comes from contributions of collective management societies, private companies, foundations, and other private sources.

[99] The ranking and the revenue have been calculated based on the 31 countries taken into account in the scope of the study. i.e. Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the UK. As the IFPI Global music report counts Estonia, Latvia and Lithuania as one territory and does not provide data for Luxembourg, Malta, Romania, The Republic of Cyprus and Slovenia, there are a total of 24 ranks.

[100] UK Music (2019) Music By Numbers 2019 edition. https://www.ukmusic.org/news/music-industry-contributes-5.2-billion-to-uk-economy-new-figures-reveal

The vast majority of PRS export expenditure is allocated in the form of grants to artists and music creators. PRS Foundation's expenses consist of 18.15% of direct export expenses via its own operations and activities and of **81.85% of fund redistribution** to artists and professionals **through grants and programmes**. The graph below shows how direct export expenses (excluding grants) are split.

Beyond these grants, PRS Foundation's export activities costs are mainly dedicated to networking (including staff travel). A smaller part of its budget is dedicated to education, showcasing and communication and PR.

Overview of the activities carried out by PRS Foundation

In 2018 the funding schemes dedicated to export included:

- **The International Showcase Fund**
  Grants of up to £5,500 for those invited to showcase or write at international showcase events such as SXSW, Eurosonic or Reeperbahn. The grants are contributing up to 75% of total costs of travel, visas, accommodation and per diems. More than 130 grants are allocated per year.

- **BBC Music Introducing Partnership**
  Grants to support artists at international showcase events who have been selected alongside BBC Music Introducing DJs and Producers. These artists also receive BBC Music Introducing media support.

- **Keychange**
  Keychange is a pioneering international initiative which empowers women to transform the future of music and encourages festivals to achieve a 50:50 gender balance by 2022. The initiative has quickly gained traction and supporters, with more than 74 emerging artists and innovators from across Europe and Canada per year, and 300 Keychange Pledge Signatory Partners around the world.

- **Musicians in Residence**
  Musicians in Residence is a partnership between PRS Foundation and British Council.
  The programme enables UK music creators to spend 6 weeks in China, UAE, Russia or Brazil writing new music and building new international relationships.

On top of providing funding support, the Foundation helps with Workshops, Toolkits, Advice, Making Connections, Providing Showcase Platforms, Providing Content and Media Assets, Networking, etc.

This is all to aid outstanding music creators in overseas territories, helping the export landscape while supporting music creators and their art.

Annex 2 - International market reports

1- Canada

Executive summary

The strength of Canadian music market

Canada is a domestically strong music market - two in fact: French and English language markets - with viable fanbases for European music. Although of course it is strongly impacted by the US market it is a market where European careers can flourish for the right type of artists if they establish themselves and set up a Canadian fan base. This can be done with strategic incursions via Canada's showcases, CMW for developing and fostering business contacts and M for Montreal (or Mundial for world music artists) for showcases. Radio continues to be a discovery driver and so an up-front investment in promotions and radio plugging will be necessary - think no less than 5k initial investment plus two years' travels: showcases / conferences during the first year, CMW, M for Montreal, and a short key city promotional tour / club tour for the second year, preferably on a double bill with an up and coming Canadian act. You should also have a Canadian label and publisher working on the ground, as a result of the first year's showcasing missions.

The Canadian music market from a European export point of view

The Canadian public is open to European music, but the market can be difficult to enter. The best strategy is to build a Canadian team that is based upon strong artist-to-artist links, co-writing, and shared side-projects. It is a very different market, culturally, from the USA - more European in flavour, but with strong business ties to the US.

Figure 42: Digital Import Pie – Canada

Source: BMAT

Figure 43: Radio Import Pie - Canada

Source: BMAT

The average of local music consumption on Canadian radio and digital music platforms is relatively low as 88% of the music broadcasted on radio and 95% of the music played on streaming platforms is imported. US music dominates the Canadian market and has the

lion's share with respectively 60.8% and 78.5% of the airplays and streams. The EU 27 market share are relatively low with 7.4% and 4.2%.

European exporters wanting to break into Canada need to develop a 360º strategy with at least a two-year plan and the right type of artist / story to have a chance to enter the market; however if and when they do it can provide a career-long fanbase and audience that follows artists for a more lasting period of time than the American limelight.

Lessons learnt from the Canadian approach to supporting music

FACTOR[101] - the Foundation to Assist Canadian Talent on Record is a great blueprint for how the 2021 Culture programme in Europe can address the different needs of the music sector:

- Creation or Co-Creation Support
- Album Release & Promotional Support
- Showcasing Support
- Touring Support
- Professional Travel Grants to Conferences
- Label Grants
- Publisher Grants
- Festival Support (For EU Showcase Festivals associated with each country's export offices)

Canadian Heritage has a programme that can provide funding to Canadian Music Publishers to the amount of 50k per year. (ex. Songwriting Camps, Co-Creation, Sub-publishing cross-border)

Also, the Radio Starmaker Fund was created in the fall of 2000 on the initiative of the Canadian Association of Broadcasters and approved by the CRTC. It is a private fund which has as its stated purpose to "make a substantial and discernable difference to the careers of Canadian artists" by providing substantial incremental investment where the artist has established a proven track record and his or her label is making a significant investment in their future career."[102]

Introduction

Canada is the toppermost country of the American continent, occupying a land mass of 9.985 million km², with a population of 35,151,728 according to Statistics Canada 2016 census; rising to 36.71 million in 2017.[103]

Most of the population is concentrated in the southern regions of each Canadian province bordering the USA. Two thirds of the population lives in this small geogrpahical area, which includes the three major urban centres: Toronto, Montreal and Vancouver, which are home to 35.5 per cent of all Canadians, a combined population of 12.5 million. Toronto is the largest Canadian city (5,928,040) followed by Montreal (4,098, 927), Vancouver

[101] www.factor.ca
[102] www.starmaker.ca
[103] https://www150.statcan.gc.ca/n1/en/subjects/population_and_demography

(2,463,431), Calgary (1,392,609), Ottawa-Gatineau (1,323,783) and Edmonton (1,321, 426).[104]

This is echoed in terms of music markets, as the main cities for music are Toronto, Montreal, Vancouver, Halifax and Winnipeg, although Ottawa is the national capital city.

Canada has the fifteenth-highest nominal per capita income globally as well as the twelfth-highest ranking in the Human Development Index. It is the tenth-largest economy in the world, thanks to its abundant natural resources and well-developed international trade networks.

Canada is home to several indigenous peoples, known as the First Nations; and was also the stage of several waves of European and Asian migrations, with the French having been the first Europeans to colonize modern-day Quebec; before the English arrived. The result is a country that was from its very beginnings a naturally multicultural land, with a cultural key difference being the often-recognized cultural respect for various races, religions and personal identities. To this day, French is the main language spoken in Quebec outside the city of Montreal, which itself is split between French and English speakers; whereas English is the more common tongue spoken in the other 9 provinces.

Musically, Canada is therefore a country of several traditions, with a predominance of French musical genres in Quebec and several Anglo-oriented genres in the other provinces. There is also a very strong Folk music tradition, drawing upon several cultures that make up the Canadian folk music scene, from the First Nations to the Irish and Celtic traditions. Music is a culturally important sector for Canadians, with huge Canadian stars that make it big in their own country without ever exporting their music successfully. Some big names in Canada remain virtually unknown outside their territory, such as The Tragically Hip and Blue Rodeo; whereas others like Drake, Alanis Morissette and Arcade Fire, are known around the world. Besides, some of the biggest names in music are US-based artists of Canadian origins, like Neil Young and Brian Adams.

As such, the first market-specific trait that one identifies when looking at Canada is the two-language market segmentation between the province of Quebec, and the rest of Canada, English-speaking.

It is worth considering the cultural and linguistic origin of the EU artists we are trying to export into Canada: while a French-language artist or world-music artist would naturally include Quebec into his or her management / internationalization plan, for most artists English-speaking Canada, with the province of Ontario at the helm, is the "main" Canadian market to look to when trying to export their art.

In the absence of a music export office, the bulk of the export activities rest upon the shoulders of CIMA - Canadian Independent Music Association, who are responsible for the "Canada House" missions at SXSW, Reeperbahn Festival and other professional music showcase events. They should therefore be considered the main port of call for getting to know the Canadian Music Industry.[105]

CIMA's President is Stuart Johnston, with Trisha Carter leading on the foreign trade missions such as the Canada country focus at Portugal's Westway LAB this month of April. Canada is also regularly present at European showcase festival Reeperbahn Festival.

[104] CAAMA report.
[105] www.cimamusic.ca CIMA also run the http://www.musicexportcanada.ca/ website.

The main industry event is CMW: Canadian Music Week, whose Director is the industry veteran Neill Dixon.[106]

Neill is a regular visitor to several European events, like Eurosonic and Reeperbahn Festival; and CMW regularly features different countries as "focus", publishing excellent market reports on them. Brian Hetherman, from MMF Canada and Cerebrus Management, is also a regular at international showcasing events such as Eurosonic and MIDEM, and is a good contact to have for managers which seek to build bridges into Canada.

Summary analysis:

Canada needs to be regarded as two countries, English-speaking Canada and Quebec. While this dichotomy should be taken into account when making strategic export plans into Canada, population information points to the main cities as the main live targets where European artists can reach the largest audiences. CIMA, the Canadian Independent Music Trade Association, is the *de facto* export office for Canadian Music and it is working hand in hand with host of funding mechanisms, industry showcases and conferences, other industry associations and groups. Both CIMA and CMW are regularly present at European showcases and are valuable resources for the build-up of any export strategy to Canada.

Legislative framework

Copyright legislation

The Copyright Act of Canada which was first passed in 1921 and amended in 1988, 1997, and 2012. After becoming a signatory country of World Intellectual Property Organization Internet Treaties in 1996, Canada implemented its terms in 2012 with the passage of the Copyright Modernization Act.[107] The 2012 act focuses on anti-circumvention provisions for technical protection measures, the protection of authors' rights, and the public's rights concerning the copying of legally obtained materials.

Under the conditions of the Trans-Pacific Partnership trade agreement signed by Canada in February 2016.[108] Should the treaty be ratified and enacted in its present form, Article 18.63 of the intellectual property rules requires an extension of copyright duration to the following minimum term-lengths: on the basis of the life of a natural person, a term of life plus 70 years; and otherwise 70 years from the first authorized publication, or, if not published within 25 years of its creation, 70 years from its creation.

As of May 2018, Canada had successfully argued against the extension of copyright in the TPP, holding to the Berne Convention standard, which is life of the author plus 50 years.[109] The Canadian Copyright Act contains safe harbours where "exceptions" arguably end up working as subsidies for digital platforms; similarly, the Radio Royalty Exemption was added to Canadian copyright law by the 1997 Copyright Act amendments. "In its 2005 Commercial Radio decision, the Copyright Board described the $1.25 Million exemption as a 'thinly veiled subsidy'";[110]

A "Sound Recording" used in television and film soundtracks also does not generate neighbouring rights. (Unlike in 44 countries in the world including the UK and France).

[106] www.cmw.net
[107] https://laws-lois.justice.gc.ca/eng/AnnualStatutes/2012_20/FullText.html
[108] https://ustr.gov/sites/default/files/TPP-Final-Text-Intellectual-Property.pdf
[109] Michael Geist: http://www.michaelgeist.ca/2018/05/canadian-publisher-on-the-term-of-copyright-life-plus-50-years-is-already-too-long/
[110] Music Canada "Vaue Gap" Report

CIMA works with the government in an effort to initiate much needed changes to Canada's copyright legislation. Launched in 2010 as Bill C-32, this copyright reform initiative has proven to be complicated and even controversial. CIMA is working with the Canadian government to help smooth out the wrinkles in Bill C-11, the Copyright Modernization Act.

Revenues and status of artists

The Canada Arts Council provides a clear definition of a "professional artist". A professional artist is someone who:

- has specialized training in the artistic field (not necessarily in academic institutions)
- is recognized as a professional by his or her peers (artists working in the same artistic tradition)
- is committed to devoting more time to artistic activity, if possible financially
- has a history of public presentation or publication.[111]

The Canadian Arts Coalition is spearheading an advocacy agenda at the federal level on behalf of artists with regards to taxation and other issues[112].

Music support and funds

There are many support mechanisms for music and for artists in Canada: both on a national as well as a provincial level, and also aimed at different sub-sectors within the music industry, Canada is amongst the world leaders in terms of music support and funding mechanisms. From the federal or national level to the Provinces, we find additional support mechanisms for music artists and companies in each province. In the Province of Ontario, just to give an example, the Ontario Media Development Corporation has re-branded itself as Ontario Creates, and re-structured its programs around each sub-sector, creating for example the Ontario Music Fund, a $15 M fund.[113]

Canada Arts Coucil - The Canada Arts Council, organizes its support into 6 strands.[114] for example, it has programs aimed at supporting artists with their professional and artistic development[115] as well as representation and promotion abroad.[116]

These Arts Council programs are not, however, specific to music. However, the federal programme Canada Music Fund is: the Canada Music Fund (CMF) aims to increase the creation of and access to a diversity of Canadian music for audiences everywhere by enhancing the sector's ability to compete in domestic and international markets.[117]

A highlight among these programmes is the MEC programme: which aims to ensure that Canadian music entrepreneurs build a strong and competitive industry capable of contributing to the Canadian musical experience over the long term through a diverse range of compelling Canadian choices.

"The sub-component Aid to Canadian Music Publishing Firms is intended to strengthen music publishing firms' ability to develop Canadian songwriters and composers and to promote new Canadian musical works in Canada and abroad."

The type of funding available vary, but for example Canadian Music Publishers can be funded "up to 50 per cent of their eligible expenses or up to a maximum of $75,000 per fiscal year" under the MEC program.

Factor - Perhaps the premier example of an advanced, yet accessible, funding mechanism that helps drive the industry's growth as well as export activity is

[111] https://canadacouncil.ca/glossary/professional-artist
[112] http://www.canadianartscoalition.com/artist-taxation-briefing-note/
[113] http://www.ontariocreates.ca/music/the_ontario_music_fund.htm
[114] https://canadacouncil.ca/funding/grants
[115] https://canadacouncil.ca/funding/grants/explore-and-create/professional-development-for-artists
[116] https://canadacouncil.ca/funding/grants/arts-abroad/representation-and-promotion
[117] https://www.canada.ca/en/canadian-heritage/services/funding/music-fund/publishing/application-guidelines.html

FACTOR : Foundation to Assist Canadian Talent on Record. In fact, FACTOR's several programs[118] don't just exemplify Canada's well-developed rationale towards the promotion of its musical artists; it provides the perfect blue-print for best practices in music export in general. Its programs aren't just aimed at support, but also capacity-build new artists and professionals propelling them along a well-structured, graduated support system that helps to professionalize young talents from an amateur level to a professional level should the manage to develop along FACTOR's several "artist levels", unlocking new funding mechanisms along the way.
FACTOR is structured around 13 targeted programmes for the music sector:

- Marketing & promotion for sound recordings: provides annual funding for business development initiatives that supports the marketing and promotion of the company and its services, and staff business travel to support the company's development objectives. It offers up to $7,500/$20,000 depending on company rating per year.
- Songwriter's Workshop Support Programme: Songwriting camps Helps Canadian professional songwriters (i.e., primarily writing for other performers) pay for the cost of attending domestic and international songwriting workshops and seminars on the craft and business of songwriting. It covers up to 75% of total budget to annual maximum of $750, with a lifetime maximum of five grants
- Other forms of support include: Comprehensive support programmes for music companies; Live performance; Sponsorship
- Videos
- Artist development

All programme details are available on: http://www.factor.ca/our-programs/our-programs-overview/

CIMA - The independent, Canadian-owned music industry generated an average $1.22 return in taxes for every $1.00 in support from the federal and provincial governments.
Currently, CIMA is working with the government regarding the renewal of the Canada Music Fund (federal Dept. of Heritage), the proposed Ontario Music Fund, the Ontario Sound Recording Tax Credit and the development of a music export office.
In the past, CIMA has worked with Radio Starmaker Fund, Harvard Broadcasting, Audio Visual Licensing Agency, SOCAN, Canadian Music Week and other public, private and collective partners in their efforts to secure funding and opportunities for Canadian Independent music.[119]

Visas policy and trade regulations

Performing Artists do not require visas in Canada.[120] There are exceptions, however, when an "employment relationship" develops with a Canadian entity.
The Canadian Federation of Musicians (CFM), an organization of the American Federation of Musicians of the United States and Canada, has issued an information sheet for the benefit of foreign artists working in Canada. The document covers the hiring of Temporary Foreign Workers (TFW) in entertainment and film and the applicability of a Labour Market Impact Assessment (LMIA) from Employment and Social Development Canada (ESDC)/Service Canada or a work permit from Citizenship and Immigration (CIC) in order to work in Canada.[121]

[118] Cf. https://www.factor.ca/our-programs/our-programs-overview/
[119] *CIMA*
[120] https://www.immigration.ca/performing-artists-do-not-require-work-permit-in-canada
[121] CAAMA report : http://www.cfmusicians.org/uploads/file/FA%20Info%20Sheet%20_quick%20edit%202017_.pdf (NB: CAAMA's report also includes all necessary Tax forms for Canadian Tax compliance).

Taxes

Since 2018 there is a simplified taxation method for foreign artists working in Canada. This process allows non-resident artists to seek a waiver of regulation 105 withholding tax through the Canadian payer (i.e., the presenter), with no advanced approval from the CRA, as long as they earn no more than CAN$15,000 during the calendar year. Moreover, non-resident artists who file a waiver under the simplified process will generally not be required to file a Canadian income tax return.[122] A similar waiver scheme is in place in the UK and in the Netherlands, for example.

Summary analysis:

While there are no major immigration barriers to European artists wanting to tour Canada, the amount of local support to Canadian artists means that the market can be over-crowded and be hard to access. It is advisable to work with Canadian companies, establishing exchange partnerships that can be mutually beneficial between Canadian and European artists, labels, and the rest of their professional teams. As a result of the legislative framework, Canada has a series of music support mechanisms, with FACTOR - Foundation to Assist Canadian Talent On Record being the most developed funding scheme.

[122] https://www.capacoa.ca/en/services/arts-promotion/news/1663-revenue-agency-simplifies-taxation

Copyright collection societies and main trade bodies

Copyright collection societies

Due to Canada's bilingual, multi-cultural reality, one always has to take into account that there is a general duplication of societies and activities in Canada, between the Anglo- and Franco- counterparts. As such, we find the following PRO's[123].

- ACTRA Performers' Rights Society - ACTRA PRS (www.actra.ca/racs):
As a division of ACTRA PRS, ACTRA Recording Artists' Collecting Society (ACTRA RACS) is a not for profit organization that has been collecting and disbursing equitable remuneration for eligible recording artists for over ten years. Equitable remuneration monies are received through certified tariffs, including private copying and reciprocal agreements.

- ArtistI (www.uniondesartistes.com):
ArtistI is the collective society of the Union des artistes (UDA) for the remuneration of performers' rights.

- Canadian Musical Reproduction Rights Agency – CMRRA (www.cmrra.ca):
CMRRA is a Canadian centralized licensing and collecting agency for the reproduction rights of musical works in Canada. It represents over 6,000 Canadian and U.S. publishers who own and administer approximately 75 per cent of the music recorded and performed in Canada. Licensing is done on a per use basis.

- CMRRA-SODRAC INC – CSI (www.cmrrasodrac.ca) :
CSI, a collective society incorporated in 2002, is a joint venture of the Canadian Musical Reproduction Rights Agency Ltd. (CMRRA) and the Society for Reproduction Rights of Authors, Composers and Publishers in Canada and SODRAC 2003 Inc. (SODRAC). These collectives have granted CSI an exclusive mandate to license the reproduction of musical works in their repertoires for certain uses to various music users, including radio stations, background music services or online music services. CSI licenses its repertoire by way of tariffs certified by the Copyright Board of Canada or by way of privately negotiated agreements.
Together, CMRRA and SODRAC represent the vast majority of songwriters and music publishers whose songs are active in the Canadian market place. CSI's role is to provide a convenient one-stop licensing shop to access a worldwide music repertoire for use in Canada.

- Fonnect Music Licensing – AVLA – (www.connectmusiclicensing.ca):
Formerly known as Audio-Video Licensing Agency, Connect Music Licensing – AVLA administers licences in Canada for the reproduction of sound recordings, and the reproduction and broadcast of music videos on behalf of the copyright owners (usually the record companies). Its members, which consist of all the major record companies, many independent labels, as well as artists and producers, own or control the vast majority of the copyright of all the sound recordings and music videos produced and/or distributed in Canada. Connect Music Licensing also distributes royalties to its members for the communication, public performance or private copying of their eligible sound recordings.
- Musicians' Rights Organization Canada - MROC (www.musiciansrights.ca):
MROC is a non-profit copyright collective that collects and redistributes to its musicians royalties and remuneration flowing from Re:Sound and similar societies around the world. Those monies arise out of the radio airplay, public performance and private copying (the blank CD levy) of sound recordings on which musicians have performed.

[123] The list was taken from: https://cb-cda.gc.ca/societies-societes/index-e.html,

-Re:Sound Music Licensing Company - Re:Sound (www.resound.ca):

Re:Sound (formerly known as the Neighbouring Rights Collective of Canada) is the Canadian not-for-profit music licensing company dedicated to obtaining fair compensation for artists and record companies for their performance rights. On behalf of its members, representing thousands of artists and record companies, Re:Sound licenses recorded music for public performance, broadcast and new media.
Re:Sound is also a member of the Canadian Private Copying Collective, created to receive private copying levies from the manufacturers and importers of blank audio recording media.

- Société de gestion collective des droits des producteurs de phonogrammes et vidéogrammes du Québec – SOPROQ (www.soproq.org):

SOPROQ is a non-profit copyright collective society founded in 1991 whose mission is to ensure that the Quebec makers of sound and video recordings maximize the royalties they are owed in virtue of copyright legislation in Canada and other foreign countries.

- Society for Reproduction Rights of Authors, Composers and Publishers in Canada – SODRAC (www.sodrac.ca):

The Society for Reproduction Rights of Authors, Composers and Publishers in Canada (SODRAC) manages the reproduction rights of musical works of some 6,000 Canadian authors, composers and music publishers as well as of the musical repert oire of over 90 countries. To facilitate the use of these works in all distribution platforms and to ensure a fair compensation to the authors, composers, publishers it represents, SODRAC negotiates collective and individual agreements with users, licensing its repertoire by way of tariffs certified by the Copyright Board of Canada or by way of privately negotiated agreements. In this context, SODRAC collects royalties for the use of the works and redistributes them to the rights holders. It therefore controls all reproduction of its members' works on any type of audio, audiovisual, visual or digital media, as well as the use of recordings on these media. SODRAC members are represented in nearly 100 countries and territories.

- Society of Composers, Authors and Music Publishers of Canada - SOCAN (www.socan.ca):

The Society of Composers, Authors and Music Publishers of Canada (SOCAN) is a performing rights society that administers performing rights in musical works on behalf of Canadian composers, authors and publishers as well as affiliated societies representing foreign composers, authors and publishers.
NB: In May 2016, SOCAN acquired the Seattle-based company Medianet Digital; the organization planned to leverage the company's software and database of rights metadata to assist in the calculation and distribution of royalties for works on digital music streaming services. In July 2016, SOCAN acquired Audiam, a U.S. startup created by TuneCore founder Jeff Price that specializes in managing the distribution of royalties for songs used on digital services such as YouTube, using a database of song recordings and metadata for identification.

Trade Bodies

From the recorded music industry side, we find two main phonographic producer organizations, the former Music Canada, formerly known as CRIA - Canadian Recording Industry Association[124]; and the aforementioned CIMA - Canadian Independent Music Association. Both publish usefull reports on the candian music industry.[125]
From the live music side, we find the Canadian Live Music Association. [126]Their publications include reports on Music Cities, Economic Impact and Live Music Facts.[127]

On the publishing arena, CMPA is the main trade association in Canada.[128]

Other: Besides these trade bodies[129], there are several other organizations representing different interest groups, organized around certain sub-sectors of professionals in the music cluster, and also around different music genres such as Folk Music Canada.[130]

Summary analysis

There are mirror societies in Canada between Quebec and English-speaking Canada, with some cross-over to America (ex. SOCAN acquiring Audiam). Given the support mechanisms available to music publishers in Canada it is recommended that European artist-authors find a Canadian sub-publisher via their European publisher, so as to procure songwriting camp and co-writing opportunities. Should a particular strategy be implemented for a more permanent presence in the Canadian market, any European record labels setting up Canadian companies should also join Re:Sound for their performing rights / neighbouring rights collections. Publishers should join the CMRRA also for mechanicals, as in Canada public performance and mechanical reproduction are paid via separate societies (SOCAN and CMRRA in English Canada, SODRAC in Quebec).

Live

Revenues (ticket sales)

The Canadian live industry is responsible for 20 000 jobs, generating EUR Million 914,50 to Ontario's economy alone. Live music companies in Ontario generated EUR Million 478,58 in revenue from live music activities in 2013 as well as profits of EUR Million 109,74 million.[131]

Consumption patterns

In 2016, 55% of Canadians' expenditure on music was dedicated to live events.[132] Nielsen's data suggests that more Canadians (59%) attended live events in 2017 compared to 2016. The rate is higher (70%) among those aged 18-34.

[124] Music Canada publishes their annual "Playback" report (https://musiccanada.com/playback2018/)
[125] CIMA publishes also numerous useful reports: https://cimamusic.ca/advocacy/publications-submissions-and reports
[126] www.canadianlivemusic.ca
[127] https://canadianlivemusic.ca/research/
[128] http://www.musicpublisher.ca/
[129] *Please also refer to the CAAMA report, p. 165 for a more extensive list of Industry Associations.*
[130] http://folkmusiccanada.org/
[131] https://canadianlivemusic.ca/
[132] Ontario Creates Music Industry Profile

Live music schemes

Canada benefits from a healthy club venue circuit, with several small venues per town (even if by all reports most cities are losing venues that have been closing down for the last few years). Besides the club and small venue circuit, there are arenas as well as arts centres and small auditoriums or small theatre venues across the country. Most small venues charge covers of between EUR 3,20 – EUR 6,4 in small towns, to EUR 6,4 – EUR 16 for major venues in large cities (ex. Toronto's Horseshoe Tavern). Besides the venue circuit, there are several commercial as well as non-profit festivals across Canada.

Main venues and festivals

- Venues

Secondary markets allow artists to extend tours from 6 to 8 dates to 12 or 16; with towns of less than 125 000 having arenas for 5000-person range.[133] There are hockey arena networks also used for concerts throughout Canada, as well as some excellent soft-seat theatre and performing arts centres in major cities.[134] Small to mid-size communities like Medicine Hat or Prince Albert, who choose to invest in theatres, have been able to attract world-class talent.

- Festivals

- Wayhome Music & Arts Festival was named the top major festival of 2016 at Canadian Live Music Industry Awards (promoted by The Republic)
- Toronto Urban Roots (promoted by Collective Concerts) best mid-sized festival
- Live Nation acquired the festival portfolio of Union events: X-Fest Calgary, Chasing Summer, Sonic Boom Edmonton.
- Many festivals are non-profit: Calgary Folk Festival, Edmonton Folk Music Festival, Winnipeg Folk Festival, Hillside Guelph, RBC Bluesfest Ottawa.

Main promoters and bookers

- **Live Nation**: Live Nation Canada is the largest concert promoter; also own Ticketmaster. It promotes annually 1300 to 1500 shows in more than 200 venues in more than 50 cities. Foreign to domestic ratio is 4 to 1. Biggest tours: U2, Coldplay, Guns n Roses, Bruno Mars, Metallica, Lady Gaga; biggest Canadians: Drake, The Weeknd, Michael Bublé, Arcade Fire and Shania Twain.[135] Live Nation rule mid to large level shows, Collective Concerts more localized

- **Evenko:** Evenko is the most important independent promoter, presenting more than 1200 musical, family and sporting events annually in Quebec, Atlantic Canada and eastern US; It is based in Montreal.

- Other promoters:

Montreal: Léquipe Spectra, Greenland Productions, Neon Productions
Toronto: Collective Concerts, Embrace Presents, Fource Ent
Vancouver: Paul Meres Concerts, MRG[136]
Edmonton: Concertworks

APA, formed out of the dust of the Agency Group

[133] IQ Magazine
[134] IQ Magazine
[135] IQ Magazine
[136] MRG and Fource Ent launched a co-production partnership

Conventions and professional events, showcases festivals, trade fairs

Canadian Music Week is the biggest conference and showcase festival event.Other important trade fairs and showcase events are Indie Week, Break OutWest, Canadian Country Music Week, East Coast Music Week. Live at Heart Newfoundland is a Canadian edition of Swedish showcase festival and conference.

Ticketing companies

Ticketmaster, Ticketwindow, Eventbrite, are some of the ticketing platforms in Canada, along with newcomers Ticketfly, Ticketbreak and Ticketwindow:[137]
Bill 166 has created the Ticket Sales Act, which bans the use of ticket bots and sale of tickets through a bot, caps the resale price of tickets to 50% above face value, and establishes new enforcement measures. (Ontario Creates Music Industry Profile)

Summary analysis

Of course, in order for those markets to become relevant for European artists, a certain degree of artist notoriety needs first be achieved via a significant impact on the Canadian market; international artists would not reach those markets on a first visit (unless for example they were paired up with Canadian touring artists). Many of these festivals and venues are members of Live Music Canada, the main trade body for the Canadian live industry.[138].

It is recommended that Canadian showcase events like M and CMW be used to procure partners and team-build; while the first touring should be done in partnership with local artists, opening for or double-billing with Canadians. Exchange tours can and should be utilized as a strategy. Also, US agents are active in Canada and there can be cross-over optimization of resources should a given European artist be entering both markets. Recommendation: "European Reverse Mission" Travel Fund could be set up to invite Canadian agents to Eurosonic and other events, so that they can become more familiarized with new European music. European exploration of the live Canadian market must begin with the showcases: Canadian Music Week in Toronto and M for Montreal (or Mundial for the more traditional / world music acts); after which an European artist should be made sufficient contacts and working relationships to mount a first small tour, promoting a first exploratory release in the market prior to touring under their own name.

Focus: classical and contemporary music

The national association Orchestra Canada provide very useful information for concerning the landscape of orchestras and Classical & Contemporary repertoire.[139]
Each year, Orchestras Canada collects and collates financial information and audience numbers from member orchestras and produces a detailed Comparative Report which is then shared among all the participating orchestras. The 2017/18 Comparative Report contains information from 73 orchestras, including all member orchestras with budgets over EUR Million 1, and almost all orchestras with budgets over EUR 30,000.[140] There is also a website dedicated to Opera.[141]

[137]https://www.thestar.com/entertainment/music/2013/08/13/new_ticketing_companies_turn_up_heat_on_ticketmaster_in_toronto.html
[138] https://canadianlivemusic.ca/membership/directory-of-members/
[139] See www.oc.ca
[140] https://oc.ca/en/resource/comparative-report/
[141] http://www.opera.ca/

Classical music medias

- Radios

There are three commercial radio stations in Canada offering a classical music format:
-CFMZ 96.3 FM, Toronto/103.1 FM, Cobour
- CJPX 99.5 FM, Montreal
- CKCL Classic 107 FM, Winnipeg

The community CKUA radio network in Alberta also airs some classical music programming, as do some campus radio and community radio stations. All radio stations in Canada are required by the Canadian Radio-television and Telecommunications Commission (CRTC) to meet Canadian content targets. For classical music stations, the requirement is 20% Canadian content.

- Music publications:

- La Scena Musicale magazine (Montreal)
- Musical Toronto magazine (Toronto)
- The Wholenote magazine (Toronto)
- Opera Canada magazine
- Musicworks magazine
- Strut Entertainment, Paula Danleyvich, for PR

Publishing

Collective management societies data

Figure 44: Royalties generated by the Board's Tariffs by Canadian collective societies in 2014

Source: Copyright Board Report 2014

The SOCAN has an increasing revenue of royalty collection and distribution since 2010. In 2017, SOCAN's total revenue was EUR Million 248.7, an increase of 7% over the previous year. Gross Expenses were EUR Million 33.8, also a 7% increase, commensurate with growth, and lower in constant dollars than they were 10 years ago. Royalty distributions to members were EUR Million 208.42, an increase EUR Million 4.2 from the previous year.[142]

It makes of SOCAN one of the top music rights organizations in the world. The revenues are distributed to tens-of-thousands of Canadian songwriters, composers, and music publishers, and the millions of rights holders the SOCAN is representing in Canada via agreements with 104 societies in 214 countries and dependent territories.

Domestic Revenues, inclusive of performing rights and private copying rights, totalled CAD 262 million in 2017 (2016 – CAD 263 million).

Performing Rights Revenue

Performing rights collections from licensing the use of global repertoires in Canada remained constant at EUR 184.5 Million in 2017. In 2017, revenue from traditional sources (TV, Cable & Radio) stabilized at EUR Million 117.9, representing a 2.8% decline from the previous year.

Internet revenue continues to exhibit impressive growth, reaching EUR 34.3 million due to very strong growth from existing licensees and new service providers entering Canada. Satellite Radio has continued to show steady growth, with 2017 revenue amounting to EUR 11.2 Million. General & Concert revenues experienced a strong year, reaching EUR Million, as the live music industry remains strong in Canada.

In 2017, a hearing with the Copyright Board was completed for Pay Audio Tariff for the licensing periods from 2010 to 2016. The licensees have proposed lower rates under this interim tariff. While the decision from the Copyright Board is pending, SOCAN may be required to refund license fees previously paid. As such, SOCAN included CAD 13.9 million as an accrued liability – a reduction to revenue.

Re:Sound redistributed in 2017 EUR 32.4 Million to 9.7 million rightsholders. They moved from 28-day radio log reporting to 365-day, resulting in a higher volume of data that leads to greater accuracy in their distributions. Nearly 3,000 new businesses were licensed amounting to a 17.5% increase in revenue.

According to Vince DeGiorgio, President of the CMPA, music promotion still requires a highly proactive approach and is quite costly: "A foreign music publisher coming into this market, who has an artist for whom they are desperate to get some attention, has got to put two to three thousand dollars into marketing a record through radio because the majors may never get to your music. [...] The hardest thing for me to accomplish is to get a record on Canadian radio. I can afford the budget for the promo people who handle that aspect. [...]Pro-activity is the lifeblood of the independent publisher. If you don't have the ability to provide opportunities for your writers by sending them to foreign territories, you will never make an impact here."[143]

[142] SOCAN yearly report 2017
[143] CAAMA report

Publishing market

In 2015[144], the Canadian sound recording and music publishing industry generated EUR 104.8 Million in total music publishing royalties and rights. From this amount, EUR 51.02 Million stemmed from performing rights (48.7%); EUR 14,9 Million (14.2%) from mechanical rights; and EUR 14.01 Million from synchronization rights.[145]

Synchronisation

There are several sync agencies and music supervision companies in Canada. In Toronto, for example, Michael Perlmutter, Vapour Music, the Supergroup and others[146]; the CMW sync summit is a good starting point to meet the Canadian music supervisors and sync experts.

Challenges and opportunities

It is recommended that European artist-authors find a Canadian sub-publisher via their European publisher, so as to procure songwriting camp and co-writing opportunities as well as synchs. Should a particular strategy be implemented for a more permanent presence in the Canadian market, any European record labels setting up Canadian companies should also join Re:Sound for their performing rights / neighbouring rights collections. A "Radio Promotion" fund could be set up in Europe to assist European publishers with active radio promotion in foreign territories. In order to maximize their publishing revenue, European artists can also procure Canadian synchs via the music supervision companies in Toronto and Montreal: the CMW sync summit is a good place to start meeting these professionals.

Media

Radio

The radio market is becoming more and more concentrated in Canada. Most of the smaller stations have been acquired by large media conglomerates whose profits from radio have balooned over the ensuing years. In the 1990s, the top ten commercial radio groups claimed just over half of the industry's revenue share. By 2015, their share had grown to 82%. From 1996, the radio industry's net profit before taxes was equivalent to EUR Million 3,8 and one year after the exemption was enacted, in 1998, it had ballooned to EUR Million 53,9. It has continued to increase steadily until 2016, at approximately EUR Million 280,41M.[147] Media companies like Bell and Rogers have transformed into huge, vertically integrated conglomerates. Today, they control not only the pipeline through their telecom and cable networks, but much of the content that flows through it via television networks, radio stations and other media properties they own.[148]

Canada has one national public broadcaster, one satellite service, and thousands of radio stations. The CAAMA report provides a select listing of radio networks / groups and stations in key markets.[149] [150]

Most Canadian Universities and Colleges also have their own campus radio, sometimes online but also often with FM transmitters.

[144] Please also refer to the CAAMA report, p. 95 for a list key publishing companies.
[145] Ontario Creates Music Industry Profile.
[146] CAAMA report, P.98.
[147] Music Canada
[148] Music Canada Value Gap Report
[149] CAAMA Report
[150] For a full index of Canadian radio stations, visit the Canadian Radio Directory (www.canadianradiodirectory.com)

Music Magazines

Exclaim! is now Canada's only nationally distributed general interest music magazine operating as a print publication.[151]
Canadian Musician magazine is Canada's magazine for professional and amateur musicians. Published since 1979, the magazine covers prominent Canadian artists, the latest gear, technique and the business of music. Published bi-monthly, Canadian Musician features regular columns on Guitar, Bass, Keyboards, Percussion, Brass, Woodwinds, Vocal, MIDI, Business, Songwriting, Live Sound, Recording and On-Line Music. Also included are classified ads, opportunities for musicians, new releases and new products.
Published by NWC, Canadian Musician is distributed across Canada through newsstands, music stores and record stores and by subscription across Canada and internationally. (http://www.canadianmusician.com/)

Music blogs, webzines, websites

FYI Music News (ed. David Farrell) is the most well-known online trade magazine. The website Feedspot has a comprehensive list of 70 music blogs who cover a wide range of genre which is regularly updated.[152]

Social media

According to the Canadian Internet Registration Authority (CIRA), 74 percent of Canadians spend at least 3-4 hours online per day. The third most popular online activity is engaging on social media (67 percent).153 According to SOCIALscape Facebook is by far the more popular social media, followed by LinkedIn and Google+, Instagram, Pinterest, Twitter, YouTube, Snapchat Reedit, Tumblr, Meetup and Flickr.

Summary analysis:

It is recommended that European artist-authors find the right promotion and radio plugging partners in Canada. A "Radio Promotion" fund could be set up in Europe to assist European publishers with active radio promotion in foreign territories; as well as a "Music Promotion" fund for PR & communications. A visit to Canadian Music Week's international marketplace at CMW could be a starting point for finding the right PR people for any given project in English-speaking Canada. Finally, college radio (colleges and universities) is worth investing into so as to assist with touring that college and university circuit as well. There are some cross-border college radio promotion companies from the US that also work Canada (ex. US-based Planetary PR), and vice-versa.

How to export in Canada ?

Good practices

In a big picture view, Canadian Heritage notes that arts, culture and heritage represent CAN $54.6 billion in the Canadian economy and more than 630,000 jobs in sectors such as film and video, broadcasting, music, publishing, archives, performing arts, heritage institutions, festivals and celebrations.[154]
It is clearly a country that likes the arts, and specifically, music and which as positive growth indicators (cf. Part 4) This analysis and projections affirm Canada as a primarily live market, with the counter-intuitive geographical reality that it is a huge country that is not easy to tour by road (lots of driving in between towns!).

[151] See www.exclaim.ca
[152] https://blog.feedspot.com/canadian_music_blogs/
[153] CanadiansInternet.com
[154] CAAMA Report

One good practice is to grow your audience locally, on a city-by-city and then province-by-province basis; with Ontario and Quebec being the obvious starting points for artists dependent on their artistic language and cultural roots.
Radio remains the primary driver for music discovery in Canada. 52% using over the air AM/FM radio and 21% listening to AM/FM radio online. Moreover, online AM/FM radio is the most popular discovery tool for millennials, though discovery via online streaming services is growing.[155]

Specificities of the market, challenges and opportunities

As mentioned in the introduction, the two-language market segmentation between the province of Quebec, French-speaking, and the rest of Canada, English-speaking, makes it worth considering that while a French-language artist or world-music artist should naturally include Quebec into his or her management / internationalization plan, for most artists it is English-speaking Canada, with the province of Ontario at the helm, that is the "main" Canadian market.
While the amount of cultural sponsorship and support might be seen by some as protectionism, the Canadian approach to CANCON, the Canadian quota system to broadcast on radio and television, and all the support given to the creative and music industries, is more based on a recognition of the cultural worth that Canada - or in fact any culture that is part of the multi-cultural Canadian cultural fabric - has to offer. As such, culture is prized and so is diversity. How to turn this apparent challenge into opportunity?

Avoid a targeted approach to European communities in Canada

One potential approach - that reveals itself as all-too-easy and not effective or impactful - is centered on the multi-national European communities that have settled in Canada. On first glance it could appear that just as France has a ready-made market in Quebec, other EU countries could potentially find niche markets, of varying sizes, within their immigrant communities that have settled in Canada. While this may be true to some degree of more traditional, historic or popular music styles, it is as removed as could be from the reality of music export. To clarify on a case-by-case basis why this is so would require a full sociological study on the European communities in Canada; so we propose in this final analysis to use the experience that AMAEI, the Portuguese Independent Music Trade Association, had, when Portugal and Spain were the country focuses at CMW 2012: Most Portuguese showcasing artists that showcased at CMW were "segregated" onto a venue that, while technically excellent, was a bit off the beaten path from the regular Toronto venue circuit, geographically closer to the Portuguese community. The result was that neither the CMW professionals came, nor did the Canadian regular audiences - compounded by the fact that the new artists on the bill had virtually no brand name recognition with the Portuguese community in Toronto, who did not come. CMW, even though it is Canada's biggest music event, was just not on their radar at all. There was also a clear generation gap, in that while the older Portuguese community might support traditional types of music artists (Fado etc.) the younger Portuguese-Canadians are well integrated into the regular mainstream fabric of Canadian society and are not necessarily on the lookout for new Portuguese talent just because they are Portuguese. It is my belief that this "targeted" approach to specific European communities in Canada is a dead end; rather, European music should be exported with the necessary support structure and funding programmes that offer a chance at mainstream success, or rather, a chance to compete directly at whatever style or niche are suitable within the wider Canadian "main" audiences - not the European communities.

[155] Nielsen Canada, 360 Canada Report highlights, July 2016, p.5

European-artist-in-residency programme could be more effective

Also, the challenges and opportunities presented by such a rich domestic market as Canada means that a specific "residency" approach would potentially yield better results. Although this is untested (so far), an "European-artist-in-residency" programme, preferably with Canadian composers/authors and publishers on board, would be one conceivable approach, from the perspective of music exchange rather than music export. (This is also corroborated by the testimonial from Vince DeGiorgou above.)

European artists need to be able to afford:

- One initial showcase festival visit (ex. CMW)
- Radio plugger for College/University radios
- Radio plugger for Commercial radio across Canada
- PR person (for record release campaign)
- Tour support

Marketing & Publicity support

Even though with the rise of Hip-Hop, several small venues have closed in Toronto, for example, live touring remains a definite inroad into Canada as over half of Canadians (59%) are attending live events (at large and small venues as well as festivals), with the rate being higher for millennials (70%).[156]
This certainly makes Canada a market worth investing in, provided there is a solid twin-pronged strategy between the individual artist management & international development plan AND European Export Mechanisms that can assist that plan, placing the European Artists on equal footing with the Canadians that dominate their home market.

Final summary & recommendations

As with most markets, a first appearance by a European artist at a showcase festival like CMW, M for Montreal or Mundial Montreal should be the initial step. That showcasing and team-building effort would be followed up via a Canadian release with PR and radio plugging support, aimed at the right radio sector (commercial and/or college) and a small venue tour to follow - preferably with a Canadian artist pairing. While it isn't easy to land a Canadian booking agent, the strategy of proposing an "exchange" double-bill could be attempted, establishing and interchange between Canada and Europe between artists and agencies.
Within a solid two-year plan for export-ready European artists, I would recommend a professional first visit with CMW as the entry point for first contacts, via CMW's International marketplace run by Kathy Hahn - EMEE could then set up an "European House" annual mission to showcase a selection of export-ready European artists each year at M for Montreal; with an eye to completing the team via local representation from the complete set of music cluster professionals / companies:

- local agent
- PR / radio plugger
- sub-publisher
- label

This strategy could be augmented and localized via songwriting partnerships and via touring partnerships with Canadian artists, rather than going it alone.
Arguably, CIMA can potentially become a good partner for Europe's Export Offices, members of EMEE; but also a potential bilateral partner for IMPALA (or indeed IMPALA's national Trade Associations of Independent Labels) members looking to export from Europe into Canada.

[156] Ontario Creates Music Industry Profile

EMEE could, under the Music Moves Europe preparatory actions for 2020, launch a first Canadian mission at CMW 2020 (Delegates only) with a series of EMEE showcases at M for Montreal 2020 to test the waters, should the DG-EAC wish to test some of the ideas exposed above.
This would mean launching an open call for participation for professional delegates to attend the international marketplace at CMW 2020 as well as a second call for European showcases at M for Montreal / Mundial 2020, splitting the investment between the MME preparatory action and the individual music companies interested in exporting the selected artists, from a geographically and culturally diverse European selection.
The two-year support plan would then see the individual artists and their teams exploring their own release and tour opportunities that would ensue in 2021 flowing from the 2020 showcasing and networking efforts; with individual support for touring, radio promo etc. from the newly-established 2021 funding mechanisms part of the next Culture programme.

2- South-Africa

Executive summary

The South African Music Market

South Africa is the most developed and industrialized country in Africa. With a GDP of $376.6 Bn and a media and entertainment industry of over €5.7Bn, South Africa can offer good opportunities for European artists. Thanks to solid and well developed infrastructures (good roads, very good quality bus, train and plain transportation, high and safe internet access and developed bank system), the music industry in South Africa is well organized and generate revenues far beyond other music markets in Africa: recorded music stands at $44.1M in 2017 (€39.3M) ; live music ticket sales at $83M€ (€74M) ; SAMRO collections for an amount of €31.5M.
Europe is one of the first export market for South Africa and South Africa is the first sub-Saharan African market for Europe.
European artists can benefit from a unique presence of festivals in South Africa both international festivals and independent and local festivals. However, touring in South Africa remains very complicated because of the lack of venues (even in the biggest cities) and the long distances between two places in South Africa and the geographical situation of South Africa.
Even if SAMRO suffers from diverse controversies, copyright law exists in South Africa and is generally respected. Medias and festivals are aware of the copyright law and their obligation to pay SAMRO. South African music market has a strong issue with piracy, but it is still one of the safer countries for copyright in Africa.

The South African music market from a European export point of view

International music platforms were launched in South Africa: Deezer, Apple Music, Spotify and Joox are competing the market. Digital music is a fast-growing market but strong obstacles remain (piracy, high data costs, a very low will to pay for streaming services) and streaming music consumption is still at its very beginning. Radio and social medias play the biggest role in artist discovery. Most of the famous international artists in South Africa are north American artists or African artists. Nevertheless, the jazz scene, the electronic music scene, "world music" and the diaspora's music scene are some of the niche markets, that can be considered as open door for European artists.
Therefore, we would recommend music professional to work on social medias, radio and television first and identify music festivals that suits to their music. Then, work with reliable local professionals.
A stronger barrier is the distance and the costs of artist mobility for European artists as well as for local artists. Some initiatives to increase this mobility exist. Even if South Africa government has been taken strong measures and funding programs towards culture, a wide range of programs towards music are driven by European countries' cultural institutes or by non-governmental cultural organizations. These organizations try to reinforce the live music promoters, venues and festival capacities and artist mobility too. We can schematize those initiative with two schemes. The first one is acting towards artist mobility and repertoire circulation and encompass short term actions driven by cultural institutes. These initiatives enable European artists to play in South Africa (and sometimes South African artists to play in Europe), do residencies with local artists, participate in workshops. They are most often driven in collaboration with local professionals and can benefit to both European artist and South-African artists. Nevertheless, in a music business perspective, even if these initiatives enable European artist to play their first concerts in South Africa, it does not seem that they strongly help creating a fanbase in South Africa, that can lead to a profitable tour in South Africa. However, cultural institutes have a good knowledge of

South African professionals and are very helpful when it comes to reinforcing collaborations and an artistic presence in South Africa. The second kind of initiatives are long terms initiatives, with a will to help the development and reinforcement of the music industry in South Africa. For instance, Goethe Institut funds Music in Africa, a very interesting panafrican project, that aims to build an information and exchange web portal dedicated to the African music sector. Besides the web portal, the Music in Africa Foundation runs several offline projects across Africa to support the music sector on the continent. This initiative strengthens music industry over the African continent. The Norwegian Ministry of Foreign Affairs funds SAMRO foundations' Concert SA, a program that aims to reinforce the live music sector. With the help of research, the initiative identified the weak points of the live sector: artist mobility, venue sustainability, promoters' capacities and developed adapted programs to respond to these issues. IFAS, in partnership with Tshimologong incubator, created the Digital Content Hub, where African music companies are incubated (streaming platforms…). These initiatives participate in capacity building and improve the situation of the music sector in South Africa. In the long term, these initiatives increase the collaboration capacities between Europe and South Africa.

Towards a European-South Africa cooperation

One needs to be aware of the historical baggage in the European relationships with South Africa. It needs to be also acknowledged, that South African artists and professionals face strong visa obstacles as well as strong money investments needs (1 rand = 0,061€), when they want to come to European countries. Bearing this in mind is necessary when it comes to designing policy recommendations.
The following study is a first very suitable way to orientate the music professional behaviour to build a development strategy toward South Africa. With a European export strategy point of view, it needs to be deepened in the direction of an even better identification of the music local professional willing to work with European professionals. Then, different programs can be imagined in order to deepen the knowledge of European music professional towards South Africa and vice versa:

- supporting capacity building projects for South African music professionals
- creating networks of European and South African music professionals and support workshops and professional exchanges
- enabling mobility of South African professionals to key music business events in Europe
- supporting artistic exchange projects (production camps, writing sessions, artist residencies…) between artists from Europe and South Africa

Working with reliable local non-government initiatives or organizations (e.g. Music in Africa, SAMRO Foundation) needs to be considered in order to develop these types of initiative in a suitable way.
If the EU is willing to support and help this market growth and structuration, European companies could get an advantage over e.g. the US companies by using developed structures and networks of music professionals. The European Union, within the framework of its development policies has programs towards the creative industries. We would recommend to allocate the funds towards initiatives that strengthen the music industry in South Africa such as Concert SA, IGODA Network, Music In Africa and pan-African networks for music tours in Africa.

South Africa: political, economic and demographic context

Overview of South-African socio economical indicators

Population: 57.7M (mid-2018)

Language: Afrikaans, IsiNdebele, Sepedi, SeSotho sa Borwa, SiSwati, XiTsonga, SeTswana, TshiVenḓa, IsiXhosa, IsiZulu, and South African Sign Language (official languages)

Currency: Rand (ZAR)

Rate: R1 = 0,061€ (2019)

GDP (2018): $376,6Bn (rank: 31) (IMF)

GDP quarterly change (4Q18): 1,4% (Statssa)

GDP annual change (4Q18): 1.4% (Statssa)

GDP per capita (2017): $13 545 (OCDE)

Average monthly earnings including bonuses and overtime: R19 244 (statssa)

Public debt (2017): 53%

Unemployment rate (2017): 27.5% (OCDE)

Inflation (Jan-2017): 5,3%

Sources: Statssa, Trading Economics, Focus Economics, IMF, World Bank, Ovum, OCDE

South Africa: political, economic and demographic context

With a GDP of $376,6 billion South Africa is ranked 31 on the list of countries per GDP according to the IMF in 2018. South Africa is known as an upper-middle income economy and stands at one of the most industrialized country in Africa. Since 1994, the young democracy of South Africa is under the rule of the African National Congress, Mandela's party.

South Africa arise from a complex history of colonization and apartheid that lead the country to complex interracial relationships that still represent challenges for the country. South Africa is composed by an estimated population of 57,7 million for mid-year 2018 with:

- 80,9% of black African people
- 8,8% of coloured people
- 7,8% of white people
- 2,5% of Indian/Asian people

With an area of 1 219 912 km^2, South Africa stands as the 25th biggest country of the world. The population of South Africa lives in metropolitan area (41%) cities (28%) and rural areas (31%). The largest share of the population is located in the Gauteng region (25,4% of the population) with 5,6 million of people living in Johannesburg (metropolitan area: 10 million) and 2,4 million in Pretoria. KwaZulu-Natal is the province with the second largest population, with 11,4 million of people (19,7%) living in this province and 600 thousand in Durban (metropolitan area: 3,8 million). Western Cap and Eastern Cap are the following most populated regions with 4,4 million of people living in Cape Town. With a

population of approximately 1,23 million people (2,1%), Northern Cape remains the province with the smallest share of the South African population[157].

The repartition of the population by languages and race needs to be mentioned. South Africa has eleven official languages: Afrikaans, IsiNdebele, Sepedi, SeSotho sa Borwa, SiSwati, XiTsonga, SeTswana, TshiVenḓ a, IsiXhosa, IsiZulu, and South African Sign Language

The repartition of the population in the country by ethnicity is the following one – mostly inherited from the colonization past - according to the 2011 Census[158]:

[157] Statssa
[158] http://www.statssa.gov.za/

The repartition differs also from a city to another:
In *Durban* - 51% of residents are Black African. Nearly one-quarter of the population is Indian or Asian, while 15.3% are White, and 8.6% are designated as Coloured; In *Johannesburg* - Black African (76.4%), Coloured (5.6%), White (12.3%) and Indian/Asian (4.9%); In *Cape Town* - Coloured (42.4%); Black African (38.6%); White (15.7%); Asian or Indian (1.4%); other (1.9%)[159].
About 29.5% of the population is aged younger than 15 years and approximately 8.5% (4.89 million) is 60 years or older. Life expectancy at birth for 2018 is estimated at 61.1 years for males and 67.3 years for females.
Despite being a very well-developed country in Africa, the country has to deal with strong inequalities issues. South Africa is the most unequal country of the world according to GINI indicator that stands at 63.00.

According to OCDE, "unemployment remains high at almost 28% of the labour force, contributing to persistent inequalities in income and economic opportunities".

As a consequence, South Africa is a very divided country and one needs to be aware of a strong insecurity in the cities.

Nevertheless, in terms of infrastructures, South Africa offers comparable amenities, technology and internet access, quality healthcare as western countries. What is more, South Africa has excellent road, rail and air transport. Public transport includes the Gautrain, an 80-kilometre commuter train service between Johannesburg and Pretoria, and the bus-rapid transport system. The financial and banking system are well developed and one can use Mastercard or visa card almost everywhere. These conditions easily enable the development of cultural industries.

South Africa: entertainment and music industry

According to PwC research, South Africa is the leading market in Africa for the Media and Entertainment industry[160]. In 2017, Media & Entertainment industries represented a total amount revenue of $9.8 million.

The report states that consumer spending to Music and Podcasts stands at €116 million in 2017, which represents a year on year growth of 0.6%. PWC foresees 5.8% growth between 2017 and 2022.

[159] World Population Review: http://worldpopulationreview.com

[160] Entertainment and media outlook: 2018–2022, An African perspective, PwC, Ovum, www.pwc.co.za/outlook

South Africa: Consumer E&M spending, 2013–2022 (R millions)

South Africa	Historical data					Forecast data					CAGR %
Category	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2017–22
Books	3 832	3 828	3 812	3 818	3 828	3 849	3 871	3 880	3 882	3 886	
YOY growth (%)		*-0.1%*	*-0.4%*	*0.2%*	*0.3%*	*0.6%*	*0.5%*	*0.2%*	*0.0%*	*0.1%*	*0.3%*
Business-to-business	4 174	4 515	4 697	4 907	5 090	5271	5 438	5 587	5 719	5 833	
YOY growth (%)		*8.2%*	*4.0%*	*4.5%*	*3.7%*	*3.6%*	*3.2%*	*2.8%*	*2.4%*	*2.0%*	*2.8%*
Cinema	945	941	1 113	1 171	1 193	1235	1 282	1 328	1 373	1 417	
YOY growth (%)		*-0.4%*	*18.3%*	*5.2%*	*1.8%*	*3.6%*	*3.8%*	*3.6%*	*3.3%*	*3.2%*	*3.5%*
Internet	23 882	26 868	35 203	41 907	48 321	54 830	61 576	68 407	75 233	81 786	
YOY growth (%)		*12.5%*	*31.0%*	*19.0%*	*15.3%*	*13.5%*	*12.3%*	*11.1%*	*10.0%*	*8.7%*	*11.1%*
Magazines	5 007	5 423	5 609	5 310	5 113	4 959	4 833	4 709	4 596	4 500	
YOY growth (%)		*8.3%*	*3.4%*	*-5.3%*	*-3.7%*	*-3.0%*	*-2.5%*	*-2.6%*	*-2.4%*	*-2.1%*	*-2.5%*
Music and podcasts	1 743	1 837	1 830	1 846	1 858	1 930	2 049	2 189	2 322	2 458	
YOY growth (%)		*5.4%*	*-0.4%*	*0.9%*	*0.6%*	*3.9%*	*6.2%*	*6.9%*	*6.1%*	*5.8%*	*5.8%*
Newspapers	2 644	2 667	2 665	2 644	2 606	2 554	2 488	2 408	2 317	2217	
YOY growth (%)		*0.9%*	*-0.1%*	*-0.8%*	*-1.4%*	*-2.0%*	*-2.6%*	*-3.2%*	*-3.8%*	*-4.3%*	*-3.2%*
TV and video	18 210	19 177	21 068	23 700	24 733	26 488	28 130	29 618	30 752	31 761	
YOY growth (%)		*5.3%*	*9.9%*	*12.5%*	*4.4%*	*7.1%*	*6.2%*	*5.3%*	*3.8%*	*3.3%*	*5.1%*
Video games	1 658	1 948	2 247	2 563	2 997	3 485	4 022	4 617	5 299	6 066	
YOY growth (%)		*17.5%*	*15.4%*	*14.1%*	*16.9%*	*16.3%*	*15.4%*	*14.8%*	*14.8%*	*14.5%*	*15.1%*
E-sports	1	2	2	3	6	7	10	13	17	20	
YOY growth (%)		*-*	*60.0%*	*37.5%*	*66.7%*	*34.5%*	*36.5%*	*30.7%*	*25.8%*	*21.1%*	*29.6%*
VR	0	0	0	28	75	174	305	419	549	671	
YOY growth (%)		*-*	*-*	*-*	*-*	*132.1%*	*74.9%*	*37.4%*	*31.2%*	*22.1%*	*55.0%*
Total consumer	**61 444**	**66 354**	**77 116**	**86 404**	**93 923**	**102 423**	**111 122**	**119 707**	**127 923**	**135 736**	
YOY growth (%)		***8.0%***	***16.2%***	***12.0%***	***8.7%***	***9.0%***	***8.5%***	***7.7%***	***6.9%***	***6.1%***	***7.6%***

Sources: Entertainment and media outlook: 2018-2022, An African perspective, PwC, Ovum, www.pwc.co.za/outlook

According to PWC, "the internet streaming revolution has had positive implications for TV and video, and more strikingly, music, which is up for a healthy future after years of depressed growth".

Figure 11: South Africa: Data consumption by content type, 2017–2022 CAGR (%)

Sources: Entertainment and media outlook: 2018–2022, An African perspective, PwC, Ovum, www.pwc.co.za/outlook

Figure 45:Digital Import Pie - South Africa

Source: BMAT

Figure 46: Radio Import Pie - South-Africa

Source: BMAT

Digital and radio figures show that the South-African market is listening to less than a quarter of local repertoire, which is a sign of a highly internationalized market and thus an opportunity for European music export. However, while the share of English-speaking repertoire (US and UK) is larger on digital than on the radio, the share of "EU 27" and "other" is reduced on streaming.

South Africa has the strongest music industry of Africa with:

- a recorded industry ranked 31 in the world according to IFPI
- a live sector that represents €74M according to IQ
- a collection society that collected 31,5M€ last year (first collecting society of Africa)

Legislative framework

Copyright legislation

The copyright law of South Africa governs copyright, the right to control the use and distribution of artistic and creative works, in the Republic of South Africa. It is embodied in the Copyright Act, 1978 and its various amendment acts, and administered by the Companies and Intellectual Property Commission in the Department of Trade and Industry. South Africa is a party to the Berne Convention and the TRIPS Agreement. It has signed, but not ratified, the WIPO Copyright Treaty.

Initially, after the creation of the Union of South Africa in 1910, the copyright laws of the four formerly-independent provinces continued unchanged. In 1916, Parliament enacted the Patents, Designs, Trade Marks and Copyright Act, 1916, which repealed the various provincial laws and incorporated the British Imperial Copyright Act 1911 into South African law. In 1928, along with the other British dominions, South Africa became a party to the Berne Convention in its own right.

South Africa having become a republic in 1961, Parliament enacted its own copyright law, separate from that of the United Kingdom, in the Copyright Act, 1965. Nonetheless, this act was largely based on the British Copyright Act 1956. In 1978 it was replaced by the Copyright Act, 1978, which (as amended) remains in force. The 1978 Act draws both from British law and from the text of the Berne Convention. It has been amended several times,

most notably in 1992 to make computer programs a distinct class of protected work, and in 1997 to bring it into line with the TRIPS agreement.

For literary, musical and artistic works, except for photographs, the copyright term in South Africa is fifty years from the end of the year of the author's death, or fifty years from publication if it is first published after the author's death.

Revenues and status of artists

There is no specific data or research available that investigates the specific situation of musicians in South Africa. The report therefore sources mainly personal interviews conducted during the fact-finding mission.

If we leave out the most successful artists, which are doing well but would distort the overall picture, most of the artists are not able to make a living from their music. As in other countries they are trying to find jobs related to music, such as teaching, working as session musicians or composing for commercials, but these jobs are rare. Thus, the majority of musicians cannot dedicate their full time on music.

As freelance workers, the majority of musicians and related workers are responsible for their own health and medical insurances (which are reported to be quite expensive) as well as insurances for the equipment they use within their professional capacity.

Freelance workers have to create their own legal and financial protection against discrimination, exploitation and workplace disputes. They are not entitled to join a trade union and are also excluded from dispute resolution using the CCMA (Council for Conciliation, Mediation and Arbitration).[161]

Music support and funds

The South African government is aware of the importance of creative and cultural industries for social cohesion, but also economic perspectives. Three departments are involved in the development of these industries: Department of Arts & Culture (DAC), Department of International Relations and Cooperation (DIRCO), Department of Trade & Industry (DTI). As far as we know, the first two provide funds for culture and creative industries.

The department Arts and Culture of the Republic of South Africa sends out a call for proposals on key MGE work streams once a year that is made available on the website with all relevant information. MGE stands for Mzansi Golden Economy, a government commitment envisaging the creation of 5 million jobs over the next 10 years, that also includes interventions to reinforce the Arts, Culture and Heritage (ACH) Sector as an economic growth sector. Applications are accepted in the following three programmes: Cultural Events Programme, Touring Ventures Programme and Public Art Programme. Details can be found on the department's website: http://www.dac.gov.za/details-funding

The Department of Trade & Industry fund IMEXSA is the export office for independent south African music.

Although funding schemes do exist at a governmental level, according to most interviewed professionals, it is not fulfilling its role in terms of structuration of the music industry. Even if some interviewees stated that the Department of Arts & Culture has a good vision towards creative industries that result into good policies, most of them criticise the choices of funding mostly large events and festivals and leaving out the core players of the music ecosystem (venues, recording industry). Furthermore, the selection process is perceived as non-transparent.

It is important to mention SAMRO foundation, that plays an important role in building a structured music industry. The SAMRO Foundation (NPC) is an independently registered not-for-profit company that manages the Corporate Social Investment (CSI) and music

[161] http://www.sacia.org.za/docs/employment-guide/freelance-guide-2017-08-01.pdf

education programmes of the Southern African Music Rights Organisation (SAMRO) Group. The Aims and Objectives of the SAMRO Foundation are to:

- promote the national arts through sponsorships of various kinds,
- encourage excellence in the arts through education,
- facilitate economic participation in the creative economy
- influence cultural and arts policy by means of research and advocacy, and
- to promote living cultural heritage.

The SAMRO Foundation is involved in outreach programmes and sponsorship of the arts to create and maintain an environment in which the arts in South Africa may flourish. This includes giving broad support to composers, musicians, and arts organizations in South Africa.

The Foundation offers some of the largest scholarships and bursaries for music students in the country. The Overseas Scholarships and Legacy Projects have helped boost the careers of many well-known performers.

Through the Stakeholder Hub they build relationships with other arts organizations and help incubate their growing businesses. Among them is the Moshito Convention. Concerts SA encourages performance of music throughout the region by offering mobility funding and supporting grants for concerts.

The Archive is home to over 64 000 scores of music by Southern African artists as well as audio, photographs, research and biographies gathered over the past century. The archive is constantly growing and SAMRO Foundation encourages this by commissioning new original music.
Details and source: http://www.samrofoundation.org.za/

There's some smaller programs and initiatives, such as:

- The National Youth Music Foundation: http://www.nymc.co.za/
- The Apollo Music Trust: https://www.richardcock.co.za/apollo-music-trust
- Bridges For Music http://www.bridgesformusic.org/
- CTEMF Connect https://www.ctemf.com/about/
- The South African Disabled Musicians Association: https://sadmamusic.org.za/
- and provincial departments for arts and culture, that can be found here: https://provincialgovernment.co.za/

Besides funding schemes, some private sponsors, as for example Red Bull, or telcos and banks, are quite active, mostly supporting live events.

According to interviewees, the State provides serious amounts of money for the music sector and although especially some bigger events and festivals seem to benefit well from these sources, it has come up often, that the funding by the Department of Arts and Culture are hardly accessible to the majority of artists and organizers in the music sector. Corruption seems to be a very serious issue.

Accessible public funding opportunities for venues (excepting the concert SA programme), national and international touring activities, recordings, marketing and distribution, education for music professionals and classical music ensembles and orchestras are missing. It seems that the issue is not necessarily the amount of money available, but rather that it does not reach the organisations trying to build a sustainable music ecosystem in South Africa.

In practice, initiatives towards the music industry are mostly driven by foreign partners. Most of them are national institutes or non-governmental organisations from European countries (see: existing collaborations and funds with European professionals/countries)
Visas policy and trade regulations

Although citizens of most European countries are currently exempt from needing a visitors' visa if they visit the country on a temporary basis for tourism or business purposes for a period of 90 days or less (a list of countries which are currently exempt can be found here: http://www.dha.gov.za/index.php/immigration-services/exempt-countries),

Musicians from European countries, who want to perform in South Africa, are required to apply for a visa at the South African embassy or their home country.
Information on Visa applications is available here :
http://www.dha.gov.za/index.php/applying-for-sa-visa

Since 2016, the "Economic Partnership Agreement between the EU and the Southern African Development Community (SADC) countries" is temporarily executed (it will be reviewed after five years).
Pro-development orientation. The key points of the agreement are:

- The agreement is an 'asymmetrical' agreement. The EU guarantees Botswana, Lesotho, Mozambique, Namibia, and Swaziland duty-free and quota-free access to the EU market.[162] It also grants South Africa enhanced market access beyond the provisions of the previous agreement.
- The agreement does not require the SADC countries to match the market access granted to them by the EU. SADC may maintain tariffs on certain products to protect them from international competition.
- Economic Partnership Agreement (EPA) countries can increase import duties if imports from the EU increase so much or so quickly that they threaten to disrupt domestic production.

Geographical indications

- EU producers of traditional products with a worldwide reputation, e.g. wines and food products, have the exclusive right to use their traditional names in South Africa.
- Several South African 'geographical indications' are protected on the EU market, such as different types of wine and rooibos tea.

Sustainable development

All parties are required to uphold social and environmental standards.
The agreement establishes a consultation procedure for environmental or labour issues and defines a comprehensive list of areas for cooperation between the partners to foster sustainable development.

Taxes

Online Value-Added Tax: In May 2014, South Africa published regulations relating to registration and payment of value-added tax on all online transactions conducted in, from, or through South Africa. Currently levied at 14%, the tax includes online selling of content such as films, TV series, games, and e-books.
Detailed information on business and tax can be found here: http://www.sars.gov.za/

[162] https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=LEGISSUM:0702_21&from=DE#keyterm_E0001

Copyright collection societies and main trade bodies

Copyright collection societies

SAMRO – (South African Music Rights Organization) for composers, lyricists and publishers.
SAMRO's primary role is to administer Performing Rights on behalf of their members. They do so by licensing music users (such as television and radio broadcasters, live music venues, retailers, restaurants, promoters and shopping centres), through the collection of licence fees which are then distributed as royalties. [Source: http://samro.org.za/about]

SAMPRA - collective management organization (CMO) of recording artists and record labels. Copyrights from: communicating sound recordings to the public + diffusing of sound recordings + broadcasting of sound recordings.
Partnerships in EU: Italy, Netherlands, Portugal, Spain, Sweden, Poland, UK (Russia)
Partnerships in Africa: Nigeria (COSON)
3893 recording companies affiliated.

CAPASSO – Composers, Authors and Publishers Association. It is a mechanical rights agency which collects and distributes royalties to its members: music publishers & composers.

Trade bodies

RiSA - The Recording Industry of South Africa
Formally known as ASAMI, RiSA is a trade association representing the collective interests of producers of music sound recordings in South Africa. The organization was created in the 1970's to represent the interests of a broader cross-section of music industry stakeholders and included manufacturers, retailers, wholesalers and distributors. RiSA has the IFPI label.

AIRCO - The Association of Independent Record Companies
Non-profit, Section 21 registered company (2006/007204/08), serving as South African national music industry association; pro-actively serving and representing the interests and development of South African independent record labels across South Africa and the world. Our membership comprises of independent record companies, across the full spectrum of music genres, from across South Africa, and ranging from small sole traders to some of the biggest independent operators in the country. AIRCO's vision is to have independent record labels (companies) occupying the biggest market share and their music getting greater visibility at national and international platforms with sharp focus on influencing South African cultural policies to provide adequate market access and culture diversity.[163]

MASA - Musicians Association of South Africa
MASA is a collective of music professionals, based in South Africa, stimulated by concerns that the country's music industry has few professional standards and lacks support structures and legal resources. This results in artists being exploited by opportunists who undermine the creative and production efforts of serious professionals. The problems affect all areas of the industry creating an environment of mistrust which impacts negatively on all sales, services and general desirability.

[163] https://www.musicinafrica.net/directory-categories/distributors

IMEXSA - (Independent Music Exporter South Africa) - Independent Music Exporters South Africa (IMEXSA) is a non-profit organization dedicated to develop South African-produced music around the world, provide assistance, create export awareness, facilitating export development and create opportunities for emerging music companies in South Africa to be internationally successful and to promote professional exchange between South Africa and other countries while contributing significantly to the growth of the South African economy.

COPENZA - Association of some important promoters in South Africa.

MPASA - Music Publishers Association of South Africa. The Music Publishers' Association exists to protect and further the interests of Music Publishers in South Africa and Sub-Saharan Africa.

Recorded music market

The South African recorded industry suffered from the drop of physical sales, where the revenues of physical sales have been divided by 4 between 2013 and 2017. Physical used to represent 78% of the recorded industry, it represents 24% in 2017.[164] Even if digital music revenues are increasing (it has been multiplied 3,4 times between 2013 and 2017), these revenues did not manage to compensate the drastic fall of physical sales. As a result, South African recorded market is still in decline. Revenues from synchronisation are constant while we can notice a strong improving in the collections of performing rights. The total music revenues per capita is still low in South Africa: $**0.81.**
Piracy is a strong reason why the recorded music industry is struggling. The most common piracy is bootlegs and counterfeit in South Africa. RiSA and SAMRO are driving anti-piracy campaign and booklet to fight against the issue by education.

Digital music focus

Downloads are still playing an important role in the south African music industry. iTunes is very famous in South Africa and with the drop of physical sales, a lot of people continue to download to have access to music. We can notice that no general trend can be observe for download with an increase of downloads revenues in 2016 and a small decrease between 2016 and 2017. Download is a still current way to consume music. But legal downloads face a high-level strong piracy in South Africa.
As other countries in Africa, mobile personalisation and ring tones are highly consumed in South Africa.Streaming is a growing way to consume music. Overall digital consumption is increasing. This consumption is linked to a high and fast-growing smartphone penetration in South Africa.

Figure 9: South Africa: Smartphone connections (millions) and proportion of mobile Internet connections at 3G, 4G and above (%), 2013–2022

Sources: Entertainment and media outlook: 2018–2022, An African perspective, PwC, Ovum, www.pwc.co.za/outlook

[164] IFPI (2018) Global Music report.

Furthermore, all international streaming (and download) platforms has been launched in South Africa. Thanks to a strong iTunes presence, Apple Music was one of the first streaming platform to set up in South Africa:

- SIMFY (2012- owned by mobile VAS provider Exact Mobile)
- Groot Tunes (Local service – 2015)[165]
- APPLE MUSIC (2015)
- DEEZER (2014 in partnership with telco Vodacom)
- GOOGLE PLAY MUSIC (2015)
- JOOX (2016 – Tencent)
- SPOTIFY (2017)
- MTN Music+ (2017)

According to App Annie ranking, YouTube Music is the n°1 music downloaded app following by Joox Music, Spotify and Simfy. But Apple Music is known to be the leader of the audio streaming market.

International platform benefit from the increase of digital consumption as well as local platform (Simfy). Telcos are important actors and avoid price increase. But the price of data is still high in South Africa and prevents consumer from a real growth of audio streaming consumption. However, according to the IFPI Music Consumer Insight Report 2018, the audio streaming use is at 56% of the population already, which is a bit below the global average of 61%, but higher than in European countries as France or Germany. In conclusion, physical sales are breaking in rapidly, but the rising online market cannot make up for the losses still.

Even if there is a very good digital education in SA, and despite a high smartphone penetration and a good internet access, the interview partners see the high costs of data as the main problem and also as explanation, why downloads are still relatively important and streaming not yet where it is in other markets. More competition on the telco market could lead to cheaper prices for data and could lead to a breakthrough for streaming services. It has also been mentioned that monthly subscription models, as offered by the leading international streaming platforms might not fit to the consumer patterns of a big part of South African music consumers, who might rather be willing to invest smaller amounts for limited repertoire offers. It seems that the fitting digital offer for a broad market has not been found yet. Piracy is still a big issue in South Africa, with a lot of people exchange music via Bluetooth.

Consumption patterns

According to IFPI study on international consumption patterns, 80% of the South African say the place where they more often listen to music is in car and 57% while working, 25% before sleeping.

South African repertoire is very divided among ethnic groups and cities, with one type of people listening one kind of music. There is no market share by genre figure but people interviewed all agreed that the strongest genres are:

- Gospel and choral styles
- Jazz
- Afrikaans rock
- House music (and electronic music: kwaito)
- Local urban music

[165] Local service Groot Tunes rolled out in South Africa at the end of 2016. The download platform is a joint venture between record company Coleske Artists and Afrikaans TV channel kykNET and is offering what the operators claim is one of the world's largest collection of Afrikaans repertoire, along with tracks from UMG and WMG.

International repertoire has an important market share in South Africa, with United States content dominating the international repertoire. European repertoire is led by electronic, urban and African diaspora music. The decrease of recorded industry sales is affecting more local repertoire than international one.

Figure 47: International and local repertoire market share (Rands value %)

Source: Risa

More detailed information on repertoires is available for 2017[166] However, the local music content available in radio stations is higher than for music sales.

Main distributors and top labels

Figure 48: Record label and distribution market share

Source: RiSA Custom Reports 2017: http://www.risa.org.za/media/1108/market-share.pdf

[166] http://www.risa.org.za/media/1106/industry-3-year-stats.pdf

Universal Music and Sony Music are the top-selling labels in South Africa, followed by Warner Music. Gallo Music, the largest and oldest independent label in South Africa, is still the biggest selling independent label with a strong market share of in about 14% of the local repertoire. It is one of the biggest indie labels that survived with the rapid and drastic fall of physical sales.

Top independent labels

Gallo Africa Limited - http://gallo.co.za/
David Gresham Music - https://www.greshamrecords.co.za/
African Cream Music - http://www.africancreamstore.com/
Bula Music - https://www.musicinafrica.net/directory/bula-music
Muthaland Entertainment - https://muthalandentertainment.co.za/
Next Music - https://www.facebook.com/pg/nextmusicza/about/
Spirit Music - http://www.spiritmusic.co.za/

There's quite a lot of new independent labels for underground electronic music, such as Super Black Tapes, Süd Electronic, Lilac Jeans, Non, Kalawa Jazmee, Siyakaka, Eric Frisch Productions, Super Beat, Post post, Matsuli, Afro Synth…
A lot of the independent labels are run by artists themselves, with, for part of them, a lack of business knowledge, international relations and resources. There are no funding opportunities for recordings or marketing and distribution of recordings.

Digital Distribution

There are a few local digital distribution companies, some work as boutique aggregators, also offering other services to artists, whereas others are open to everybody

- Africori - http://africori.com/
  Content Connect Africa - https://www.contentca.co.za/
- Electromode - http://www.electromode.co.za/
- Nazwo - http://www.nazwo.co.za/
- TurnUpMusic - https://turnupmusic.com/
- the French distributer Idol (https://idol.io/), which is also an international aggregator, opened a branch in South Africa to service the local market.

International aggregators like Believe Digital, CD Baby and The Orchard have been mentioned several times in the interviews and seem to be used by several South African labels and artists. The South African label Next Music is the African partner of The Orchard for digital distribution.

Main retail stores

The biggest music chain store in South Africa is Musica, which is part if the South Africa based Clicks Group. They operate 105 stores in South Africa, five in Namibia and three in Botswana (https://clicks.co.za/musica-stores). Their catalogue contains music CDs, DVDs, a few vinyl records and some accessoires, and can also be ordered online, but doesn't offer a wide variety of music.
There's a lot of smaller specialized record stores, especially for lovers of vinyl (e.g. Afrosynth Records, Micogram Music Traders, Mr. Vinyl, Record Mad or Vinyl Joint in Johannesburg, Kandi Records, Mabu Vinyl, Roastin' Records, Vinyl Café or Voom Voom in Cape Town).

Certifications and awards

The South African Music Awards (often simply the SAMAs) are the Recording Industry of South Africa's music industry awards, established in 1995. The ceremony is

held in late-April or May every year, with the jury process starting in November of the previous year. The nominations are typically announced at the end of March. The winners receive a gold-plated statuette called a SAMA. The show has mostly been held at the Super Bowl in Sun City, with the exception of three years, and broadcast live on national broadcaster, SABC. The ceremony features live performances as once-off collaborations by a selection of nominees.
There's also the Dance Music Awards South Africa (DMASA), an online, public-voted award that acknowledges and honours the accomplishments and contributions of South African dance music artists and industry people who are pushing boundaries and driving South Africa's thriving dance music industry forward. The award includes twenty categories that range from celebrating the Best Female DJ to the Best Night Club of the year. It is an opportunity for South Africans to have their say on who they feel has made an outstanding contribution to this increasingly important genre in South African music.[167]

Live

Revenues (ticket sales)

PwC estimates the 2018 Live ticket sales to amount to €74 M. South Africa is the biggest live music market of Africa.
According to IQ Mag, there are a lot of big international tours stopping in South Africa (Katy Perry, Ed Sheeran and so on) with high prices tickets. But "*South Africa is entertaining itself with healthy Afrikaans, hip-hop and dance music scenes, as well as splinter movements such as Durban-rooted house sub-genre Gqom*".

Main Venues & Festivals

Venues
South Africa possess very good infrastructures for big live music events. There is multi-purpose venues, as huge stadiums and big halls, often connected to casinos (e.g. Time Square Sun Arena Pretoria, Grand Arena Cape Town or Montecasino Johannesburg), for top acts, sometimes open-air spaces (e.g. Green Point Park or Kirstenbosch National Botanical Garden, both in Cape Town) are used for bigger concerts.
Here is a list of the main top artists venues:

- FNB Stadium Johannesburg (capacity: 94.000)
- Cape Town Stadium (capacity: 55.000)
- Ticketpro Dome (capacity: 20.000)
- Time Square Sun Arena Pretoria (capacity: 8.500) Grand Arena Cape Town (capacity: 6866)

However, at the fact-finding mission, one of the most often stated problems for the South African music scene is the lack of live venues of a smaller or middle size. There are few live venues that do regular live shows every week. Some of these venues did closed recently, as for instance mythical venue The Orbit, a jazz club in Braamfontein, that closed in early 2019 or Bassline, a venue for urban music in Newtown, that closed two years ago after over 20 years of activity.

A very small number of venues with 100/200 capacity or grassroots venues remain. Most of them are also bars and restaurant for sustainability reasons.
Here is a short list of them:

- The Artivist (Johannesburg - Braamfontein)
- The Chairman (Durban) Jazz
- Velvet Jazz Lounge (Johannesburg - East London) Jazz

[167] https://www.dmasa.co.za/

- The Crypt (Cape Town) Jazz
- The Rainbow Restaurant (Cape Town)
- Soweto Theatre (Johannesburg)
- Afro Bru (Johannesburg - Maboneng)
- Just Badela (Johannesburg - Soweto)
- African Beer Emporium (Pretoria)
- The Good Luck Bar (Johannesburg)

A list of grassroots venues can be found on the Concert SA website: http://www.concertssa.co.za/venues-map/
Even with a very little number of middle size venues, there is a vibrant night life in Johannesburg, where a lot of parties with DJs are organized in private places and the Townships of the metropolitan cities. The live music scene seems to be more vibrant in Cape Town.
As part of the interviews, the question of why there are almost no live music venues in South Africa has been raised several times. It seems a complex issue with a lot of plausible causes. In Johannesburg for instance, a lot of people, that work in the center, live quite far away from the center. First of all, most of them start working quite early and thus finish work a few hours before the beginning times of the concerts. If they still would want to travel back to the center to attend a concert, they would either have to take their car (a lot of people do not have cars though), but venues were not equipped with enough parking spaces; or take Uber or a taxi, which is too expensive for a lot of people, or a minibus taxi, which is not the safest way to travel. Safety issues are generally a key issue for venues. There is a lot of stories of guests being robbed on their way to their car, for example.

As there is no stable funding for live music venues, they are forced to have a second supporting leg for their business, as for example running a restaurant. In some cases, these additional offers did seem to not work well with the regular concert audience.

The lack of live music venues results in a lack of income possibilities for artists, managers and agencies as well as little live performance experience of the artists. There's a lot of festivals, but artists cannot play festivals every week. Touring inside of South Africa also means travelling long distances between the bigger cities. It is difficult to perform abroad for most of the artists unless they are already internationally recognised. Within the continent, travel is very expensive, and in Europe or the USA, there's a huge competition and often managers do not have the international contacts needed to establish their artists there.

Festivals
The music audiences and the music sector in South Africa are very fragmented due to historical reasons. The most popular local gospel acts might not be known at all to the industry behind the most popular gospel acts or Afrikaans rock acts. This also reflects in the festival scene, with festivals for specialized music genres with very little mixed audiences, even if audiences seem to mix more and more.
According to our interviews, there are a lot of music festivals in Africa with local and international artists and in every type of music. More than 160 festivals are taking place every year in South Africa.
South Africa has a lot of small and local festivals for all genres of music, including festivals for locally important genres such as Gospel music or Afrikaans music.

- Rocking The Daisies (Cape Town) https://rockingthedaisies.com/ [Pop, Rock, Hip Hop, RnB, Electronic]
- OppiKoppi Festival (Northam) - 20.000cap [partnership with ETEP] https://www.oppikoppi.co.za/ [Rock, Jazz, World, Electronic]
- Up The Creek (Swellendam) https://www.upthecreek.co.za/ [Rock]

- Afrikaburn (Tankwa Karoo National Park) https://www.afrikaburn.com/ [Rock, Pop, Electronic, Art, Performance, Experience]
- Bassline Fest Johannesburg https://new.bassline.co.za/ [all sorts of African music styles]
- Splashy Fen Festival (Underberg) http://splashyfen.co.za/ [Pop, Rock]
- Cape Town Jazz Festival https://www.capetownjazzfest.com/ [Jazz}
- Soweto International Jazz Festival https://www.sowetoijf.com/ [Jazz]
- Cape Town Electronic Music Festival https://www.ctemf.com/ [Electronic]
- Johannesburg International Mozart Festival http://www.join-mozart-festival.org/home/ [Classical]
- Joy of Jazz in Johannesburg http://www.joyofjazz.co.za/ [Jazz]
- Jazz Festival at the Grahamstown (now Makhanda) National festival of the Arts https://www.nationalartsfestival.co.za/ [Jazz]
- Jazz on the Lake https://www.facebook.com/events/515615278909912/ [Jazz]

There are also some festivals with 'imported' genres:

- Ultra-Festival (Johannesburg and Cape Town) https://ultrasouthafrica.com/ [Electronic]
- Lighthouse Festival South Africa https://www.lighthousefestival.tv/ [Electronic]
- Afropunk Festival Johannesburg http://afropunkfest.com/johannesburg/ [Black music of all genres]

Furthermore, there is also a strong appetite for Sunday afternoon music events. Plenty of general festivals, often dedicated to food and wine, craft, dance and theatre, also include music.

There's an initiative called the IGODA Festival Circuit. IGODA, meaning 'knot' or 'bind together' in Zulu, is a unique and innovative concept that brings together the finest music festivals within Southern Africa to create one of the strongest touring circuits on the African continent. Igoda is a partnership born out of the Firefest Route encompassing festivals from Mozambique, Swaziland, South Africa and Reunion Island including: Bassline Africa Day (Johannesburg, South Africa), Azgo Festival (Maputo, Mozambique), MTN Bushfire (Malkerns, Swaziland), Sakifo Festival (Saint-Pierre, Reunion Island) and Zakifo Festival (Durban, South Africa) as the founding members.[168]

Main promoters and bookers

Live Nation is present since its acquisition of Big Concerts (https://www.bigconcerts.co.za/). There are some smaller promotion companies:

- Bassline (https://new.bassline.co.za/)
- Matchbox Live https://www.linkedin.com/company/matchbox-live/about/)
- Akum Agency (http://www.akumagency.com/),
- Making Music Productions (http://makingmusic.co.za/)
- Impi Concerts (http://www.impiconceptevents.com/)
- Turning Tricks Entertainment (http://www.turningtricksentertainment.co.za/)

There are also a few independent booking agents active in the area.
Live music promoters now need to look for new places, mostly bars and restaurants with enough space.

Management and agencies seem to be a weak point in the South African music industry. Although there are highly successful management companies such as Black Major, it was common sense, that there is very few managers and agents at all and that local managers

[168] http://igoda.org/

and agents would need better education and international contacts to use the full potential of their artists.

Conventions and professional events, showcases festivals, trade fairs

South Africa has seen quite a few music conferences and professional events in the last years (e.g. Breathe Sunshine in Cape Town or SAMC), but most of them failed to establish and only KZN Music Imbizo, Moshito and Music Exchange and are still active.

- KZN Music Imbizo http://www.themusicimbizo.co.za/

The Music Imbizo is a fast-growing annual international music business conference and exhibition. The conference collects various music industry stakeholders under one roof to map the way forward for the music industry in the continent – Africa. It is a platform to exhibit, network, share expertise and knowledge.

- Moshito Music Conference and Exhibition http://www.moshito.co.za/

Moshito Music Conference and Exhibitions is Africa's premier event for the music industry to engage on the business of music and has positioned itself as a platform for the music industry businesses and organisations, small enterprises, artists, and musicians to engage the business of music. Since 2004 Moshito Music Conference and Exhibition has established itself as Africa's premiere music industry event. With a purpose to broaden the business intelligence of music industry professionals in Africa, strengthen business networks for participants and inform delegates, traders and the public about the multifaceted and dynamic nature of the global music industry.

- Music Exchange http://www.musicexchange.co.za/

Music Exchange, a non-profit organization founded in 2009, is one of the leading South African music, film and entertainment digital exchange networks and culminating in an annual 3-day International music conference, masterclasses, workshops, and showcase. The event has quarterly programs for music professionals, media, record labels, related services and suppliers, academic institutions, government, the corporate sector, the private sector and branders. The program provides creative workers with practical tools and insights into the workings of the music, film and entertainment business so they are better equipped to make a success of their individual careers.

In addition, there are some relevant regional and continental events:

- IOMMA (Ile de la Réunion) https://www.iomma.net/

With its previous successful editions, IOMMa has strengthened its position as the first music industry platform in the Indian Ocean area. This market favors exchanges, meetings and opportunities between artists and professionals, while building a bridge towards the music industry in Europe, Australia, America and Asia. IOMMa's ambition is to help the Indian Ocean music industry carry on its professionalization, as well as encourage networking through a wide range of business meetings gathering international players.

- ACCESS (2019 held in Ghana) https://www.musicinafrica.net/acces

ACCES is a pan-African event for music industry players to exchange ideas, discover new talent and create business linkages. ACCES is held in a different African city every year attracting active music industry players from across the globe.

- Visa For Music (Rabat, Morocco) https://visaformusic.com/

Visa For Music (VFM) is the first professional market /festival of Africa and Middle-East musics : it is a new event born in 2013 and organizing its 5th edition in 2018, with about 30 showcases at the center of the project, but also conferences, speed-meetings, workshops and trainings.

This project was born from a paradox : on the one hand, the lack of visibility for African

and Middle-Eastern artists at an international level and, on the other hand, a very important artistic dynamism and musical creation from these musicians. To fight against this problem, Visa For Music has as first goal to highlight the artistic creation of Africa and the Middle-East, first of all regarding the world music and actual music

- Atlantic Music Expo (Cabo Verde) http://www.atlanticmusicexpo.com/

In six editions, the Atlantic Music Expo (AME) has established itself as a valuable and welcoming music professionals' meeting for Cabo Verde, Africa, and all sides of the Atlantic. AME features day and night showcases (including an urban music stage and DJ sets), conference program, practical workshops, one-to-one meetings and an evening street market.

Ticketing companies

Ticketmaster is not available in South Africa. The local leader of the primary market is the ticketing division of Shoprite (a supermarket giant in South Africa) called Computicket. It is very diversified from theater, music and sport to bus tickets, gift vouchers and so on. It also partners with Big Concerts. Some newcomers manage to exist in the ticketing market thanks to strong relations with smaller concerts and festival: Quicket, NuTickets and Plankton for example. Even if the ticketing business still has a substantial number of payments by cash, the market seems to be in transition. According to James Tagg, Quicket founder, his service has 70% of mobile users. Even though South Africa is a very specific country in comparison to the rest of Africa, and even if it looks like a western country in a lot of aspect it conserves, as the African countries, a tradition of cash payment. Despite the strong penetration of smartphones, there is still no successful mobile payment solution, meaning that people pay by credit cards with bank transfer and even cash-on-delivery. Fees can vary from 6% to 15%.

Secondary ticketing: Viagogo does exist in South Africa but beside some exceptions, demand is not strong enough to galvanize the secondary ticketing market according to IQMag.

Taxes

A 15% VAT is applied on ticket sales.

Focus: classical and contemporary classical music

There is no specific data or research available that investigates the specific situation of (contemporary) classical music in South Africa. The report is therefore sourced from face-to-face interviews and some news articles published.[169]
"Western art music" has a rather difficult standing compared to the situation in most European countries. It is considered to be "white music" by a lot of people, although there is a lot of significant contributions by black and coloured composers and musicians worldwide. This might explain that there seems to be a lack of funding and public support, that leads to a situation, where more and more orchestras stop their activities and big cities as Johannesburg having almost no dedicated concert halls or opera houses for classical music performances, besides Linder Auditorium at the Campus of the University of the Witwatersrand (Wits).

There is a lot of talented performers of classical music in South Africa, especially in the field of singers. The best ones try to complete their education at international universities,

[169] https://www.musicinafrica.net/magazine/listening-art-music-contemporary-south-africa or https://www.deutschlandfunkkultur.de/oper-johannesburg-muss-schliessen-die-leute-haben-es.2177.de.html?dram:article_id=414088

which is extremely expensive. Initiatives as the Apollo Music Trust[170], whose chairman is the very active artistic director of the Johannesburg Festival Orchestra Richard Cock, try to give financial aid for these students. Also, other initiatives, like the music education projects by the SAMRO Foundation[171], the project Umculo,[172] or the National Youth Music Foundation[173] are helping young musicians in the field of classical music.

A lot of talent though does not return to South Africa, trying to build their careers mostly in Europe or the USA, some with great success (e.g. Pumeza Matshikiza, Pretty Yende). There are no specialized labels for classical or contemporary classical music in South Africa but there is a dedicated radio station (Classic FM 102.7).

There are some festivals and concert series, quite a few rather light and in a relaxed environment, addressing wider audiences.

- Johannesburg International Mozart Festival http://www.join-mozart-festival.org/home/
- Stellenbosch International Chamber Music Festival http://www.sicmf.co.za/
- Last Night of the Proms in Cape Town, Johannesburg and Port Elizabeth
- Silver Mountain Music Festival Swellendam https://www.silvermountainmusic.co.za/
- *FynArts Festival, Hermanus http://www.hermanusfynarts.co.za/*
- Starlight Classics http://www.capetownopera.co.za/production/rmb-starlight-classics/

Media

TV and radio are very strong in South Africa while social medias are increasing and music blogs, webzines represent a form of display for the artists. Press was seldom mentioned as an important influencer during the meetings, even if music specialized press still exists in the country.

During our meetings, most people were explaining that press and media are no longer a good way for artists to build a fan base and that there are not many good PR agencies in South Africa. Most of them are known to work for different cultural industries and are not specialised in music. Other people interviewed stated that there are good PR agencies in South Africa. But they all agreed on the fact that radio is the most powerful media to discover and promote an artist.

Radio

According to an IFPI report on consumption patterns[174], 94% of the South African consumers listen to radio, this proportion is far beyond the global average, that stands at 86%.

Radio landscape in South Africa is well-developed with three categories of radio:

- SABC public broadcasting radios;
- commercial radio stations;
- community radio stations (non-profit radios).

[170] https://www.richardcock.co.za/apollo-music-trust
[171] http://www.samrofoundation.org.za/samro-flagship-projects.php
[172] http://umculo.org/
[173] http://www.nymc.co.za/
[174] "Music Consumer Insight Report", IFPI, 10-2018 : https://www.ifpi.org/news/IFPI-releases-2018-music-consumer-insight-report

All official languages find a place in the radio stations landscape as well as other languages. Public service broadcaster is the South African Broadcasting Corporation (SABC). The corporation administers separately public service and commercial radios for a total amount of 18 radio stations. 5FM (youth music), Metro FM, and Channel Africa are ones of the Corporation commercial stations and Lotus FM (Indian), X-K FM (San) are specialized radio stations targeting specific communities.
South Africa used to have only two independent radio stations during the apartheid. After the apartheid, and with the liberalisation of broadcasting in the 90's, an increasing number of radios began to operate outside of SABC. In 1996, six SABC radios were privatised and in 1997, eight private radio stations obtained their licence to broadcast in the three major cities of the country (Johannesburg, Durban and Cape Town). Among them:

- Heart 104.9FM and Gagasi 99.5FM (Cape Town and Durban - jazz)
- 99.2 YFM (Kwaito - urban)
- Kaya FM (Urban, afro and popular music, is also known for being the first black owned independent radio station in South Africa).

This process extended with new radio licences in smaller cities and in the meantime hundreds of non-profit community radios obtained licences. As a consequence, an important and rich radio landscape emerged in South Africa, providing a very strong diversity. There are more than 160 community radios that collectively broadcast to millions of people every week.
According to the Broadcast Research Council of South Africa (BRC), on a July 18-December 18 basis, there were over 35.8 million listeners listening anytime in the week to South African radio stations (translated to an 89% weakly reach). This consuming pattern is equally observed in the different regions of South Africa and people listen an average of 3h36 per week to radio (and 46% of the radio listeners listen more than 20h of radio per week). South African people are very loyal to their favourite station: 68% of them listen to one radio station only. Music is the first consumed content with 89% of the radio listeners declaring listening to music.
SABC possess the five most listened to radio stations in the country, with the leading radios being SABC's African languages radios.

Here is the top radios (commercial and public ones):

- Ukhozi FM (National - SABC - talk [English-Zulu] & Music [Traditional & Urban])
- Umhlobo Wenene FM (National - SABC - talk [English-Xhosa] & Music)
- Metro FM (National - SABC - Music [black urban youth]
- Lesedi FM (National - SABC - Talk [English-Sesotho] & Music)
- Thobela FM
- Motsweding FM

However, smaller private radios also have quite strong audiences. Kaya FM for instance has a current listenership that stands at 438 000 daily listeners. There is also one national radio specialised in Classical music: Classic FM 102.7.
SABC tried to set up in 2016 a 90% local content quota for radios. The government is now implementing a 70% local content quota for radios. Most of radios already respect these quotas. South African radios have been influenced a lot by American radios but recently introduced more local content because the demand for local content is very high. South African people listen a lot to local music.

Some radio pluggers: Ian Bredenkamp Media / Melissa Conradie Agency / Sheila Afari Music Services / Tickybox Media

TV

94% of the South African household have a TV at home. SABC is the leader of the market with 3 TV channels. DSTV almost have a monopoly in the south African pay tv market. DSTV is the leading company in Africa.
During the interviews, people stated that there are numerous music TV shows in South Africa. As an example, Live Amp, a TV show that features the latest SA music videos, live performances and video mixing from some of the country's biggest DJs, is part of the Top 20 most watched TV shows according to the broadcast council of South Africa.
Here is a list of the main channels: SABC1, SABC2, SABC3, eTV, DStv channels

When it comes to music only channels, the market is very competitive in South Africa. MTN is the biggest music channel in South Africa and compete with Channel O [distributed by DStv], a South African based music channel with a strong focus on local music since two years, SoundCity [distributed in 55 African countries by DStv], a Nigerian channel with a strong focus on nigerian lifestyle, music videos, performances, interviews. Trace TV, a french channel distributed by DSTV, with a strong footprint in Africa, also focuses on music.

Music Magazines

There are four main players in the newspaper industry: Media 24, Independent Media, Avusa and the Caxton & CTP Group. These companies own most of the national press and major newspapers as well as specialised magazines.
Concerning music, a short list of specialised magazines is presented below:

- SA Hip Hop Mag
- Mahala
- SA Music Magazine
- Hype
- Platform

Music blogs, webzines, websites

The main online resources available in South Africa are:

- Africa.com|Music : https://www.africa.com/african-music/
- Nu Soul Hub Radio : http://www.nusoulhubradio.com/
- SA Hip Hop : https://sahiphopmag.co.za/
- SlikourOnlife : https://www.slikouronlife.co.za/
- Texx and the City : https://texxandthecity.com/
- OkeyAfrica.com : https://www.okayafrica.com/

Some international music platforms are also well established in South Africa, such as Bandcamp or the electronic music webzine Traxx.

Resources about the South African music industry

Some organisations also provide useful resources, data and news on the South African Music Industry:

- Music In Africa : https://www.musicinafrica.net/

- SA Music Scene : https://samusicscene.co.za/

Social media

In South Africa, 38 million of people are unique users of a mobile phone. 54% of the whole population have an internet access and most of the internet access is via smartphones. 32% (translated to 18 million of people) are active social medias users (with a 23% year on year growth). 60% of the adult population uses a smartphone[175].
According to a survey of GlobalWebIndex in 2017, the average daily time spent on social media (including chat applications) via any device stands at 2h48 and the average daily time spent on listening streaming music stands at 1h07.
According to Alexa's ranking of top websites in South Africa (based on the number of daily visitors and the number of pages viewed), Facebook ranks fourth and YouTube third. What is more, the top Google search queries in 2017, Facebook rank first, YouTube sixth and the word "Music" is the 8th most used term for queries.

Here are the top 5 most active social medias / chat applications in South Africa:

- What's app
- Facebook (18M monthly users)
- YouTube
- FB Messenger
- Instagram (3.9M monthly users)

Social media has been described as a strong source to discover new music in South Africa. Even if YouTube has a relatively small penetration in South Africa in comparison to other African countries, it is a platform, where international music can be discovered. Facebook is also well developed in South Africa.

How to export in South Africa ?

Good practices, specificities of the market, and challenges.

Based on our analysis, we have singled out the main challenges and opportunities for European Music Export in South Africa.

Opportunities of the market:

- most developed music market in Africa
- very good infrastructures
- existing collaborations with Europe
- strong festival scene
- wide and strong landscape of radio stations and tv channels
- developed social media
- presence of all international music streaming platforms

Key obstacles of the market:

- Distance between Europe and South Africa
- very few live music venues
- difficult touring routes
- fragmented audiences

[175] Google Consumer Barometer 2018

- strong local repertoire even if the recorded industry sales are dominated by international artists

Due to the above described specificities of the market, besides internationally renowned artists, the South African market will most likely be interesting for very specific groups of artists and companies:

- artists with a diaspora background
- Jazz musicians, especially when they're also interested in workshops and teaching projects
- Electronic music performers and DJs
- musicians interested in collaborating with South African musicians
- companies working with (South) African repertoire
- companies with a Pan-African scope, that want to settle on the continent and appreciate the developed infrastructure

Challenges:

- Finding local partners, such as live agencies or concert promoters, PR agencies
- Finding travel grants to make concerts or a tour profitable
- Maintaining the presence in South Africa

Good practices:

- Develop a fanbase through social media and radio
- Focus on festivals first and one or two concerts in the major cities (Johannesburg, Cape Town)
- Look for artistic collaboration with local artists

Existing collaborations and funds with European professionals/countries

This section presents self-organised initiatives by south African professionals, initiatives run by south African organization but funded by European countries, as well as initiatives of collaboration organized by European countries institutions.

IGODA Network - Founded in 2016 by independent festivals, Igoda Network aim at creating one of the strongest touring circuits on the African continent by reinforcing the festivals capacity, when it comes to bring regional and international artists on stage. IGODA, meaning 'knot' or 'bind together' in Zulu. The festivals of the network's members take place in different countries of Southern Africa during a short period of time, which enable them to negotiate better conditions for artists fees and share some of the costs (days off for artist between two concerts of the network take between 5 and 8 days). As a result, the network formed a touring circuit for artists to play in different places within a short period of time.

According to Igoda, the initiative has a will to:

- Create lasting and stable live music tours
- Increase music diversity
- Develop cultural industries (by putting the light on local artists, develop audiences, music jobs…)
- Develop skills and capacities (by the professionalization of music artists and professionals)
- Promote social cohesion

The Igoda network is composed by five festivals:

- Azgo (Maputo – Mozambique)
- Bassline Fest (Johannesburg – South Africa)
- MTN-Bushfire (Malkerns – Swaziland)
- Sakifo (Saint Pierre – Reunion Island)
- Zakifo (Durban – South Africa)

The network is a continuation of the "Firefest Route", an initiative funded in 2012 by the African Music Festivals Network (a network that used to operate between 2009 and 2014, funded by the Danish Centre for culture and development (CKU) in partnership with the African Synergy Trust and the Pamberi Trust Zimbabwe).

The Igoda network is a non-profit organization based in South Africa and can raise money for communication and shared cost of its festival members. Artistic directors of the festival members have meetings 2 or 3 times a year, where they discuss the development of the network and share their shortlist of artists to work with. At the moment, there is no coordinator of the network and everyone is involved. As far as we know, there is no similar pan African network for live music festivals.

Since 2016, 57 acts benefited from the Igoda tour circuit with an average number of concert of 2,67. Most of the acts were coming from African countries, the other nationalities were: Australia (1), New Zealand (1), Spain(1), Switzerland (1), France (5), Belgium (1), United Kingdom (2), USA (5), Canada (1), Brasil (1), Jamaica (1) et Japan (1)[176]

There is no open call for artists to apply for the Igoda network circuit, but applying for one of the festivals of the network can potentially open the doors of the others.

The Igoda network is a good opportunity to play in Southern Africa by participating in different festivals, which lead to a rentable tour and an audience of thousands of people. It increases the regional circulation and enables international artists to reach festivals based in Southern Africa. A short description of the festivals is available in annex.
The Igoda network also works on common systems for ticketing administration, festival production, circulation of sound and light engineers.

The Igoda network is well-recognized in South Africa. Most of professional interviewed knew about it and think that it is a good initiative.
Website: http://igoda.org/

Music In Africa - In partnership with Siemens Stiftung and partners from across the African continent Goethe Institute initiated and support Music in Africa, an information and exchange web portal dedicated to the African music sector. https://www.musicinafrica.net/ Besides the web portal, the Music in Africa Foundation runs several offline projects across Africa to support the music sector on the continent including, but not limited to, artist training, mentorship projects, artist mobility and exchange projects, instrument building and repair projects, conferences and seminars. The aim of Music In Africa is to encourage growth in the African music sector, strengthen music networks and collaborations on the continent and also address to African professionals and creators, African content or content related to Africa and also the African diaspora.
In a lot of the interviews the work of Music in Africa is seen very positively in the music sector. People see room for improvement in the user friendliness of the artist and industry database and especially in the reach of the database - a lot of African music professionals seem not to be aware of the availability and importance of the service.

[176] Artists coming from non-European countries can have a European label or agent, so it might have been more with a relation to Europe benefiting from the tour circuit already.

Below is a list of projects that are currently active:

ACCESS - The Music In Africa Conference For Collaborations, Exchange And Showcases, or simply ACCES, is a platform for music industry players from across the continent to exchange ideas, discover new talent and accelerate the shaping of the vibrant music sector on the continent.

ACCES is held in a different African city every year, attracting delegates from many countries. The event is spread over three days, offering a dynamic programme designed to benefit local participants and visiting delegates. The programme typically offers training workshops, panel discussions, presentations, live performances, networking sessions, exhibitions and visits to key music industry hubs in the host city.
Wherever it is held, ACCES presents opportunities for the local industry to showcase its musical works to a diverse audience while fostering business exchange and the creation of a strong network of music professionals on the continent.

Instrument Building and Repair (IBR) Project - The overarching objective of Music In Africa Foundation's Instrument Building and Repair (IBR) project is to encourage the formalisation and professionalisation of instrument-making and repair in Africa, especially in relation to indigenous African instruments. The idea is to encourage young people from music and music-related sectors to consider instrument-making as a career since the making of traditional African instruments is not a widely practiced skill and seems to be limited to the older generation. Since 2016, South African National Lotteries Commission also fund the project. The project drew participants from five African countries. 25 students from South Africa, Ghana, Senegal, Kenya and Ethiopia were trained on how to build and repair musical instruments. The workshop culminated in a traditional instruments concert at the Wits Theatre in Johannesburg.

Music In Africa Connect Artists - The Music In Africa Connects Project (MIAConnects) is a multi-faceted music development initiative aiming to support the musical sectors of African countries affected by conflict. The project is implemented by the Music In Africa Foundation together with partners in seven focus countries, namely Chad, Mali, Niger, Nigeria (North), Somalia, South Sudan and Sudan. It is supported by the German Federal Foreign Office and Siemens Stiftung. The project runs for a period of two years, from 2017 to 2018. The project includes:

Music Industry research - Music In Africa will commission experts in the focus countries to research pertinent topics in the seven countries, and their key findings will be published on www.musicinafrica.net. Topics covered will offer well-researched information with a view to highlight not only challenges but opportunities that exist for music professionals. Topics will cover areas such as effects of conflict to the music sectors, efforts towards re-igniting the music industries, music as a social and political catalyst, success stories, new music and opportunities for music professionals. As the unifying point for the project, www.musicinafrica.net will play a key role in the project, not only as the host and distributor of content but as a central online point where interest groups can apply for participation and receive project updates.

Training programmes - This is done with the aim to develop the skills of music practitioners in the focus countries, including but not limited to musicians, music managers, event organisers and sound engineers. Implementing partners are responsible for designing and implementing training and up-skilling workshops based on the needs identified in their counties. Four countries will implement these particular workshops in 2017, namely Chad, Mali, Somalia and Sudan.

Training programmes broadly cover:

- Technical (sound, lighting and stage)

- Musician-focused training (performance, marketing, theory, production, recording, industry etc.)
- More training areas will be identified by partners
-

Facilitating artist exchange and mobility: Artists all over the world face mobility challenges on a regular basis. MIAConnects will aim to provide financial support for artists to exchange, travel and perform within their own countries, regionally and internationally (in Europe), provided that such activities do not compromise the safety of participants. This support will be available in seven countries: Chad, Mali, Niger, Northern Nigeria, Somalia, South Sudan and Sudan.

Broadly this component of the project will offer artists the following touring opportunities:

- National: musicians perform in their own countries.
- Regional: musicians perform at concerts and other events on the continent.
- International: musicians travel to Europe and perform at an international event.
-

Talent discovery - This part of the project aims to facilitate the discovery of emerging talent in five countries (Chad, Mali, Somalia, Sudan and Northern Nigeria). This will be mainly achieved through live performances. This performance element aims to showcase musicians' talent locally and will aim to connect participants with the broader Music In Africa network, including but not limited to festivals and media platforms.

Concerts SA - Concerts SA is a joint South African/Norwegian live music development project housed within the SAMRO Foundation. Concerts SA receives financial, administrative and technical support from the Norwegian Ministry of Foreign Affairs, SAMRO, the SAMRO Foundation and Concerts Norway.
Working with musicians, promoters, venue owners and audiences, and providing support to the sector through research and skills development for music professionals, the project aims to build a vibrant and viable live music circuit in southern Africa. Thanks to internal and external research concert SA has developed programmes to respond to the existing obstacles between South African audiences and regular, accessible and well organised local live music performances.

Among these programs, The Music Mobility Fund is the most established. It is a funding mechanism that offers opportunities for South African musicians to undertake live music tours. Music professionals are invited to apply for funding from a National Mobility Fund (for projects in South Africa), and a Regional Mobility Fund (for projects taking place in other SADC countries). http://www.concertssa.co.za/our-activities/mobility-fund/

In 2013, Concerts SA mapped the live music sector and developed a pilot program to support venues and promoters in South Africa. This program works with township places and rural venues in the provinces as well as more established venues in Durban, Cape Town and Johannesburg.

Concerts SA also aims to develop an interest in and appreciation of live music by showcasing music performances and conducting workshops at schools through the School Circuit Programme[177].

Concert SA has developed an exchange programme in partnership with Kulturtanken to strengthen bilateral networks. South African professionals can participate in workshops and networking sessions in Norway thanks to this program.

[177] Source: http://www.concertssa.co.za/about-us/

Concerts SA collects data on touring and venues. They drive research towards the live music industry in South Africa. The Concerts SA venue map is available online : http://www.concertssa.co.za/venues-map/

The work of Concerts SA is much appreciated by music professionals in South Africa. Their work with grassroot venues is seen as a way to structure the music industry and to respond to the main issue of the live music industry: the inability for venues to sustain. But since it mostly addresses smaller and evolving structures and the amounts of money given are relatively small, the programme is seen as unfortunately insufficient. The programme funded by Norwegian Ministry of Foreign Affairs can also stop from a day to another.

Digital Content Hub - IFAS (French Institut of South Africa) in partnership with Tshimologong Digital Innovation Precinct (an innovation cluster in association with Johannesburg Wits University) initiated the Digital Content Hub in 2018: a physical incubator for innovative audiovisual contents (VR, AR, hologram, video games, music…). French companies and schools are also involved (Trace tv, National Audiovisual Institute (INA), Gobelin school…) with the aim to foster links between the French market and the South African creative digital ecosystem. The initiative is funded by the French Development Agency (AFD). The Digital Content Hub is dedicated to training, incubation and supports African companies with the aim to increase capacity building and professional skills and accelerate the shaping of innovative African companies.

Pro Helvetia Johannesburg - They promote artistic and cultural collaboration between South Africa and Switzerland, acting as a link between cultural projects from Switzerland and local promoters, initiating co-productions with cultural practitioners and supporting residencies for artists. All applications for projects between Switzerland and South Africa must be submitted through the application portal my prohelvetia.
Information: https://prohelvetia.org.za/en/#Support

They also promote cultural exchange, develop and nurture long-term partnerships and support residencies. Information: https://prohelvetia.org.za/en/#residencies

French Institute of South Africa (IFAS) - As a cultural center, the French Institute organizes music events. In 2019, the French Institute organizes "Garden Concert", a serie of musical afternoons featuring local bands of various musical styles. Through the Digital Content Hub, IFAS is involved in academic programs, workshops, expertise exchanges, special events…
IFAS, through partnerships with local professionals, enables French artist to play in South Africa. In 2019, IFAS has partnerships with : Johannesburg International Mozart Festival, Cape Town Electronic Music Festival, Vogue Night Jozi, Fak'ugesi festival, Joy of Jazz.
IFAS also actively developed the "Fête de la musique" event in Johannesburg. A partnership with Brad Holmes (Bassline) allows local promoters to develop the event in different places and venues of Johannesburg.

Goethe-Institut Südafrika - The Goethe-Institut is the Federal Republic of Germany's cultural institute, active worldwide. They promote the study of German abroad and encourage international cultural exchange.
Goethe Institut has developed a travel grant and event participation grand called Moving Africa and gives artists the opportunity to travel to selected cultural festivals on the continent.
They initiated and support Music in Africa (see above).

British Council - British Council Connect ZA is a cultural programme developed between the UK and South Africa. Since 2013, the programme has supported cultural connections

between young people aged 18-35 in the UK and South Africa with a range of arts projects and use of digital platforms to build creative networks through art forms including, fashion, music, film, design and more. https://www.britishcouncil.org.za/programmes/arts/connect-za

Some other European countries do provide travel funds for their artists performing in South Africa.

Policy recommendations

At present, enhancing the exchange between European and South African musicians and companies might mostly be based on political and cultural diplomacy considerations rather than economical ones. But on the long term, South Africa has a strong potential to become an interesting market for several specific segments of the European music sector. We would recommend first:

- deepening the knowledge of south African music professional landscape
- supporting capacity building projects for South African music professionals
- creating networks of European and South African music professionals and support workshops and professional exchanges
- enabling mobility of South African professionals to key music business events in Europe
- supporting artistic exchange projects (production camps, writing sessions, artist residencies…) between artists from Europe and South Africa

Working with reliable local non-government initiatives or organizations (e.g. Music in Africa, SAMRO Foundation) should be considered in order to develop these above-mentioned initiatives in a suitable way.
If the EU is willing to support and help this market growth and structuration, European companies could get an advantage over e.g. the US companies by using developed structures and networks of music professionals. The European Union, within the framework of its development policies has some programmes earmarked towards the cultural and creative industries. We would recommend allocating the funds primarily towards initiatives that strengthen the music industry in South Africa such as Concert SA, IGODA Network, Music In Africa and Pan-African networks for music tours in Africa.

Annexes to the South Africa market study

List of people interviewed.

1. Colleen Balchin / Broaden A New Sound
2. Laurent Bizot / No Format
3. Nicky Blumenfeld / Kaya FM
4. Véronique Briquet-Laugier / IFAS
5. Richard Cock / Richard Cock Music Enterprises
6. Erika Denis / IFAS
7. Gillian Ezra / Trace, Former Head of African Operations Deezer
8. Valentine Gaudin-Muteba / Trace
9. Eddie Hatitye / Music in Africa
10. Brad Holmes / Bassline
11. David Ireton / CTEMF, MADE Agency
12. Yoel Kenan / Africori
13. Jake Larsen / Digital Content Hub
14. Violet Maila / SAMRO Foundation, Concerts SA

15. Claire Metais / Music in Africa
16. Thibaut Mulling / IDOL
17. Aymeric Péguillan / Pegs Music Project, former co-founder of The Orbit
18. Ignacio Priego / SAMRO Foundation, Concerts SA
19. Theresho Selesho / Matchbox Live / Oppikoppi Festival
20. Sipho Sithole / Moshito Music Conference and Exhibition, Board member of RISA, former Deputy Managing Director of Gallo Music Group, founder of Native Rhythms Productions and Native Rhythm Records
21. Sevi Spanoudi / Black Major
22. Jess White / Akoum Agency

Questionnaire for the Fact-Finding Mission to South Africa

Part 1. Personal information

1.) Could you please introduce yourself / your company ?
2.) How would you describe your role within the South African music industry / music scene ?

Part 2. Information about the South African Music Market / Music Scene

1.) How do you see the actual situation of the South African Music Market ?
2.) How would you describe the development within the last three years ?
3.) Where do you see the key requirements of the segment you're working in ?
4.) Which musical genres are the most successful in South Africa ?
5.) How do you see the situation of the artists ?
6.) How do you see the situation for music managers ?
7.) How do you see the situation of the live music sector ?
8.) How do you see the situation of the recorded music sector ?
9.) How do you see the situation of the publishing sector ?
10.) Is there any support schemes (public or private) that you're aware of or that you already used ?

Part 3. Information about possible cooperation with European countries / artists / companies / repertoire

1.) How do you see the export readiness of the South African music industry ?
2.) What are the main markets targeted by the segment you're working in ?
3.) Are you / is your company interested in cooperations with European countries / artists / companies / repertoire ?
4.) If yes, what would it need to develop or expand such cooperation ?
5.) Where do you see the main challenges for such cooperation ?
6.) Where would you see the main benefits of such cooperation ?
7.) Which forms of cooperation or exchange projects would you be interested in ?
8.) Are there particular musical genres of European music where you see the most potential within South Africa ?

Sources

A report on South African live music audiences published in 2016 by SA-Norwegian live music development project, Concerts SA, unveils new research conducted in collaboration with the Wits School of Arts in 2015. This provides up-to-date, detailed knowledge about what attracts audiences to live music, and what deters them. The research suggests local authorities have a key role to play in making live music more attractive and accessible. http://www.samrofoundation.org.za/perch/resources/it-starts-with-a-heartbeat-2016.pdf

A report from 2010 conducted by Moshito Music Conference & Exhibition, not fully up-to-date, but illustrating a lot of the South African specifics and current issues already back then:
http://www.samrofoundation.org.za/perch/resources/2010-moshito-mmino-mapping-sa-live-music-circuit.pdf

3- China

Introduction

Table 9: Overview of Chinese socio-economic indicators

- Population 1429,69 million,
- Language: Standard Chinese Mandarin, and other official languages depending on the region and a myriad of dialects- almost 300)
- Currency: Chinese Yuan Renmini (CNY)
- Conversion rate to EUR: 0,133
- GDP (2017): 12237,700 billion US $ (World bank)
- GDP per capita (2017): 8826,99 US$ (World bank)
- GDP Growth rate (2018): 6,55% (OECD)
- Unemployment rate (OECD)
- Inflation rate 2,5% (April 2019 – OECD)
- Internet penetration: 54,28% (IFPI)
- Mobile internet penetration: 53,96% (IFPI)
- Music revenue per capita: 0,37 (IFPI)

China: political, economic and demographic context

China has been opening up its economy for the last 40 years. There is now a strong middle class, estimated at 250 million people, mostly living in economically booming urban areas. The number of Chinese people living in urban areas increased from 20% in 1980 to 55% in 2016. (Worldbank) The country is considered as well managed with modern infrastructure and with good living conditions. The economic system is capitalist with a Chinese twist (family and relatives, as well as connections, take primacy).

China is a 9,597 million square kilometer country, a bit more than twice the size of the EU. The population is estimated at 1,418,000,000 inhabitants, which makes it the most populated country in the world.

The 22 provinces, five autonomous regions and four direct-controlled municipalities, as well as the special administrative regions of Hong-Kong and Macau, are governed by the communist party of China which is ruling the country since 1949.

China is a mix of highly urban and rural regions. Out of 613 major cities in the world, China accounts for 102 cities with more than 1 million inhabitants. They are in general classified in a tier system by the analysts, depending on the average of the cities' GDP, their level of control by the central government and their population. The major regions are directly controlled by China's Administration Centre. Guangzhou, Shanghai, Chongqing, Beijing and Tianjin, are the only five cities are that qualify as Tier 1 across all categories.

Figure 49: Tier 1, 2, 3 and 4 cities in China

Source: South China Morning Post

Figure 50: Population density in Chinese Cities

Source: South China Morning Post

Around 11% of China's urban population is concentrated in the counties of Beijing, Shanghai, Tianjin, Chongqing and Guangzhou, totaling about 147 million people. China is thus a very fragmented country in terms of socio-economic indicators. In terms of languages, China is also quite fragmented. The standard mandarin is spoken by 70% of the population but China accounts not less than 292 spoken languages.

With an annual average growth rate of 9.5% between 1989 until 2019, China became the second economic power in the world in 2010 and the first one in 2014 in terms of purchasing power parity (Worldbank). It is expected to become in the next decade the first economic power in the world.

China slowed down its demographic growth by adopting a single child policy between 1979 and 2015. This explains why China has a similar age structure than the western countries with 20% of the population aged less than 25 years old. The share of the elderly population is growing fast due to the increasing life expectancy:

- 0-14 years: 17.22%: 238,390,906
- 15-24 years: 12.32%: 170,624,865
- 25-54 years: 47.84%: 662,369,118
- 55-64 years: 11.35%: 157,198,197
- 65 years and over: 11.27%: 156,105,900[178]

The Chinese music sector – historical context, structuration and growth expectations

Historically, music in China has long been constrained to private leisure and was not structured as an industry. Since China progressively opened its economy, the culture and creative industries went through a strong growth. The country is aware of the importance of culture and creative industries to develop a service economy, as well as to nourish the content-hungry telecom and broadcast networks (there are over 3000 TV channels in the country). This development is enhanced by the eagerness of Chinese citizens to adopt a westernized lifestyle (and its music).
The benefits of the opening of the Chinese economy for the European music industry is however far from evident. Chinese citizens were not used to paying for musical works as musical works were long seen as belonging to the entire population- and it still is to some extent. This is also the reason why copyright legislation remained non-existent until 1992. As China opened up 40 years ago, it rapidly became the biggest music black market in the world. The Chinese music industry had to structure itself in order to gather revenue from other sources i.e. live, brand sponsorship deals, synchronization and merchandising. The music industry is a relatively new concept in China (Zhang 2017).

The copyright enforcements problems result in a larger share of the live music sector in the total music industry's revenues. Sections B1 and D1 will analyse it in more details. Streaming is the most widespread music consumption method in a country which has 769 million internet subscription with 1,133 million active smartphones, and 765 million mobile internet users (IFPI 2019).

Figure 51: Chinese Music Industry revenue by source, 2017

Chinese Music Industry Revenue by Source, 2017
Sources: IFPI, CAVCA, MCSC, The Daolu Cultural Industry Research Center

[178] https://www.cia.gov/library/publications/the-world-factbook/geos/ch.html

Source: Soundcharts 2019 a

Music has a very promising future in China. The number of music works, and the time spent by people listening to music is constantly growing. Also, Local music players interviewed all share positive expectations for the development of the Chinese market. They are encouraged by the development of broadband music services, the appetite of the population for entertainment and culture, the curiosity an enthusiasm of Chinese people for music as well as increased compliance with copyright law. They do not consider censorship as a major issue preventing the market to grow and develop.

Telecom companies which closed deals with large music catalogues (Notably One-Stop-China - a UMG, Sony and Warner Joint Venture), leveraging their massive amounts of users to promote streaming platforms, for which the users are more likely to pay through non-conventional (for European standards) payment methods, e.g. through WeChat Wallet and Alipay.

Many Young Chinese people learn music, and this is valued and incentivized across the educational system. If a Chinese student knows how to play an instrument, he/she is considered a talented student and gets better opportunities to enter a good middle school or college.

Summary Analysis

China is a large country with huge socio-economical, demographical and cultural discrepancies. Even though China became the second largest economic power in the world in 2010, not every part of the population and of the country are benefiting from it. The combination of the single child policy and the growth of life expectancy result in an ageing population in China with 80% of the population older than 25 years old. With a mobile internet penetration at 54%, music streaming consumption is a cultural habit reserved for richer cities (Tier 1 to tier 3 cities).

Music in China has gone through a lot of revolutions in the last century. It is now boosted by the eagerness of the government to develop the cultural and creative industries, and the active role of telecom companies who use music as a hook to attract users. However, China has inherited from its past a challenging ecosystem for copyright enforcement and a low willingness to pay from potential consumers, as music is still considered to some extent as accessible for free.

Legislative Framework

Copyright legislation

A slow beginning - The copyright protection environment has long been criticized for its weakness. China refused to sign the 1964 Rome convention, which secures protection in performances for performers, in phonograms for producers of phonograms and in broadcasts for broadcasting organizations (WIPO). Consequently, neighbouring rights do not exist in China.
By entering the Berne convention in 1992, China began to create a legal environment for copyright which has been strengthening through various reforms, which however always failed to be fully implemented (Zhang 2016). The Chinese government established the Copyright Protection Center of China (CPCC) in September 1998 and is responsible to address copyright infringement. The legislative framework protecting copyright is now on par with international standards. Enforcement has long been a key challenge in China, although some recent progress has alleviated that issue.

Copyright enforcement and the fight against piracy - China launched a plan in 2008 implemented by the National Copyright Administration of China (**NCAC)** to investigate copyright infringement. It resulted in a strong increase in copyright infringement claims in Chinese courthouses, which is progressively leading to a better remuneration of copyright holders.

The government also created Intellectual Property Courts in Beijing, Shanghai and Guangzhou in 2015. Since then the NCAC (the Chinese copyright watchdog) regularly ask the platform to pull out all copyright infringing content of their platforms. For example, in 2017, NCAC closed over 2500 websites containing pirated contents, hence contributing to the lowering of piracy rate in the Chinese market. (South China Morning Post cited by BOP 2018). The NCAC removed in 2018 1.85 million links to infringing content online, investigated 544 online copyright violations, and prosecuted 74 criminal cases (Wodecki 2019).

The giant tech companies which sometimes started as peer-to-peer platforms also undertook strong commitments to align with the copyright legislation and are now licensed services, but still need to improve. As of June 2018, Tencent Music was facing 931 copyright infringement lawsuits seeking total damages of $7 million, according to the company's IPO filing, cited by an article of the Billboard. (Hu 2019)

China's efforts to fight piracy seem to pay off. The insurance to get pay through royalties is increasing and it is now possible to sue someone if royalties are not paid.

A study conducted by Intellectual Property Research Institution at Zhongnan University of Economics and Law and cited by BOP estimates that around CNY 10 BN (approx. EUR 1,4 Bn) of royalties were paid for 2016. The BOP report 2018 states that it is still hard for foreign right holders to register a copyright for the Chinese territory.

Registration of copyright - The registration of copyright is administered by the Copyright Protection Centre of China (**CPCC**), an institution administered by the NCAC. Even if copyright registration is possible for individual foreign rights holders, they must face several barriers. Rights holders need to provide a proof of identity from their embassy and provide registration materials, including evidence of copyright translated by an authorized translation company. Also, the registration services provided by the CPCC are in Chinese. Consequently, registration by foreign rights holders is typically carried out by an agency or a lawyer. This can be prohibitive for rightsholders, particularly independent rights holders and creators.[179]

Chinese distribution deals - This improvement in the Chinese copyright environment led to several deals like the distribution deal between Alibaba with German music rights company BMG (the rest of the BMG record label which merged with Sony in 2005 but keeps the rights of around 200 artists). The tech company Tencent made also a deal with the world leader digital distribution platform Believe Digital (Music Business Worldwide cited by BOP 2018). Tencent announced in 2017 the signing of major multi-year music licensing agreements with Universal. A recent announcement of UMG to sell 50% of its shares is attracting interest from the American fund KKR, but also from Tencent. (Reuters February 2019)

Tencent streaming platforms (QQ music, Kugou and Kuwo) signed in 2018 a deal with NetEase to share 99% of their musical content to which they hold the rights. The streaming environment is hence getting better in China but there is a *nuance.* As stated by an article of the Billboard, exclusive deals involve a complex web of "sub-licensing" and "copyright transfer" agreements - the equivalent of Spotify retaining the exclusive right to sub-license major labels' catalogue to Apple Music - which often exacerbates the problems of lower-quality data and inconsistent reporting for the rights holders involved. There is also still a problem to get royalties, especially when it comes to the broadcast of concerts. (Hu 2019) Even if the streaming environment is improving in terms of licensing deals, the French collective rights management society SACEM received only 6000€ of royalties from China in 2018. (interview)

The finish enterprise Music Info, a Finnish enterprise specialised in the music distribution of European artists in China, developed a tool to help artists know if their music is available on streaming services QQ Music and Netease. The tools available for free under: https://finder.musicinfo.io/#chinasearch

Music support and funds

Interviewees and several articles show a lack of government support toward the music sector in China. Support to music is often linked to real estate developments, where a share of the total investment needs to be invested in cultural and creative activities – this has led to a multiplication of music venues and arenas in many of the fast-developing Chinese cities. (Kern 2015)

Visas policy and trade regulations

If you come to play in China you have to apply for a Z visa which is a working visa. There is no dedicated visa for artists. This can be problematic when you are a band with artists different nationalities, who may fall under different requirements (place of application, documents to show etc...).

Depending on the status of the city in China, there are different rules which apply. For example, the requirements are different for a Visa to go to Shenzhen (a special economic zone) than for a visa to go to Beijing.

Getting a visa can be complicated depending on the diplomatic relationship that a country has with China. We heard in an interview for example that a Norwegian singer could not enter China because the Nobel Prize Committee gave a prize to a Chinese dissident. Sometimes the reason for the visa refusal is not even known, as was the case for one the electronic French duo Justice and one of his technicians.
Playing in China requires at least following requirements:

- Have at least secured as much capital as the amount needed for the production of the project
- Having at least experience of more than two years in the field
- Have not committed any violation of the law

All lyrics have to be shared in advance to the Chinese authorities in order to get an approval letter from the Cultural Department, also known as performance permit. The more the artist is likely to get in the Chinese News, the more the Chinese authorities are likely to get deep dive extensively into the artists background (Soundcharts 2019 b)

Taxes

China sales tax on sound recordings 2018 is 10% (IFPI). According to Souncharts there has been an announcement made by the Chinese tax-office bureau in February 2019 stating that every foreign band performing in China will have to pay a minimum of 20% tax on all ticket sales which will considerably complicating the probability to make profit out of a Chinese tour which is already complicating due to the high production costs. (Soundcharts 2019 b)

Summary Analysis

The legislative framework is still not ideal for European enterprises and musicians. On the copyright front, the several reforms implemented in the last 10 years led to a significant increase in bargaining power for the record companies towards the DSP and to a lesser extent to an increase in copyright collections for recorded music. Although several licensing deals between Chinese DSPs and European music companies have been secured, it remains hard for European right holders to get royalties payment from China. Concerning visas, it is still a long and bureaucratic process to come for an act in China, and a degree of uncertainty persists. The new tax of 20% on ticket sales also hampers live acts, and making a profit out of a tour in China is difficult.

Copyright collection societies

There are five CMOs in China and two are related to music.
The first (and main) one is the Music Copyright Society of China (MCSC), which has been founded in 1992 consequently to the adoption of the first copyright law, adopted in 1990. It is the only copyright collection society in China. Our interviews point to this institution as very bureaucratic and not necessarily effective. It is hence mistrusted by smaller companies who don't see the benefit of collaborating with them. This point corroborated by academic articles (Zhang 2016).
The second one is the 2005 established China Audio-Video Copyright Association (CAVCA). It manages the copyright and related rights of audio-video programmes.
The streaming platforms put out a monthly or quarterly report on the stream each song made. They pay the distributors accordingly to the deal they've done (in general between 60-40 and 40-60%).
Importantly, the CMOs have undergone a crucial change since the '90s and the payment of royalties is improving and resulting in a regular flow of money for the rightsholders.[180]

Main trade bodies

Chinese Musicians associations (CMA) - created in 1949, the association has 8000 members. According to its website, the association's responsibilities include "contact, coordination, and service". The association promotes new musical composition, organizes music competitions, provides rewards and commendations for prominent musical contributions, and sponsors musical research. It also carries out the musical exchange between China and other countries including introducing Chinese music to the world, bringing internationally acclaimed musicians and music groups to China and selecting Chinese musicians to participate in international music competitions. The CMA publishes several professional periodicals and publishes audio and video recordings.
The CMA maintains nine specialized committees and a number of secondary academic societies. The association's subordinate organizations include the Chinese Traditional Music Society, Chinese National Orchestral Music society, Chinese Ethnic Minorities Vocal Music Society, Chinese Musical Aesthetics Society, Chinese Musical Literature Society, Nie Er, and Xian Xinghai Society.

[180] Interview

The CMA is a member of the International Music Council and JMI (www.JMI.org)

Summary analysis

The professional organisations around the music sector are relatively new and still lack efficiency. Trust and ownership by the local music industry has arguably not been achieved yet.

Recorded music market

The Chinese market is becoming year after year a more democratised and competitive music market. The market went through a major transformation through the last decade.

Very well known for being an under-monetised market, the Chinese market is quickly structuring itself.

China saw its revenues grow by 35.3% in 2017, notably driven by a 26.5% increase in streaming revenues (see case study on p.34, IFPI 2018).[181] China is seen by the IFPI as a promising market for the international music industry and this assumption is also corroborated by PWC.

Entertainment and Media Market in China in US Million $ (PWC 2016)										
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	CAGR 2015-2020
638	675	716	785	865	957	1057	1164	1271	1367	9,578

Source: PWC China entertainment outlook 2016

The growth of the Chinese music sector is very strong and steady. China was the 14th music market worldwide in 2015, and the 12th in 2016. In 2018, China has been ranked the 7th biggest music market worldwide (with USD 531.3 million) in terms of recorded music revenue after the USA, Japan, UK, Germany, France, South-Korea. This means China is not a regional leader yet. It accounts for only 11.9% of the recorded music revenue of Asia. Its industry revenue represents 89% of the Korean market revenue (USD 599.9 million) and only 19.8% of the revenue of the Japanese market (USD 2,865.9 million).

The Chinese market recorded music revenue is 90% depending only on streaming (51,4% of the revenue is coming from ad-supported streaming and the rest from subscription services) less than in Slovakia, a country accounting 5,5 million inhabitants. For comparison, ad-supported streaming revenues account only for 35% of the streaming revenue in Germany and 24% in Sweden. An interesting fact is that the use of ads-supported streaming in so high in China that it accounts for 31% of the worldwide revenue for that exploitation model.

In 2018, Tencent head of Music Cushion Kar Shun Pang said that online represented a growing share of Tencent's revenue which is a good sign for a healthy and growing streaming market.

[181] A further comparison of growth rate with the latest IFPI data is not possible as the IFPI changed its way to calculate the recorded music market revenues.

Digital Music Focus

The digital landscape is very different from Europe in China. Western e-commerce players failed to enter the Chinese market (be they Amazon or eBay), and the Chinese market is dominated by local tech giants. Facebook, Youtube and Twitter are banned in China but accessible through VPN. Google pulled out, and western streaming companies did not enter the Chinese market, except Apple music which is benefiting from a very big reputation within Chinese consumers (driven by its smartphone sales).

Exhibit 78: Comparison of China music streaming services

China music streaming services

Music service	Parent company	Ad-funded offering	Paid Model	Pricing	Number of users	Paid Subscribers	Catalogue size	Deals with record labels	Comments
QQ Music	Tencent	Yes	Monthly subscription/ download package	RMB 10 per month / RMB 8 for 300 songs	400 mn MAU, 100 mn DAU	10mn paying users	15 mn	200 deals incl. exclusive rights to Sony Music and Warner Music in China	Also sells concert tickets and offers live streaming of concerts
Kugou	Tencent	Yes	Monthly subscription/ download package	RMB 10 per month / RMB 8 for 300 songs	222 mn mobile MAU	10mn paying users		40 labels including Sony/ATV, UMG	Merged with Kuwo and Omusic in 2015. Can also live stream concerts
Xiami	Alibaba		Monthly subscription	RMB 10 per month	20 mn MAU		2.5 mn	Various including Universal Records, Rock Records and HIM International Music	
Alibaba Planet (previously TTPOD)	Alibaba		Monthly subscription	RMB 12 per month	300 mn (2012)		2.5 mn	BMG Records, Rock Records and HIM Records	Also acts as a music marketplace for artists, producers to connect
Baidu Music	Baidu	Yes	Monthly subscription	Premium Service - RMB 10 per month	150 mn			UMG, BMG, various Chinese labels	
Apple Music	Apple	No	Monthly subscription	RMB 10 per month			30 mn		
Migu Music	China Mobile		Monthly subscription	RMB 10 per month	> 100 mn		4.2mn		Limited download music service
NetEase Music	NetEase	Yes	Monthly subscription/ download	RMB 8 per month	> 100 mn		5 mn		
Duomi Music	A8 New Media Group		Monthly subscription/ download	RMB 8 per month / RMB 3 for 100 songs					

Source: Company data, Trade Press, Goldman Sachs Global Investment Research.

Source: Zhang, 2016

Alibaba is an e-commerce leader in China. It entered the streaming market during the period of the many acquisitions and merger period which were initiated by the enforcement of copyright laws by buying Xiami music in 2013. The 5th biggest digital music streaming service at that time was a platform dedicated to individual musicians who could easily upload their songs on the website. It signed in 2015 an exclusive distribution deal with BMG and UMG. It also owns Alibaba planet (previously TTPOD music-streaming app) since December 2016, an e-commerce platform which is focusing on auxiliaries' activities of streaming like merchandising, online promotion of music content and other related products like an album cover design tool, front and backstage services to assist creators. It is possible for Xiami users to download songs for 0.8 CNY. VIP members pay 15 CNY (EUR 2) / monthly for 100 songs to download or 120 RMB (EUR 16) /annually for high quality 1500 songs to download.

Tencent operates the Wechat service, launched in 2011 (equivalent to Whats app and Facebook) and QQ (email service) which counts more than 1 billion subscribers. It includes a lot of services which are always available in a free or subscription basis and which primarily aims to attract customers. Tencent is famous for his online gaming application and quickly became the second music streaming service in China in 2016 when it acquires through a merger 60% of shares of China Music Corporation (CMC) which marked the culmination of several years an offensive acquisition policy on music service providers.

Tencent music services **QQ Music, Kugou and Kuwo** caters primarily to users with lower household income and hence, are less interested in the international repertoire. QQ music is the platform gathering most users in China, and offers since 2016 a premium service for

customers willing to pay 10 - 19 RMB (EUR 1,30 - 2,50). It gives access to better audio quality, immediate access to newly released albums as well as access to online broadcast or live concerts. As mobile data is relatively expensive in China, QQ music offers both the possibility to use its service using WIFI on mobile and also bundle offers for mobile internet. Tencent Music Entertainment reported 644 million users of its music streaming apps in December 2018 but only 27 million paid subscribers.
Tencent streaming platforms incorporated a wide range of services like ticketing, fan related services which allow following a celebrity online giving them access to exclusive offers and services like the possibility to buy tickets in advance for a show. QQ music also launched an online Karaoke service, which is an important leisure activity in China, following the same logic as the streaming platform with a free and a premium version which allows to virtually singing in different environments (stadiums or open-air concerts).

Qianqian Music is the streaming platform from the Taihe Entertainment Group, a major music entertainment group in China. It merged with the originally already well-established streaming platform **Baidu Music** (150 Mn monthly users in 2015). Originally a search engine, Baidu is the first enterprise which began offering online musical services in 2002. It proposed a very effective solution to locate torrent files on the internet to download copyright infringing content. It launched its dedicated music service *Baidu music* in 2012 in order to attract consumers for its other services. It is considered as the traditional streaming player in China.

NetEase: NetEase -has roughly 600 million active users on a regular basis. It has the highest rate of international music consumption on its platform, as it attracts users mostly from Tier-1 and Tier-2 cities (i.e. Shanghai, Beijing, Shenzhen and Guangzhou). In Netease, the fans have the possibility to comment the music directly on the streaming platform.

The fast-growing middle class using massively smartphone and social media are creating a large and increasing demand for audiovisual content. (Roche 2018) However, the wide revenue difference within the different Chinese regions means that not every customer is willing to pay for such a service. The streaming platforms and in general DSP are incentivising customers to engage with their platforms regularly and to switch to premium accounts. They even set up a reward system using credits. The more active and committed you are to the platform, the more credits you can collect. These credits have real monetary value and can be used for online shopping.

It is not clear if the digital music business is actually profitable for the Chinese DSP. It seems to be crucial for their marketing but evidence about profitability is still inexistent. (Shen et. al 2018) The online video platforms iQiyi and Youku are not licensing music and generate very little revenue for rightsholders. This is why they are not extensively presented in this report. If these platforms get licensed for recorded music this could generate a large amount of revenue as they have a very large audience.

Consumption patterns

Source: IFPI consumers insight report 2018

According to Nielsen's Data, 72% of the Chinese population is listening to music, with an average of 16 hours per week (82% of the music listeners in China are millennials. They spend on average 19 hours weekly listening to music). 66% of the music consumption is done on mobile. (Nielsen 2016)

The Nielsen study finds out that music consumption is highly related to the household income of the consumers. Chinese people originating from rich cities are consuming more music than the consumers coming from the poorer ones.[182] According to this study, the richer the region, the more mobile is music consumption. The same logic is applicable to live music attendance and streaming rates. There is no big region specificity concerning the consumption of music through physical format. Around 10% of Chinese music consumers are listening to music in physical formats.

Observers tend to acknowledge the same mechanism in the development of the audience tastes than in Europe. The taste of younger audiences is broadening. They are striving for a broader range of genres, which is a good sign for European artists as every genre can be theoretically exported to there. In China, for instance, the local repertoire accounts for 80% of music consumption, Korean and Japanese pop another 10% and international only 10%, according to IFPI. (Goldmann Sachs)

Interviewees also mention the enthusiasm of Chinese fans, both for pop events and for classical music.

Live Streaming

In 2016, 300 million of Chinese citizens used live streaming apps (in the music sector with platforms like Modernsky Now, LeTV, PPTV, Netease or Yema Live). However, these platforms are facing increasing constraints, i.e. restrictions because of censorship. Since December 2016 in particular, platforms must obtain a license from the government and cannot broadcast content filmed outside China.

The Fan Economy

The Chinese digital services are adept at creating online communities linking consumers together with creators, especially since most streaming services are bundled with other online services such as social media and messaging.

[182] Nielsen analyses China in three categories (some other reports contains 5) depending on the household income level. The category with the highest household income includes solely Beijing, Shanghai and Guangzhou.

For example, Alibaba through its music service Xiami proposes a direct channel for artists to communicate with their audience either fans or people who are likely to like the genre of an artist and who are identified through their Music Billboard service. Through these services emerging or professional musicians can share a preview of their albums in order to get feedback from their audience, giving a valorizing position to the consumer/music fan, turning him/her into a music critic. It offers also the possibility through Xiami group to connect fans to each other (like a Facebook group).

Xiami music created in the same logic virtual party rooms. As Xiami is very keen on attracting grassroots musicians it can even turn into a label when it decides to publish albums of unknown musicians who became famous through his platform. They even have a dedicated project for that (Looking for the Unseen Originality)

Also, Tencent created a way for fans to send gifts to their favourite artists, for example, to send virtual gifts (with or without monetary value) to the artists while the consumer is watching a live broadcast, which would appear on the back of the stage with the name of the donor. Tencent is striving to create a pan-music entertainment' ecology which will allow their user to benefit from any kind of creative and entertainment content with music being the cornerstone.

NetEase also innovated in allowing their users to comment the tracks directly on the streaming platform which allows socializing music. As stated by Soundchart, it is even hard to say if Netease is actually a streaming service or rather music based social media (Soundchart 2019a)

Some examples and stories of engagement with fans

An article cited by the billboard states that fans of Karry Wang, the leader of a Chinese boys band TFBoys, have bought huge ads all over the world (11 giant screen in Time Square outdoor ads in Paris, Seoul Beijing, Taipei and Reykjavik and also put the face on a helicopter and on high speed train, to celebrate the leaders birthday, for a total estimation of $ million 15. It is not an isolated case. Many actions, sometimes more charitable, are also implemented. Fans don't hesitate to book hotel room next to the singers is sleeping on tour or for other TV projects, or even to gift digital version of the album in order to ensure that it gets on the 1st place of the album.

Adele launched successful marketing campaigns for its album *25* in China, with the help of local partners. Not only did *25* receive a blanket front-page splash across all local major streaming platforms and spins across national and regional state radio, but the album was also the first by a major western artist in China to be sold in a download-only, pay-what-you-want album format -- consistent with Adele's global no-streaming strategy in 2015. Some fans were buying 20 or 30 copies of the album to display it proudly on the social media.

Some Warner artists like Linkin Park, Charli XCX and [Danish singer] Christopher decided to engage with their Chinese fans through several mediums in order to begin to break up into this market. Fan culture is huge in China. On top of being enthusiastic they also sometimes engage collectively for an artist. People are sometimes buying 20 to 30 copies of the album because there are leaderboards showing who bought the most copies, and those same people would then go on socials bragging about how many copies they got (Hu 2019). The strategy has now become standard practice for most high-profile releases in China.

Main distributors and top labels

Main Distributors
Alibaba Music Group (or Ali Music) consists of MUSIC and Xiami Music and exclusively cooperates with Taïwanese labels Rock Records, HIM International Music, B'in Music.
The improvement in the copyright legislation and of the growth of the Chinese music market allows nurturing homemade artists who have the potential to export. Strong competition is to be expected from a European export perspective.

Music info is one of the major digital distributors for online music in China. It is based in Finland with offices in China.

Outdustry: Beijing based ten-person music-industry services firm founded by Ed Peto. According to Billboard, it has built out landmark management, A&R, marketing and distribution services in China for some of the world's biggest music companies. They have 4 business units. They entered the Chinese market by offering mastering services to Chinese artists and especially to a network of producers and artistic agents, a service which was almost inexistent in China. The artists they mastered became very important independents musicians in China. They work on around 100 productions per year. They are also, as representatives of the PRS foundation in China, defending the rights of English songwriters in China who are writing many of the Chinese songs.
Outdustry is not only representing the PRS foundation but also the Merlin network (a digital rights agency for the independent label sector), the Beggars group, one of the largest independent group of labels, and other European societies like the French distributor Believe.

Key contact persons: Alex Taggart (based in Los-Angeles), Ed Peto

Pyro Music: founded in 2015 Pyro music is a sort of Chinese Soundcloud dedicated to electronic music. It offers the opportunity to DJs to create a profile and to add their music. With over 4,000 record labels and counting on the platform, they organize each year a voting campaign to make a top 100 of DJs in China (only available for Chinese based djs).

Main labels
China record corporation, created in 1949, is historically the first Chinese music label It is owned by the Chinese government.

Leading indie labels, according to IFPI, include, Bravo Music, ChiaTai Music, H. Brother, Modernsky, Peacock Records, Rock Forward, Show City Times Starting Music, and Taihe Music Group, a conglomerate of pop record labels and publishers (Merged with Baidu music) (IFPI 2018)

Maybe Mars / 兵马司 is an independent music label that was started in 2007 to promote, identify and support talented young Chinese musicians and artists. The current catalogue includes many of China's exciting, new and ground-breaking bands and musicians: Carsick Cars, P.K.14, Snapline, White+, AV Okubo, Xiao He, Chui Wan and many more. Maybe Mars' focus is on "making the best recordings of what we strongly believe are among the best bands in the country."

D-Force is a strongly artist-focused label belonging to China's biggest music & art social media platform, Douban. D-Force support indie bands from all over the country, producing,

publishing and distributing their music with a down to Earth approach. Signed to D-Force are currently Duck Fight Goose, Stolen and more.

Sony Music Entertainment and Tencent Music Entertainment Group announced in Hong Kong on Wednesday (Jan. 31) the launch of electronic dance music (EDM) label **Liquid State**. The label will be benefiting from Tencent's large marketing power and digital platforms (QQ Music, Kugou Music and Kuwo Music) and media channels such as WeChat, QQ, Tencent Video and QZone.

Main retail stores

Antje Cockerill and Liu Yang (2013) argue that, insofar as Western music is consumed, it is primarily accessed via downloading, rather than via CDs or live performances. (Street et al. 2015)

Certifications and awards

Not much information could be found about certification and awards in China

The "China Golden Record Award", organised by the China record group awards outstanding Chinese and foreign artists which have made outstanding contributions to the Chinese record industry.

Summary Analysis

The recorded industry in China has been through outstanding and steady growth rates which - according to PWC - will continue in the future. However, China is not the main market in Asia yet, especially in comparison to its Japanese neighbour. The streaming landscape is led by the tech giant Tencent and its streaming services Kugou, QQ Music and Kuwo but are followed by many competitors who try to distinguish themselves with innovative social or fan engagement concepts and karaoke services. Fan engagement represents a good way to get into the Chinese market and build a reputation there.

Live

Revenues (ticket sales)

Revenues come essentially from concerts, festivals, lounges and bars. Companies investing in music are often the ones managing networks of music venues. Drink companies such as Heineken, Carlsberg and Red Bull are also important sponsors in these events (the beer market is very competitive in China with 8 brands battling for market shares).

The fees are however way lower than in Europe. Touring from European bands or orchestras are often financially viable only with the help of public funding or through sponsors. This means that it is advisable to plan a tour in the broader geographical zone (Japan, Korea, Taiwan…) where concert revenues are higher. Moreover, the new 20% Tax on live acts (cf. Section B5) will make it even harder to make profit out of touring in China.

Consumption patterns

Consumption of live music is very much concentrated to young people of Tier 1 cities. Some interviews and other newspaper articles stated that the Beijing music scene is relying on a numerous and diverse range of music clubs and venues and report a "saturated Shanghaï music scene" (Martin 2018). However, mainland cities such as

Changsa, Wuhan and Chengdu appear to also have a very well-developed music scene. (The Guardian 2014, Martin 2018, Hartzine 2015)

Overview of the Chinese live music scene

According to China Music Business, in the past couple of years, music festivals, Live houses and small-to-medium-sized venues (SMVs) have increased in numbers dramatically in China, especially in Tier 1 cities. The younger generation is becoming more and more used to go to concerts to support their favourite artists.

Figure 52: Number of Shows by Cities

Source: CMBN

Beijing is not very surprisingly the city with most concerts per year, by far. A market study by China music business news, based on data from ticketing companies counted 231 live shows in Beijing which makes it the biggest music city in China in January 2018. (China Music Business News, 2018)

Ticket price is quite low (around 15 to 25 Euro for a 3-day festival, so sponsoring is a key element in the business model – 40% of receipt). Large music festivals will attract around 100 000 people – in general in a stadium or arena. (Kern 2015)

70% of the shows were held in major cities which are mainly located in the south-half of China. According to the data from January, the shows from third-to-fifth-tiers cities combined have levelled with the number of concerts in second-tier cities.

Figure 53: Repartition of shows by genre

Source: CMBN

China has undergone in the last decades a cultural infrastructure boom, which opens up a space for foreign musicians, as China does not rely on sufficient talent development and of qualified workforce to manage creative and cultural institutions, when compared to infrastructure development (BOP 2018). Professionalisation remains necessary at many levels of this value chain.

Main venues and festivals

The music scene is fast developing with a large number of festivals and concert venues mushrooming throughout the country. The density of venues, clubs and festivals is very diverse. Beijing has the reputation to have the highest density of clubs and live venues in the country. This also where the first big concerts are happening. For example, this is where Jean Michel Jarre gave his famous concert in the Forbidden City in front of 16 000 persons back in 2004, as part of the year of China in France, a major French cultural diplomatic event.
Electronic music is a growing genre expected to boom in the next years (China Music Business News, 2018). Interviews with professionals also stated that there is a huge interest for DJs of the top 100, which according to Soundchart, are considering China as their third market after the US and Europe. This is a good sign for the thriving European electronic music scene. However, it might take some more years to see the interest of the Chinese audience go beyond the international superstars DJs.

Another proof of that dynamism is the recent deal Tencent did with a very large EDM festival in Las Vegas (Sanchez 2019).

As for the recorded music consumption, the festivals are held in majority in Tier 1 cities.

Figure 54:Festival repartition in 2017 in China according to cities categories

Source: China Music Business 2018

The electronic festival Isy festival, located on the Hainan Island in southern China, was one of the first festivals to recall on international artists like the Dutch DJs Tiësto and Martin Garrix, or The Belgo-Greek duo Dimitri Vegas and Like Mike.

The growing popularity of electronic is also due to every number of a music festival which is increasing every year. In 2017 major electronic music festivals like Electronic Jungle, Bougainvillea, INTRO, and Great Wall Run emerged. They are festival types relying massively on immersive experience and crowd sensation, akin to Tomorrowland-style festivals (Shenzhen's Rabbit Hole music festival). According to Soundchart these festivals are also widening to until Tier 3 cities.

Shanghaï and Beijing have already well-established clubs with their own identities (like Arkham in Shanghaï or the Jucco or B10 in Shenzhen, which regularly welcome international acts.

Strawberry festival in Beijing- Organised by Modern Sky, this festival is expanding every year in new cities. It is one of the oldest and most established festival in China. The festival has branch festivals and are all called Strawberry.

Midi Festival China - Midi Festival is the second main festival for alternative and rock Music in China after the Modern Sky Festival (cf. below Modern Sky Entertainement). Created in 1997 it has been held almost every year since then. It is now taking place in 4 cities every year (Beijing, Shanghai, Suzhou and Shenzhen).

Sound of the Xity (SOTX) - is an event which takes place every year in China. It is the only Chinese platform with a long-term commitment to the joint development of the Chinese and Western music industries. The core program of SOTX consists of SOTX EXPO and SOTX FEST. SOTX EXPO devotes to making Chinese music culture going abroad by

using market principles while SOTX FEST provides customers with the most cutting-edge music experience.

Ultra-Music Festival Beijing & Shanghaï - These two festivals are a branch of the international company Ultra Worldwide which is organising many EDM Festivals in the USA and around the word in 23 countries. First organised in Shanghaï in 2017 in the Shanghaï Expo Park, it books a lot of European EDM artists, in majority from the Netherlands but also from other West European countries such as Sweden, Greece, UK, Germany and France.

The **Shanghai Spring International Music Festival (SSIMF)** – SSIMF was founded in 1959 and is still going. Held over three weeks, it takes in some of the more prestigious music venues: Shanghai Symphony Orchestra, Shanghai Oriental Art Centre, and the He Luting Concert Hall. The festival takes place every year in April.

The role of Cultural Diplomacy for exchanges between European and Chinese music professionals

Beijing is more famous than Shanghai in terms of artistic creation, but the **Shanghai International Art Festival** has become a major event on the artistic agenda in China since its inception in 1999. Cultural exchanges abroad are one of the most main attractions of this event, which takes place each year in October. It is possible to attend dozens of stage performances of dance, theatre and experimental creations, and exhibitions of international artists are presented for a month.

The Belt and Road International Music Festival is a three-week event created in 2017 and which receives more than 800 musicians of 23 troupes from over 40 countries and regions along the Belt and Road. Many European ensembles for classical music already played in the last 3 editions.

In general, cultural department of embassies or national cultural institutes can give valuable information and be a key partner to be invited to tour in China. The most active ones in China include the Instituto Italiano di Cultura, the Polish Cultural institutes, the Instituto Cervantes, the Goethe Institut, the Dutch embassies and consulates or Institut Français.

Main promoters and bookers

Chinese promoters already have experience in working with European artists. Chinese audience is very keen to get big musical comedies, like "Le fantôme de l'Opéra", "Notre Dame de Paris" but also European electronic music DJs (especially EDM) .

Modern Sky Entertainment is a Beijing-based company. It is one of the key indie music companies having a 360° approach (record company, agency, a promoter, ticketing company and a venue owner) for continuing to build the Chinese music market. Its business model is based on indie music, i.e. music which is not broadcasted in major TV channels. This is a position which seems to be efficient to attract young audiences. (Guardian 2014) Modern Sky organises also around 30 festivals in 15 cities. The company also begins to organize festivals around south-east Asia, i.e. in Malaisia. It employs around 600 persons. The company originally started in 1997 as Modern Sky label, publishing Chinese rock records. According to Soundchart it is set to launch 20 Live venues by 2021.

Mao Livehouse is one of the first professional music promoter in China. It has a network of around 20 mid-size venues (300-1000 capacity). The venues are well equipped with a professional team and good sound quality. They propose 360° deals for concerts including production of the show, promotion, ticketing (in cooperation with several ticketing companies), merchandising sales. It is the property of the big industrial group Lenovo.[183]

China Poly Group Corporation (a 1993 established group which gathers several activities such as construction or weaponry) also has a branch for culture (Poly culture). Divided into three sections ("Art business and auction", "Cinema investment and management" and "Performance and Theater") the Performance and theatre branch introduces lots of wonderful domestic and abroad performances in the 64 venues or concert halls located in 48 cities in 18 of the 34 Chinese provinces. They do 600 representations a year from which 240 are foreign productions. The group is very near of the Chinese government. (Lincot 2018) They run for example the Poly Theater in Beijing, The Forbidden City concert hall, the Wuhan Qintai Concert Hall, The Shenzhen Poly Theater and many other all over China) It is a major partner when it comes to organising a tour in China as they have access to many concert halls. Interviewees described them as trustworthy and good, but they only speak Chinese, so the promoters work with google translate. They are keen on having big symphonic orchestras touring. Their cultural season runs from mid-october until mid-march and they run festivals during the summer.

Wu promotion: Founded in Beijing in 1991 by Zezhou Wu and Jiatong Wu, Wu Promotion is one of China's first and today leading performing arts promoters and event organizers. Inspired by a deep passion and dedication to music, Wu Promotion strives to enhance cultural exchange by actively promoting the performing arts and capturing the beauty and diversity of the world's culture through unique events. From the head office in Beijing, its international and professional team organizes today more than 500 concerts and events per year, in China and worldwide.

Splitworks is an English booker based in Shanghaï. Created in 2006 Split Works has launched five music festivals (Concrete & Grass represent!) and promoted over 400 tours to 30 Chinese cities. It organised the touring of many independent European acts like the French electronic music producer Rone or Mika.

[183] Interviews

Ye Records (Shanghaï): yeRecords organizes gigs and tours for foreign bands in China. After working for other companies both as a promoter and a tour manager, yeRecords was launched three years ago in order to offer bands a more personalized, and higher-quality touring experience. Contact: Lieselotte Wang.

Kiwese is a 2015 established independent concert and tour promoter in China. It owns the venue Nu Space in Chengdu.

Say Yes Asia is a 2015 established Event Collective / Organizer / Promoter / Planner / Artist Booking / Tour Agency in China mainland, Hong Kong, Taipei, Manila, Bangkok, Seoul and more in Asia. It is the main promoter of European electronic music acts.

New Noise China New Noise has been created in 2010 by Jef Vreys (a Belgian musician) in Sichuan, Chengdu with a view to create links between the post-rock scene and the Chinese Audience. It organises tours for European rock bands in China.

Founded in 2006, **Outdustry** is a ten-person music-industry services firm founded by Ed Peto. It has launched management, A&R, marketing and distribution services in China for some of the world's biggest music companies.

Music info was founded in 2011. This finish enterprise is proposing tailor-made services in order to allow European music professionals to enter the Chinese market.

Bytedance is the world's most valuable startup with US$ 75 billion (Bloomberg). Originating from Beijing, the app developed first in China and south-east Asia and entered massively the US market in November 2017. Bytedance paid about $800 million for Musical.ly, a music video app that had more than 100 million users.

Conventions and professional events, showcases festivals, trade fairs

Music China is the biggest music trade fair in China. The next fair will be held from 10-13 October in ShanghaÏ.

Sound of the Xity: is China's International Music Industry EXPO & Festival, happens in every April, in Beijing.

China (Shenzhen) International Cultural Industries Fair (ICIF) is jointly hosted by the Publicity Department of the Communist Party of China Central Committee (General Administration of Press and Publication of the People's Republic of China, National Film Administration), Ministry of Culture and Tourism, Ministry of Commerce, National Radio and Television Administration, China Council for the Promotion of International Trade, Guangdong Provincial People's Government and Shenzhen Municipal People's Government and co-organized by Shenzhen Press Group, Shenzhen Media Group, Shenzhen Publication Group Company as well as Shenzhen International Cultural Industry Fair Co., Ltd. As the only international and integrated cultural fair in China, ICIF focuses on exhibition and exchange and is committed to hosting quality and intensive exhibitions and building a trade platform for China's cultural industrial products and projects, driving the development of China's cultural industry and vigorously advancing the globalization of Chinese cultural products. ICIF is crowned as the Top Cultural Fair in China.

Some cities are more welcoming to music festivals than others. Shenzhen has a much better reputation than Beijing and Shanghai in this respect. The number of festivals is growing every year and is experiencing inflation in the ticket price.

IMS Asia-Pacific was introduced at the end of the year in 2014 for the first time in Singapore. Having moved to Shanghai, China in 2015, IMS Asia-Pacific is now a two-day summit expands on the unique challenges and landscape of the Asia-Pacific region. IMS

partners with Budweiser Storm Festival, China's premier electronic music gathering offering delegates the opportunity to do business in the region followed by a series of satellite parties and the nation's leading festival. IMS Asia-Pacific features a series of panels, keynote speeches and interviews with interactive workshops and tutorials as well. At Asia-Pacific, IMS connects leaders of the region from the worlds of finance, technology, music and media with their Western counterparts for a productive platform of inspiration and education.

IMS Asia-Pacific will take place in Shanghai in 2019.

Ticketing companies

It seems that there are many ticketing companies in China, sometimes operational only on a city level. One example of a larger national ticketing company is Damai.

Summary Analysis

The live music market in China is split between small clubs and mid-size venues and live houses in large Tier 1 cities. There is also a strong increase in festivals which are scattered more equally throughout the country. Some cities of Tier 2 and 3 cities could represent a valuable entry point for European artists as some of them have well developed niche genre markets. There is a huge investment from the State linked with real estate investment to create entertainment and cultural infrastructures. However, cultural management skills are in high demand as the infrastructure development far outweighed the development of cultural management skills over the past 15 years. A good way to secure a safe landing in China is to create long term partnerships with well-established and specialised promoters in China who would be willing to create links between the European and the Chinese music scene.

Focus: classical and contemporary classical music

Classical music in Asia rooted during the 20th century, first in Japan and in Korea but later in China, mainly due to the cultural revolution. Classical music which began to develop in 1930 stopped suddenly. Nowadays the classical music market in China is pretty dynamic. A specialised musical magazine articles counts about 980 symphonic orchestras in China, 11 music conservatories and around 11,500 music schools (Gervais 2018). Another article states that there are 44 million households with a piano in China (Worms 2014). An article accounts for 50 million piano practitioners in China (Laspière 2019).

New touring opportunities due to the massive infrastructure investments

Asia and especially China is seen by European classical music ensembles as a country that represent the future of classical music. For example, the famous label *Deutsche Grammophon* decided to celebrate its 120th anniversary with a concert of the Shanghaï Symphony Orchestra in the Forbidden City.

The classical music benefits from a very positive environment in the many metropoles of the South-East of China. New concert halls are built according to the last international quality standards (often by European architects). The new concert halls benefit to first and second class European classical music orchestras. They play regularly in the south-East (Beijing, Shanghaï, Shenzhen) but now also in smaller cities like Chongqing, Zhuhai or Nanning. An interesting fact is that these concert halls are often built outside of the city centres, as Chinese authorities often avoid to large gathering in urban centers. The concert halls are sometimes far away and without cafes or pubs around.

There are also new orchestras emerging. The programmer of the Shanghaï Oriental Arts Center declared that China counts 73 professional orchestras, an amount which doubled in less than 15 years.[184] The orchestras are often financed by municipalities. The orchestras are not necessarily competing with European orchestras, even though their level is strongly increasing, thanks to an effective music education system. Chinese audiences are attracted by European orchestras for their "exoticism" and the quality of the music they play.

The **audience** in China for a classical concert is relatively young. A study of the Shanghaï Oriental Arts Center found out that its audience for classical music concerts is on average only 30 years old (61 in France). The enthusiasm of the Chinese audience is also very often, if not always, mentioned by orchestras who comes back from touring in China. This is also a reason why European orchestras are targeting China for export. A lot of children are educated to classical music there and they see a way to solve the problem of the ageing audience.

Another interesting fact mentioned by interviewees is the curiosity of the Chinese audience to come to see an "exotic" western orchestra on stage. Going to a classical concert is becoming a standard activity of the "golden week", the two weeks annual holidays given by the government to the population since 2000. Western music and its musicians have a big influence potential on Chinese audience

Brands and personal branding are of prime importance in the Chinese market. A famous European orchestra can reach out to a large audience, mainly attracted by their name. This also applies to musicians themselves. A Chinese professional interviewed to the question "To which image is associated classical music in China?" with: *"Ma Youyou, Lang Lang, Li Yundi etc. Li Yundi is recently joining a hot show, which impresses the young people a lot with not so serious classical music but a lot of fun."* Chinese audience consumes musicians and orchestras as brands.

Pricing is variable but is overall rather affordable for classical music. This is, for example, the **ticket prices** for a concert of a European Ensemble who played in China (Shenzhen) in March. Interviewees see these prices as pretty accessible for the Chinese middle class; Classical music in China is not seen as an elitist cultural activity.

- VIP : 1280 CNY = 166.4 EUR / Cat. 1 : 1080 CNY = 140.4 EUR
- Cat. 2 : 880 CNY = 114.4 EUR / Cat. 3 : 680 CNY = 88,4 EUR
- Cat. 4 : 480 CNY = 62.4 EUR / Cat. 5 : 280 CNY = 36.4 EUR
- Cat.6 : 180 CNY = 23.4 EUR / Students : 80 CNY = 10.4 EUR

Touring in China

China presents lots of opportunities but it is also far away and the trips are often tiring for the musicians and complicated in terms of instrument transportation (especially for classical music). The tours are not always profitable but the very high interest by Chinese authorities, organizers and philanthropist counter-balance the financial risk. The orchestras are often invited to play in cultural diplomacy festivals.

Festivals dedicated to classical and new music in China

BMMF: Beijing Modern Music Festival: established in 2002the BMMF is one of the oldest festivals for classical and contemporary music in China. It is supported by the Ministry of Education and the Ministry of Culture of China, and sponsored by the Central Conservatory of Music (CCOM). It takes place every year by the end of May.

Musicacoustica Beijing: This festival dedicated to electroacoustic music started in 1994 as Beijing Electronic Music Week and took place every two or three years. It has been renamed in 2004 and is since held annually by the end of October. It is organised by the Electronic Music Association of China, an organisations which gathers many professors and musicians, and is sponsored by the Central Conservatory of Music. The festival also includes lectures, master classes, academic writing presentations and awards, sound installations and exhibitions of new devices, as well as the influential national electronic music composition competitions. The festival is already collaborating with many electroacoustic studios in France.

New Music Week – Shanghaï: Created in 2007n the New Music Festival is held annually in September and invites regularly internationally recognised ensembles or composers.

Focus on musical instruments companies

China is well known for the production of cheap practice instruments of either Chinese or European brands which flood the European market for decades. They are as well massively used in their internal market where the number of children learning an instrument is increasing. Chinese firms are entering niche markets (like the production of baroque instruments) but also building new and more qualitative brands.

Jerôme Selmer, the owner of a very old and recognised saxophone and clarinet manufacture company, stated in an interview given to the French newspaper "La Lettre du Musicien" that 87% of his sales are done for the export, "particularly in China and Japan where the musical practice is booming." The Chinese market is an important export market for musical instrument companies. Important music fairs like music China have been created at the beginning of the 2000s and are growing continuously. The interest for musical fairs for European companies is ongoing which leads a famous music journalist to ask "Will the growth of the largest Asian trade show stop one day?" (Rouvé 2018)

This dynamism is resulting from a dual development. On the one hand, the European market is stabilizing and is less dynamic than it used to be for traditional music instruments fabricants which lead them to ensure sales of their production. On the other hand, the rising upper and upper-middle class is very much attracted by the occidental culture which explains the growing interest in classical music in China.

The opportunity represented by the Chinese market for European musical instrument companies is ambivalent. The growing quality of musical instrument production is turning China into a serious competitor for European music instruments companies. The quality of the musical instruments built by Chinese companies is increasing and they are also focusing on niche markets like the fabrication of baroque instruments. (Gervais 2019) But the vitality of its market is also opening crucial opportunities for them, especially when it comes to high-quality instruments which are bought as luxury products to the many very rich Chinese upper-class.

Summary Analysis

China has a well-developed infrastructure and music education system which caters to a pretty dynamic classical and contemporary music scene (increasing number of orchestras, substantial number of music players, interested and enthusiastic young audience). This could represent a good alternative to solve, at least temporarily, the challenge of the ageing audience of European classical music concerts. However, the long trip and the numerous logistic obstacles may deter some musicians from touring opportunities in China.

The quality of the instrument manufacture industry in China is creating a growing competition for the European instruments manufacturing. Conversely, the growing upper class represents a substantial income potential for the export of high-class European music instruments.

Publishing

Collective rights Management organisations data

Collective rights Management organisations (CMOs) or Performing rights organisations (PRO) is tasked with protecting its members' performing rights and to collect income from activities, such as performances by radio stations and in public places.
Major music-related CMOs in China include the Music Copyright Society of China (MCSC), China Audio-Video Copyright Association (CAVCA), China Audio and Video Association (CAVA) (Zhang 2016). China also has a copyright society, the *Karaoke Copyright Operation Center,* which only gather copyright revenues from karaoke, a very popular activity in China.

The Music Copyright Society of China has been created in 1992 (for comparison the first copyright association has been created for example in the USA in 1915). In 2013, it accounted 8,101 members and collected royalties for approximately EUR 19 million (Zhang 2016). This means the CMO has way less members than European CMOs like SACEM which counts around 165 000 member or the PRS foundation which counts around 140,000 members.

Publishing market and main publishing companies

There are 40 music publishing companies which sign exclusive licensing contracts, including Sony Publishing, Ocean Butterflies, and EMI (China Music Business 2018). In China, deals for publishing can go from a few hundred euros to a maximum EUR 100,000. (Interviews)

According to Souncharts Chinese market report, publishing generated EUR 62 million in 2017, split halfway between the two copyright management bodies: (MCSC and CAVCA, cf. Section C). The problematic copyright enforcement explains the small share of the publishing contribution to the total music market (around 6%).

Synchronisation

The IFPI 2018 report accounts for an income of EUR 1.24 million coming from synchronisation. Sony/ATV is one of the largest music publishing company and very active in synch. It entered the Chinese market in 2018 in cooperating with the tech giant Tencent.

Challenges and opportunities

In terms of collective rights management or performing rights organisations, China is still "lagging behind" (Zhang 2016) the world leading markets such as the USA and Japan, which testifies of the recent emergence of the Chinese music market.
Copyright revenue in China is extremely low and the number of registered artists is for the size of the country very low as well.

The MCSC is controlled indirectly by the government as nearly half the 18 chairmen were once deputies to the National People's Congress (NPC) and a member of the Chinese People's Political Consultative Conference (CPPCC). The MCSC is sometimes seen as a body that helps the Chinese government to control and regulate the industry rather than a body helping its members in collecting royalties and defending their interests at the State's level. Poor technological infrastructure is also an issue, with a lack of cross-referencing database and the use of ineffective identification methods (Zhang 2016).

Media

TV

The Rap of China: This TV channel rap competition is produced by iQiyi. It is making rap popular in mainland china. This show is inspired from a similar Korean TV show "Show me the money" which has been created in 2012. Some newspapers even accuse "The rap of China" of plagiarism, which shows the influence of the Korean cultural and creative industries over China.

Music blogs, webzines, websites

Little information could be found on music blogs in China. A reason could be that getting information about the artists and bands in China may occur directly via the streaming platforms which are incorporating many social media and micro-blogging components, and creates ways for the artists to have a direct link with their audience through one integrated platform (see also Section B2).

China Music Radar: China Music Radar is a blog about the music scene and related trends in China, from independent musicians to mainstream artists. It's also a resource for the latest news and updates about China's music industry

Pangbianr: Literally meaning "aside", Pangbianr is a bilingual platform for exploring the culture of making music in China with the mission of promoting underground Chinese music and building relationships between musicians and artists within China and abroad. The blog introduces emerging music from Beijing and other parts of China via streaming audio, video, reviews and interviews with independent Chinese musicians. Different from other blogs, pangbianr also organizes music performances, film screenings and discussions at

various live music venues and art galleries around Beijing. They also work with musicians to distribute CDs, DVDs and books.

Noisey / Vice: Chinese branch of the Canadian-American lifestyle magazine

Social media

The major social media platforms are Weibo / Wechat (Tencent). These powerful social media allow for viral marketing and are the basis for the very important and well-developed fan culture. Social networks managed by Tencent (the leader which has overtaken Baidu), Alibaba (the local Amazon) and Baidu are a powerful vehicle to disseminate music, in a context of a market where digital platforms are dominating the music market.

How to export in China ?

Introduction – market shares of European music in China

Figure 55: Digital Import Pie – China

Source: BMAT

Figure 56: Radio Import Pie - China

Source: BMAT

It seems that the Chinese market has an important export potential as it has the largest EU 27 import average of all the markets that have been studied (6.5% average import on radio and streaming platforms against 6.1% for South-Africa, 5.8% for Canada and 3.7% for the US). The digital import pie is however based on a limited dataset as it was impossible for BMAT to access streaming data of the largest Chinese streaming platforms (i.e. the Tencent platforms QQ music, Kugou and Wiami, the Alibaba, Netease and Baidu platforms), which are not taken into account. It shows a relatively low consumption of local repertoire and a strong consumption of "other" (i.e. the non-EU, non-US, and non-local repertoire). It is expected that the figures would strongly vary with the addition of local streaming platforms.

Good practices

Large entertainment companies or labels (like Warner and Sony) entered the market by developing cooperation with a Chinese partner. This is evidenced by several large-scale deals and also some industry mergers: the improvement in the Chinese copyright environment led to several deals like the distribution deal between Alibaba with German music rights company BMG (the rest of the BMG record label which merged with Sony in 2005 but keeps the rights of around 200 artists). The tech company Tencent also made a deal with the world leader digital distribution platform Believe Digital. (Roche 2018) Tencent is announcing since 2017 the signing of major multi-year music licensing agreement with Universal. A recent announcement of UMG to sell 50% of its shares yielded interest from the American fund KKR and the Chinese Tencent. (Reuters 2019)

Some practical advices

Comply with censorship laws: it is better to be an apolitical band, i.e. not to stand explicitly for the Dalaï Lama, for the autonomy of Taïwan, to talk about the Tian'anmen manifestations, and religion. For example, Apple recently censored a song from a Hong-Kongese artist on its platform iTunes music Anthony Wong and Denise Ho, two pro-democracy singers (O'Neill 2019). Even if making business in China is possible despite censorship, this is a sign the Chinese state is seeking to maintain control over the content. With a good VPN people have access to Spotify or Deezer subscriptions in China.
Some events can also be blocked because for the reason they could cause trouble to the public order. Organizers have to respect strong security measure such as providing one security personnel for 100 guest attendance. Authorisation for concerts are in principle delivered by the provincial government.
Generally speaking, never forget that the Chinese government is never far away. It's even more understandable as the Chinese cultural sector is organised in networks, managed by large financial groups hence under observation (or directly managed) by the Chinese government.

Take enough time for the visa process. It needs at least one or two months to go through the procedure as the band has to send the lyrics and a video of them performing to the Chinese authorities to finally get the approval. Then the visa process can start.

Get prepared for the logistical obstacles. Many interviews said that working in china is like walking on eggshells. Everything is possible, but everything is complicated. According to some interviewees, planning a tour in China can notably benefit from the back-up of an embassy or a European cultural institution of an embassy or a European cultural institution. This can be helpful also to top-up the remuneration for the concerts which are not high in China, and which are now subjected to a 20% tax on ticket sales.

Have a **trustworthy local partner** which knows the needs of the venues, the specificities of the market, and assess quickly the export potential of an artist and foremost speaks perfectly Chinese (Especially for tours outside of Tier 1 cities). This is particularly useful to help navigate the Chinese social media, where it is highly recommended to post everything in Chinese.

Be aware of taste and cultural differences between western and Chinese audience.

Think about **engaging with fans.** The director of a music-service company based in China said in an article of the Billboard: "Comments are the best front-facing metric of an artist's resonance in the market. If you were to ask me now to check on the presence of a particular artist in China, the first thing my team would do is look at how many comments are underneath your singles on NetEase." (Hu, 2019)

Focus on Tier 1 and 2 territories, where audiences are more open to western musical genres and spend more money on music than anywhere else in China.

Import of music can be blocked by the government for diplomatic purposes as was the case for a Korean lyric singer in 2017[185]. After a diplomatic incident concerning defensive missile deployment of South Korea toward North Korea, China instituted a ban all Korean cultural exports, including TV-Series, classical and more underground Korean music, also resulting in the impossibility for the artists to obtain performance visas.

Remember it is not possible to have everything under control when you go to China and it's hard to foresee what will happen. Planning is challenging as a lot is organised at the last minute by Chinese professionals (extremely fast though – all problems are usually solved quickly).

China's interest in receiving international artists is also linked to its interest to create connections with international promoters in order to export its own artists. The key to success in accessing the Chinese market is to create a long-term cooperation with a Chinese counterpart.

[185] Interview

Annexes to the Chinese market study

Entertainment & Media Outlook 2016-2020

Entertainment and Media market in China† (US dollar millions)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2015-2020 CAGR
Entertainment and Media in China†‡											
Business-to-business in China	6,804	7,325	7,960	8,551	9,004	9,456	9,918	10,385	10,872	11,384	4.802
Book publishing in China	11,503	11,727	11,938	12,508	13,026	13,480	13,816	13,904	13,956	13,979	1.423
Magazine publishing in China	4,553	4,816	5,146	5,399	5,599	5,763	5,894	6,005	6,076	6,128	1.822
Cinema in China	2,150	2,748	3,181	4,313	6,398	8,486	10,413	12,222	13,827	15,239	18.956
Internet access in China	29,002	33,807	40,838	45,834	52,444	59,038	66,164	73,366	81,123	88,808	11.11
Internet advertising in China	7,725	10,152	13,042	18,186	23,200	27,980	32,633	36,966	41,020	44,609	13.969
Newspaper publishing in China	12,019	12,431	12,840	12,729	12,055	11,823	11,708	11,651	11,605	11,533	-0.881
Out-of-home advertising in China	4,461	4,572	4,815	5,301	5,827	6,447	7,100	7,755	8,416	9,071	9.255
Radio in China	1,648	1,791	1,945	2,280	2,335	2,479	2,613	2,734	2,838	2,924	4.606
Music in China	638	675	716	785	865	957	1,057	1,164	1,271	1,367	9.578
TV advertising in China	15,018	15,497	15,976	16,467	15,659	15,659	16,598	17,528	18,466	19,403	4.381
Total TV and video revenue in China	8,850	10,397	12,367	14,921	17,697	19,334	21,237	23,320	25,131	27,063	8.867
Video games in China	5,472	6,345	7,326	8,276	8,980	9,666	10,354	11,101	11,933	12,851	7.432
Total Entertainment and Media in China	**109,843**	**122,282**	**138,090**	**155,549**	**173,087**	**190,568**	**209,505**	**228,103**	**246,534**	**264,359**	**8.839**
Total without double counting	**107,068**	**119,173**	**134,592**	**151,634**	**168,826**	**185,947**	**204,473**	**222,688**	**240,745**	**258,209**	**8.87**

†At average 2015 exchange rates.

‡Note: Digital advertising components such as online television, online radio, digital newspaper, digital consumer magazine, digital trade magazine and digital directory advertising are included in the respective segments and in the Internet advertising segment but only once in the overall total to avoid double counting. In addition, consumer spending on radio licence fees is included in both the TV and video and the radio segment but only once in the overall total.

Note: Numbers shown are rounded. Totals may not equal the sum of their parts due to rounding.

Data consumption can be measured in terms of both device and type of data consumed for the following 10 countries: USA, China, Japan, Germany, UK, Russia, France, Brazil, India and Indonesia.

Sources: World Association of Newspapers and News Publishers/ PwC/Informa Telecoms & Media/Ovum

Interviewed professionals

Julia Larrigo, Andreas Richter Cultural Consulting
Marc Thonon and Françoise Clerc, Bureau Export
Aiken Lau, Chinese promoter
Alessandro Pavanello, Kanjian Music

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4- The US

Executive summary

What is the key strength of the US Market?

The key strength of the US music market is the sheer size of the market; it has a huge population with vast European diaspora numbers, specialty radio and live opportunities and a large variety of musical genres. Coupled with this the US has a world beating Film and TV Domestic market which is a secondary income source for European Music (and also a way to break into the market)

Publishers, Labels, Promoters and agents all have their head offices here. Success in putting a team together in the US means that you can "break" into the Canadian and South American markets from a successful American campaign. What you will learn from this report on the US market is that your optimal entry strategy for the US should begin at home.

How does European music break into this market or grow its own influence to match the USA

All entry to the US market should begin in the home market. Inviting US agents, labels and publishers etc to European events to see talent locally has a great effect and is paying off in markets such as France, Ireland, Estonia and Sweden. European showcases are a great opportunity to gain access to invited US professionals and build up the reputation of European artists.

Funding artists to showcase at the key US events is also crucial to build on this story. Your export strategy for an act targeting the US needs to start 2-3 year out from any meaningful tour in the US and is in most cases essential for VISA qualifications

The easiest way into this market is to put a US team together ideally from a European label. If you have a strong label and agent combo for Europe, and given the numerous US-led takeovers on European labels (Paradigm, Windish, Coda etc), chances are that your US team can begin to take shape in Europe. It is not as closed or domestically driven as the Canadian market and the US can also be your jump off to a global market rather than just the US.

What is the US learning from Europe?

Some US companies (mostly in the Independent sector) use European tours for emerging US acts to develop a European following or buzz which then helps to get the act more traction in their home market.

What market the US apart is, unlike Canada, it doesn't behave under a single banner in terms of Export. There are small funding streams for songwriters (songwriting camps) but no coherent export strategy because led by a specific organisation. Export is happening quite organically within the US music industry already.

Introduction

The United States of America ("**the US**") consist of 50 states and is grouped into five regions; the Northeast, Southwest, West, Southeast, and Midwest. Each state varies significantly in size and population. The US boasts a variety of landscapes from tropical beaches and dense forests, to barren deserts and frozen tundra. The Atlantic Ocean borders the east, and the west coast is bordered by the Pacific Ocean (American Geography Portal).

Despite English being the most-used language, the country technically has no official language (Briney). According to Census Clock, the population of the US was at 327.16 million in February 2018. It is third most populated country in the world, after China and India (World Population Review).

Population concentration and major markets

A total of 10 US cities have a population of over 1 million people (United States Census Bureau). The US has a population that is spread throughout its largest metropolitan areas, including New York City, Chicago, and Los Angeles, as well as its suburban areas found in less populated states (World Population Review). A 2018 study demonstrated that the urban-rural ratio in the USA is 17.7% rural and 82.3% urban (Britannica).

California is the most densely populated state in the US´ with 39.5 million people followed by Texas (27 million people) and then New York (8.5 million people). New York City is the most populated city in the US.

Census data

A 2016 American Community Survey and previous Censuses show that the foreign-born from Europe make up 1.5% of the US population. The concentration is the smallest in Mississippi, where the European born are 0.2 percent of the state population (United States Census Bureau). Measured as a percentage of a state's total population, the relative size of the European-born population is among the greatest in New York, where the European born comprise 4% of the state population. Of the 20 metropolitan areas with the largest foreign-born populations, the Detroit and Chicago metropolitan areas have the highest percentages of foreign born from Europe (both about 21.5 percent). Boston metropolitan area has the most Southern Europeans and among the most Northern Europeans (4.8 and 4.0 percent, respectively); Detroit metropolitan area, the most Western Europeans; and Chicago metropolitan area, the most Eastern Europeans.

Cultural Composite

The US federal government officially categorizes its population into six groups: White, African American, Native American/Alaskan Native, Pacific Islander, Asian, and Native Hawaiian. From those groups, Americans identify with ethnic groups that are even more specific. For example, more Americans specify as German than any other ethnicity (Wolrd Atlas).

The cultural composite today is made up roughly of the following: English origin make up 12.6% of the US population; Irish origin 10.6%. Native Americans, which includes anybody with ancestry from North, Central, or South America as well as Alaska, make up 1.6% of the US population. People of the Mexican ethnic group are majorly found in the southwestern borders of the US and constitute 10.9% of the population (Wolrd Atlas).

Languages

Based on the 2011 US census English Is the language spoken by the most people In the US (United States Census Bureau). Despite this predominance, many people in the United States speak languages other than English. The second most spoken language in the US is Spanish with (37,458,470 speakers), third is Chinese including Cantonese, Mandarin, and other Chinese languages (2,896,766), and fourth is French and French Creole (2,047,467) (Wolrd Atlas).

The states with the largest limited English Proficient Populations are California, followed by Texas, followed by New York, then Florida, New Jersey, Illinois, Massachusetts, Arizona, Georgia, and Washington (Scamman). The foreign-born from Europe tend to have greater English-speaking ability than most other foreign-born residents. Only a small share of foreign-born from Northern and Western Europe report speaking English poorly. By contrast, more than 35% of Southern and Eastern European-born report the same. The European-born are less likely than other foreign-born to speak a non-English language at home, but there are regional differences. Foreign language use among Eastern and Southern European-born is comparable to levels among the total foreign-born population. By contrast, only 17% of Northern Europeans speak a non-English language at home (United States Census Bureau).

Summary analysis

Access to information on population and dominant languages can be used as a guide for your marketing spend or on your tour routing. It can help you decide (if funds and time are limited) where to focus your first radio campaign or what publications to focus advertising with. It is also a usual tool, depending on the language your artists perform in to make yourself aware of the dominant language in a state or where certain Diaspora populations are based. You should also use the trade and other cultural collateral your country has through embassies to boost audiences and access potential markets.

Legislative framework

Copyright legislation

The US has strong IP laws and has repeatedly topped the intellectual property index compiled by the US Chamber of Commerce, closely followed by other advanced economies: the UK, Germany, and Japan (US Chamber of Commerce). US copyright law as it pertains to music is complex, and this section will outline only the most general background.
A series of disruptive technological developments in the 20th century (i.e. player pianos, phonograph records, CDs, the Internet, digital downloads, and streaming) has resulted in new commercial exploitations of music. Historically, this has prompted cycles of lawsuits and thereafter legislative responses from the US Congress. The current fundamental framework of copyright law in the US is the **Copyright Act of 1976**. The duration of US copyright is the life of the last-living author plus 70 years, unless you are dealing with pre-1778 work in which case it is 75 years (Herlihy).
The Copyright Act (1976) has been updated numerous times in response to advances in digital technology. Latest example was the **1998 Digital Millennium Copyright Act (DMCA)**, which provides safe harbors for online service providers, a statutory license for non-interactive webcasting of sound recordings, and anti-circumvention measures, which prohibits people from hacking into any technological "lock" that controls access to a copyrighted work (Herlihy).

Radio Performance Royalties

In the US, terrestrial broadcasters (AM or FM stations) do not pay performers or sound recording copyright owners; they only pay performance royalties to the songwriters

(Consor). These terrestrial broadcasters also pay no performance royalties to foreign rightsholders, including songwriters.

Music and support funds

Unlike many other countries, the US has no formal national public funding programs specifically for music industry development.

Visa policy

According to Tamizdat, a 501(c)(3) nonprofit organization that facilitates international cultural exchange, if an artist is performing before an audience and is not a US citizen, US law states that they must have a work visa. There are several important exceptions where a work visa may not be necessary.

The three most important exceptions are as follows:

- If the event is an industry showcase where the principle purpose for the audience in attendance is to consider working with the artist in the future.
- If the event is 100% sponsored by the artist's home country's government and the audience is non-paying.
- For managers, if the manager coming to the US is not essential for a performing artist's performance, there is a good chance that manager does not need a work visa.

Visa fees are mandated through US Citizenship and Immigration Services (USCIS) though it is highly recommended to hire an immigration attorney that specializes in performance visas. Depending on the attorney hired, the type of visa for which the artist is applying, the number of people under the visa application, and other variables, costs for a P-1 or O-1 visa—the two most common visas for performing artists—could run anywhere from a few thousand dollars to substantially more. Planning and starting the visa process well in advance is highly recommended. A transcript of an interview with a visa expert accompanies this report with more detail)

Taxes

The IRS (Internal Revenue Service) mandates US companies withhold taxes at the statutory rate of 30% for all payments made to non-American entertainers. There are exceptions but as a general rule, most American businesses, specifically concert promoters in this context, will err on the side of caution and withhold 30% to limit their own potential exposure. According to the IRS, "Foreign athletes and entertainers who are making a tour of the United States may wish to enter into a 'Central Withholding Agreement' with the IRS because, generally, such agreements reduce the amount of taxes withheld on the U.S.-source gross receipts of the foreign athlete or entertainer." The 30% withholding applies to gross income, which can include certain expense reimbursements in addition to fees.

"The United States has tax treaties with a number of foreign countries. Under these treaties, residents (not necessarily citizens) of foreign countries are taxed at a reduced rate or are exempt from U.S. taxes on certain items of income they receive from sources within the United States. These reduced rates and exemptions vary among countries and specific items of income. Under these same treaties, residents or citizens of the United States are taxed at a reduced rate, or are exempt from foreign taxes, on certain items of income they receive from sources within foreign countries. Most income tax treaties contain what is known as a "saving clause" which prevents a citizen or resident of the United States from using the provisions of a tax treaty in order to avoid taxation of U.S. source income." (Internal Revenue Service, IRS).

A list of tax treaties between the U.S. federal government and individual countries can be found on IRS' website.

Summary analysis

When evaluating a tour in the US there are a couple of key steps that need to happen first. Based on our experience if you are struggling in any of the above areas (especially Visas) then it is too early to consider the US as a tour destination. Although the market is vast, it is also quite crowded. A tour or a release in the US has to, above all else, make financial sense to your plan. A couple of key questions you need to ask yourself are

1) Does your music have a market here ? Look at your US streaming data. Look at your sales, Look and your social media. Are you seeing a demand?

2) The US is too vast to sustainably approach the entire US in a DIY fashion. What do you need to kick off your team? `Do you have a US agent? Does your European label or agent have a US partner? IS there an infrastructure in place to help you kick off our entry into the market

3) On a practical level, make sure you know what guarantees you are getting for tours and see if your tour can happen AFTER your figure out 30% of those fees will be withheld for a while

Copyright collection societies & main trade bodies

The US has multiple Performance Rights Organizations ("PROs") and trade bodies. Below is a collection of the most central organizations and their respective members, with descriptions largely provided by the individual organization.

Copyright Collection Societies

ASCAP, American Society of Composers, Authors and Publishers - PRO owned/started by songwriters and publishers; est. 1914; 660,000 members ("The only American PRO created and controlled by composers, writers, and music publishers").

BMI, the Broadcast Music Inc.PRO; owned by the broadcasting industry; est. 1939; 800,000 members; locations: Nashville, New York, Los Angeles, London, Atlanta, Miami, and Puerto Rico.

Harry Fox Agency (owned by SESAC, see below) - Est. 1927; licensing agent for issuing mechanical licenses; has commercial connectivity with over 48,000 affiliated publishers, more than 2,500 record labels and several DSPs; administers over 233M mechanical licenses and distributes hundreds of millions of dollars in annual mechanical royalties for over 100,000 catalogs representing more than 21M unique musical works.

SESAC - PRO; est. 1930; 30,000 members (invitation-only); the organization was originally founded to serve European composers underrepresented in America before branching out to become a full-service PRO.

SoundExchange - SoundExchange collects and distributes digital performance royalties on behalf of nearly 175,000 recording artists and master rights owners accounts and administers direct agreements on behalf of rights owners and licensees. To date, SoundExchange claims to have paid out more than $5 billion in royalties.

Main Trade Bodies

A2IM, American Association of Independent Music - A2IM helps independent music labels improve business by promoting access and parity through advocacy,

education and connection-building with one another and affiliated businesses. The Independent Music Sector has introduced, developed and supported nearly every new musical form which has impacted our society since the beginning of the recording industry. In the present day – perhaps more than ever – the independents are vital to the continued advancement of cultural diversity and innovation in music. A2IM is a not-for-profit trade organization serving the Independent music community as a unified voice representing a sector that, according to Billboard Magazine, comprises over 35.1% of the music industry's market share in the United States. The organization represents the Independents' interests in the marketplace, in the media, on Capitol Hill, and as part of the global music communities (A2IM). Main members include independent music labels and music business such as Merge, Ghostly, Dubset, Marauder, Tuff City Records, Secretly Group.

AARC, Alliance of Artists and Recording Companies - The Alliance of Artists and Recording Companies, Inc. (AARC) is the leading organization representing featured recording artists and sound recording copyright owners, both domestically and abroad, in the areas of home taping/private copy royalties and rental royalties. AARC, a nonprofit organization, was formed to collect and distribute the Audio Home Recording Act of 1992 (AHRA) royalties to featured recording artists and sound recording copyright owners (usually record companies.) However, based on its success in administering the AHRA royalties, AARC's mandate was expanded to include foreign home taping/private copy and rental royalties.
AHRA royalties are generated by the sales of devices and media such as blank CDs, personal audio devices, automobile systems, media centers, and satellite radio devices that have music recording capabilities, to its 500,000+ members worldwide. AARC is the sole administrator of this royalty in the US to featured recording artists and sound recording copyright owners (AARC). Main members include featured recording artists such as solo performers and performer groups and sound recording copyright owners

AFM, American Federation of Musicians - AFM's main roles are to organize unorganized musicians, extending to them the gains of unionism while securing control over our industry sectors and labor markets; bargain contracts and otherwise exercise collective power to improve wages and working conditions, expand the role of musicians in workplace decision-making, and build a stronger union; build political power to ensure that musicians' voices are heard at every level of government to create economic opportunity and foster social justice; provide meaningful paths for member involvement and participation in strong, democratic unions.
Main members include freelance musicians, recording and digital media in sound recordings, film, TV and radio composers, composers for commercials, composers for streaming and new media (AFM).

AFM & SAG-AFTRA Intellectual Property Rights Distribution Fund - Serving as a third-party administrator for the American Federation of Musicians (AFM) and the American Federation of Television and Radio Artists/Screen Actors Guild (SAG-AFTRA), the Fund's purpose is to collect and distribute royalties from various foreign territories and royalties established by government statute under U.S. Copyright Law (AFM & SAG-AFTRA). Participants in the fund include musicians who have performed or covered sound recording in a motion picture/television program in an applicable category become participants. Countries such as Brazil are participants through Audio Visual involvement, Croatia through Private Copy, and UK through Public Performance (AFM & SAG-AFTRA).

AIMP, Association of Independent Music Publisher - The organization's primary focus is to educate and inform music publishers about the most current industry trends and practices by providing a forum for the discussion of the issues and problems confronting the music publishing industry. The AIMP provides a unique medium for those in the music industry to discuss with their colleagues' various points of view from the cutting edge of

the ever-changing music business. The opportunity to exchange ideas and opinions with others on issues of mutual concern is fostered by the informal atmosphere of the AIMP's monthly meetings, forums, and workshops. Main members include independent music publishers, publishers that are affiliated with record labels or motion picture and television production companies. In addition, individuals from other areas of the entertainment community, such as motion picture, television, multimedia and home video producers, the record industry, music licensing and supervision, songwriters, artist managers and members of the legal and accounting professions are active in the AIMP (AIMP).

CCC, Copyright Clearance Center - Copyright Clearance Center (CCC) builds unique solutions that connect content and rights in contextually relevant ways through software and professional services. CCC helps people navigate vast amounts of data to discover actionable insights, enabling them to innovate and make informed decisions. CCC, with its subsidiaries RightsDirect and Ixxus, collaborates with customers to advance how data and information is integrated, accessed, and shared while setting the standard for effective copyright solutions that accelerate knowledge and power innovation. CCC is headquartered in Danvers, Mass. and has offices across North America, Europe and Asia. Main members include content creators, musicians, and publishers (CCC).

CMA, Country Music Association - CMA's purpose is to heighten the awareness of country and support its on-going growth by recognizing excellence in the genre, serving as a repository for critical and timely information and communication, while providing a forum for industry leadership dialogue toward its goals. It aims to promote country music. Members include labels and companies that support country music such as Cold River Records, Great American Country, Big Machine Records, and Capitol Records (CMA).

Music Biz, Music Business Association - The Music Business Association (Music Biz) is a non-profit membership organization that advances and promotes music commerce—a community committed to the full spectrum of monetization models in the industry. They provide common ground by offering thought leadership, resources and unparalleled networking opportunities, all geared to the specific needs of our membership. By leveraging the legacy of the former National Association of Recording Merchandisers (NARM) and its hub for digital initiatives, digitalmusic.org, Music Biz brings a unique perspective and valuable insight into the trends and changes that innovation brings. Members include labels & distributors, publishers & professionals, startups, and artists such as DMG Clearances, Sodatone, atozmedia, Music Story, Broadtime, and many more (Music Biz).

SGA, Songwriters Guild of America - SGA offers services to professional and developing songwriters and fights for creators' intellectual property rights specializing in professional songwriting services, developing songwriting services, intellectual property advocacy, and songwriting and music education Members include professional and developing songwriters in the US (SGA).

Recording Academy - The Recording Academy represents the voices of performers, songwriters, producers, engineers, and all music professionals. Dedicated to ensuring the recording arts remain a thriving part of our shared cultural heritage, the Academy honors music's history while investing in its future through the GRAMMY Museum, advocates on behalf of music creators, supports music people in times of need through MusiCares, and celebrates artistic excellence through the GRAMMY Awards—music's only peer-recognized accolade and highest achievement. As the world's leading society of music professionals, they work year-round to foster a more inspiring world for creators. Main members include performers, songwriters, producers, engineers, and music professionals (Recording Academy).

RIAA, The Recording Industry Association of America - The Recording Industry Association of America® (RIAA) is the trade organization that supports and promotes the creative and financial vitality of the major music companies. Its members comprise the most vibrant record industry in the world, investing in great artists to help them reach their potential and connect to their fans. Nearly 85% of all legitimate recorded music produced and sold in the United States is created, manufactured or distributed by RIAA members (RIAA). Members include US record companies and record companies that have content distributed by major recorded music companies

Summary analysis

If you are a business and you are a member of any of the European chapters of these trade organisations, check in with them about what supports, if any, are available to you when you're working in the US. If you are an artist, verify if your collection society have any support in place in market in the US. Check if your collection society run any joint songwriting camps with any of the main collection societies in the US. Some European collection societies has you default to ASCAP as your US society as a standard practice (which will then collect your US royalties). Check if that's the case where you are from. Make your self familiar with what is and is not collected for in the US and how your income from collection societies will differ from exposure in the US.

Recorded music market

The US has arguably been one of the most influential music markets—culturally and financially—in the entire world for decades. It also remains the world's largest market (IFPI ranking #1). The global music industry generated around $51.5 billion in 2018, with around 19.6 billion of that coming from the US alone (Statista).

Digital Music Focus

Streaming is now driving growth in the US industry. As of 2018, on-demand streaming services account for 75% of the music consumption in the US (Statista). US forecasts predict streaming revenues to continue to grow in the coming years, with digital music revenue from streaming in the US expected to reach nearly 8 billion US dollars by 2022 (Statista). Music streaming services are not only popular to a younger demographic. 62% of the adults have used music streaming services to consume music. With the growing popularity, there are now approximately 51 million paid music-streaming subscribers in the US (Hu).

Along with streaming services, online radio is also gaining popularity, with Americans spending an average of 820 minutes per week listening to online radio as of 2018. Companies such as iHeartRadio and Pandora have been particularly popular in this market (Statista).

Streaming – Major players' market share		
Service	*Service Type*	*Monthly User (Million)*
Apple Music	On-Demand	49.5
Spotify	On-Demand	47.7
Pandora	Internet Radio & On-Demand	36.8
SoundCloud	On-Demand	34.2
Google Play Music	On-Demand	21.9
iHeartRadio	Internet Radio & On-Demand	19.9
Amazon Music	On-Demand	12.7
SiriusXM	Internet Radio	7.6
TuneIn Radio	Internet Radio	6.6

Telcom Company	**Music Streaming Partner(s)**
Verizon	Apple Music
AT&T	Pandora Premium, Amazon Music Unlimited
T-Mobile	Pandora Plus
Sprint	TIDAL

Consumption Patterns

Nearly 70 percent of Americans state that they listen to music every day, with even higher percentages among the younger generations and increases in technology have also allowed music to be shared and discovered more easily through platforms such as YouTube and Facebook. As of 2017 US consumers spent an average of 32 hours per week listening to music, compared to just 23.5 hours in 2015, showing that the world's largest music market is only getting larger (Statista).

Figure 57: Digital Import Pie - US

Source: BMAT

Figure 58: Radio Import Pie - US

Source: BMAT

The US market is the hardest market to reach for European music professionals. There is only around 6% of EU 27 music played on American radios. This number falls drastically when it comes to streaming platforms as the EU 27 music represents only 1.3% of the monthly plays. The better performance of UK repertoire shows the importance of the language and the very small share of non-US, non-EU repertoire shows the US is a relatively closed market. However, being by far the largest music market in the world, it should still be considered as part of a European Music Export Strategy.

Main Distributors and top labels

Just like in the global music market, Universal Music Group, Sony Music Entertainment and Warner Music are the three major players in the US recorded music market. As of 2018, Warner is the leading major label in the US with 25.1% of the market share (24.3% for Universal Music Group and 22.1% for Sony Music Entertainment) (IBIS World).

Major labels owned distributors:

- **Alternative Distribution Alliance** (Warner)
- **Level** (Warner)
- **The Orchard** (Sony)
- **Spinnup** (Universal) - Created by Universal to discover new talent, Spinnup gives each and every artist complete control of their music and 100% of their royalties (Spinnup)
- **Ingrooves Music Group** (recently acquired by Universal)

Independent Distributors:

- **TuneCore**: Brooklyn, New York-based independent digital music distribution, publishing, and licensing service founded in 2005
- **AWAL**: AWAL is a British distribution company and record label with its headquarters in London, UK. Acquired by Kobalt Music in December 2011.
- **CDBaby**: Based in Portland, Oregon, CDBaby not only provide digital distribution service abut also specialized in the distribution of physical products. Its parent company AVL Digital Group was acquired by Downtown Music Group in April 2019.
- **ONErpm**: Founded in Brooklyn, NY in 2010, ONErpm is specialized in Latin repertoire, and has huge presence in the Brazilian market.
- **DistroKid**: New York-based independent digital music distribution, publishing, and licensing service founded in 2013. Spotify announced it took a stake in DistroKid in late 2018, and the service will support Spotify in providing artist the ability to upload music to Spotify directly in the future.

Main Retail Stores

With the rising popularity of streaming services and other digital formats, many of the mainstream music and entertainment stores—such as Virgin and Tower Records—are out of business. Now, the leading music retail company is Trans World Entertainment Corporation, which owns brands such as For Your Entertainment, Wherehouse Music, and more. Trans World Entertainment has 15% of the US music retail market share (IBIS World), and independent music stores and big-box stores like Best Buy serve the rest of the market (WHITE).

Retail stores include:

- Trans World Entertainment Corporation
- Best Buy
- Target
- Walmart
- Hot Topic
- Urban Outfitters

Certifications and awards

RIAA Gold & Platinum Certification: The Gold & Platinum Awards have been a pinnacle of success in the music industry since 1958.

RIAA Gold & Platinum awards		
Certification	**Minimum Units**	**Date established**
Gold	500,000	1958
Platinum	1,000,000	1976
Multi-platinum	2,000,000 (in increments of 1,000,000 thereafter	1984
Diamond	10,000,000 and more	1999

Awards	Organizer	Awarded For	Date
American Music Awards (AMAs)	American Broadcast Company	Favorite artists chosen in an online poll	November
BET Awards	Black Entertainment Television network	African Americans and other American minorities in music, acting, sports, and other fields of entertainment	June
Billboard Music Award	Billboard	Outstanding chart performance	May
Billboard Latin Music Awards	Billboard	Outstanding chart performance	April
Dove Award	Gospel Music Association	Outstanding achievements in the Christian music industry	October
Grammy Award	The Recording Academy	Outstanding achievements in the music industry	February
iHeartRadio Music Awards	iHeartRadio	Performance in music platforms and radio airplay, recognizing artists and listeners	March
MTV Video Music Award	MTV	Music videos and pop culture	August

Summary analysis

It is a given that you cannot or should not attempt to break the US with out the support of a label. If you are on a label in Europe, it can be advisable to go though a licensing deal with them or use them to drive up your streaming then that is a good start. Be sure to get yourself on all of the many streaming services in the US as you can use your data and metadata from streaming to secure other members of your team such as a publisher or agent. Although not widely used in European markets, Pandora is amongst the top five streaming services in the US and would be worth getting European acts distributed on.

As with all export initiatives, bringing labels and scouts to a domestic or other European event could mean that you may have the chance to secure a label from the US.

Live

Live music is a growing part of the US music industry. Around one third of US consumers reported to have attended at least one live music concert in 2017. Artists such as U2, Bruno Mars, Metallica, and Garth Brooks all had tours that generated over 100 million US dollars in revenues in 2017, with U2's tour selling over 1.5 million tickets (Statista). The revenue from ticket sales is over $28.4bn (2017). The businesses in the live music space are primarily concentrated in New York and California, and secondarily in Massachusetts, Pennsylvania, Ohio, Illinois, Texas, and Florida. The key economic trends that drive US live music consumption are per capita disposable income, corporate profit, time spent on leisure and sports, and federal funding for arts.

Main promoters

Live Nation - The biggest concert promoter and ticketing company in the US as well as globally. Hold 22% of the US market and is growing (IBIS World). Live Nation concerts and festivals work with the biggest names in music to deliver 30,000 events to over 85 million fans around the world each year.[186]

AEG - Global sports and live entertainment company that owns and runs venues, sports franchises, music brands, integrated entertainment districts, ticketing platforms and global sponsorship activations (AEG). The company controls 8% of the US market (IBIS World).

C3 Presents - C3 Presents, LLC creates, markets, and produces live experiences, concerts, and events worldwide. It offers services in the areas of event planning and management, venue selection and site building, operations and logistics, booking and talent buying, liaison services (for municipal, civic, and special interest groups), budget planning and oversights, permits and insurance, accounting and legal services, security and safety, transportation planning and execution, accommodations and guest services, vendor sourcing and management, environmental and greening programs, accessibility planning and programs, merchandising and concessions, creative services, traditional marketing and media planning (Bloomberg).

Another Planet (San Francisco, CA) - Another Planet is the only independent, locally owned and operated, full-service concert production company in the San Francisco Bay Area and Northern California. The concert production firm plans, organizes and promotes concerts and events (Another Planet).

Jam Productions (Dallas, TX) - Jam Entertainment and Creative Services LLC produces hundreds of special events, trade shows, concerts and festivals each year. They claim to be experts in all phases of creative design, planning, production and onsite management. In addition, as one of the country's largest purchasers of talent. Jam Concerts is the largest independent concert promoter in the nation (Jam Entertainment and Creative Services LLC).

Beaver Productions (New Orleans, LA) - Beaver Productions is an independent concert promotion and production company. With offices in New Orleans and Memphis, the company brings artists and audiences together by promoting and producing major concerts and tours across North America (Beaver Productions).

Newcomer Promoters

AdHoc Presents - This Brooklyn-based concert promoter and publication was built by a community of music lovers with a shared ethos: that of building the world you want to see using the materials at your disposal. AdHoc produces hundreds of events annually while documenting the changing shape of underground music through its website and print zine (AdHoc).

Margin Walker - Founded by Graham Williams and supported by a team of talented booking agents and staff, the team behind Margin Walker has been booking and producing shows in Austin for decades. From large 4000-person concert halls to intimate 150-cap rooms, to highly curated private events for clients and friends, the team books over 750 shows a year, in over 30 prestigious live music venues across Texas. Punk, indie, electronic, hip-hop, comedy, podcasts – their bookings represent the best in independent

[186] Live Nation

music and they're proud to present the best acts in the world on their stages (Margin Walker).

NoisePop - Bay Area Event Producer promoting venues and festivals founded in 1993. It has a strong focus on independent music and culture (NoisePop).

Ticketing companies

Ticketmaster (and Ticket Web) This market leader in ticketing solutions is owned by Live Nation and tickets 80 of the top 100 arenas in the country.

Eventbrite (and Ticketfly) - Eventbrite provides ticketing, digital marketing, and analytics software. The company has a 20.94% market share, and the technology that allows anyone to create, share, find and attend events of all kinds. They work with music festivals, marathons, conferences, hackathons, political rallies, fundraisers, gaming competitions, and more.
Etix - With a 3.25% market share, this international web-based ticketing service provider processes more than 50 million tickets per year for 4,100+ clients in the entertainment, travel, and sports industries in 40 countries (Datanyze).

ShowClix - Built by fans of live events to help organizers grow their businesses, ShowClix boasts a 0.2% market share. These experts provide event technology and professional services that support its partners through the entire event life cycle. Iconic brands like New York Comic Con, Museum of Ice Cream, The Daily Show, and MoMa use ShowClix.

Convention and professional events, showcase festivals, trade fairs

A2IM Indie Week - This four-day international conference and networking event is aimed at maximizing the global impact of independent music. Indie Week includes keynotes, panels, receptions, exclusive networking sessions, and much more. Target group: those working within independent music.

AMERICANAFEST - The annual event brings together fans and music industry professionals alike, offering six days of celebration through seminars, panels and networking opportunities by day and raw, intimate showcases each night.

Folk Alliance - This conference has the aim to serve, strengthen, and engage the global folk music community through preservation, presentation, and promotion. The Folk Alliance International folk umbrella represents the broadest international iteration of the genre, encompassing a diverse array of music including Appalachian, Americana, Blues, Bluegrass, Celtic, Cajun, Francophone, Global Roots, Indigenous, Latin, Old-Time, Traditional, Singer-Songwriter, Spoken Word and every imaginable fusion.

Music Biz - The conference is powered by Music Business Association with the aim of uniting leaders in the commerce, content and creative communities across the globe to discuss the future of the music business and to build relationships that will steer the industry for years to come.

NAMM - Several trade shows serve as the crossroads for professionals wanting to seek out the newest innovations in music, recording technology, sound, stage and lighting products. This is a thriving, worldwide community of thousands of deeply passionate, talented companies that make, buy and sell the instruments that allow millions of people to make music.

SXSW - The conference and festival celebrates the convergence of the interactive, film, and music industries. The event, an essential destination for global professionals, features sessions, showcases, screenings, exhibitions, and a variety of networking opportunities.

Newcomer Music Biz Events

Mondo.nyc - This global business conference and festival unites music and technology. Emerging artists, innovators and industry insiders connect and collaborate with fans in a mission to advance human creativity in an ever-changing world.

Music Cities Events - Music Cities Events is a global series of conferences focused on all aspects of music and cities e.g. how music informs, impacts and influences policy, planning, community development, building codes, regeneration, tourism and branding, quality of life and international development. So far events have been organized or are being organized in Europe, North America, South America and Australasia.

The New Colossus Festival - Launched in March 2019, six independent music venues in the Lower East Side & East Village hosted bands and musicians from around the world at the New Colossus Festival. Over the course of four days and three nights, artists had an opportunity to perform showcases for fans and industry.

Summary Analysis

The US is a large market and can accommodate tours in multiple sized venues up to arenas. A good live strategy would be to do your first US tour as a support to a larger band, then do a tour of small to middle sized venues and subsequently target the larger venues. There is an easy to navigate route of how you can get into the market (showcase events) to developing larger shows (supports) and then full tours. An agent in the US is imperative. Strong export strategies should include bringing US agents to your home event in your own territory. Dominant agencies include Paradigm, William Morriss, CAA, United Talent agency and more. A significant boon in securing a US agent is that a lot of them work and book tours in Canada, and can be a key entry point for more tours there.

Publishing

Publishing market

As of the final quarter of 2018, Sony/ATV Music was the top music publisher in the United States in terms of its market share, with 21.2% of the period's top 100 radio songs. Universal Music Publishing Group ranked the second for the market share, Kobalt Music ranked third with a share of 17.35 percent (Statista).
Right now, the mechanical royalty is still .91 cents in the US according to the US Copyright law for both physical and digital music. And the Copyright Royalty Board is working on raising the rate (Jacobson).
The implementation of the **"Music Modernization Act:"** President Trump signed the Music Modernization Act in late 2018 in accelerating the change in legislation of copyright law in assisting songwriters to collect royalties. However, the implementation of the bill is complicated and will be a continuous challenge for publishers, songwriters and services providers (Christman).
Main Publishing Companies

- Universal Music Publishing Group (UMPG)
- Sony/ATV Music Publishing

- Warner/Chappell
- Kobalt Music
- BMG
- Spirit Music Group
- Sea Gayle Music
- Primary Wave Entertainment
- Wixen Music Publishing
- Reservoir Media Management
- The Administration MP, Inc.
- Big Yellow Dog Music

Figure 59:US Music Industry revenues in 2018

Source: RIAA

Synchronisation

Synch licensing revenue contributed about 3% of the US recorded music revenue in the first half of 2018 (RIAA). Most of the major labels, distributors, and publishing companies have their own department in supporting artists to get synch placement. There are also a few independent music licensing services such as Epidemic Sounds that allow musicians to upload their music for ad or video placement.

Summary analysis

Publishing is one area of your musical ownership that can work to your biggest advantage in the US market without you even having to be in the market. A well-placed song in a strong Netflix or HBO series can generate an interest in your music to the extent that you are getting shows booked and offers from labels based on one song (Swedish Artist, Hose Gonzalez experienced this with a placement in a Sony Bravia commercial for his cover of The Knife's "Heartbeats"). There are a wealth of Music Supervisors who are always looking for European sounding music. Single out some supervisors based on what you are hearing on film and TV shows made in the US and pitch them your music through your European publisher. Publishing is a vast area of the music industry and some European countries focus on it solely as a way to develop European careers in the US (Sweden in particular through their various Hit Factories are sought out by a large amount of pop artists from Taylor Swift to Beyonce to Britney Spears and Justin Timberlake).

Media

Radio

In 2013, there were more than 15,330 terrestrial radio stations in the US (Houghton). Radio stations operate under license of the Federal Communications Commission, FCC, and must abide by its restrictions, including avoiding what is deemed inappropriate content. All licensed commercial or non-commercial broadcasters risk fines or loss of license for violations of FCC regulations.

Licensed broadcasters:

- AM: 4728
- Commercial FM: 6613
- Educational FM: 3989

Non-Commercial/Educational Radio

These radio broadcasters are inclusive of university, community, public, and religious broadcasters. There are hundreds of consistently active "college radio" stations that give airplay and support to new and emerging music. Though most of these stations are licensed to an educational facility, the term college radio is somewhat colloquial including stations that are community based or have otherwise more open programming than most commercial broadcasters.
Independent radio promoters (known in the UK as pluggers) generally focus on one or two specific formats and/or genres. Music charts for emerging music formats include NACC (North American College Chart), Spinitron, FMQB.

NACC reportable formats include:

- NACC 200 Chart
- Non-Comm
- NACC Next
- Heavy
- Electronic
- Hip Hop
- Jazz
- Folk
- World
- Chill
- Blues
- Latin

Commercial Radio

Commercial radio stations in the US are largely owned by one of several radio networks. There are currently five major English-language commercial broadcasters and networks.

iHeartMedia: Clear Channel Outdoor Holdings, Inc., is a public subsidiary of iHeartMedia, and is one of the world's largest outdoor advertising corporations. With over a quarter billion monthly listeners in the US, iHeartMedia has the largest reach of any radio or television outlet in America.

Gen Media Partners: Gen Media Partners is an integrated sales and marketing company that steers the operations of McGavren Guild Media, Local Focus Radio, HRN Media

Network, MG Malls, and more. It claims to be the largest independent radio representation firm in the US, with a platform of more than 1,000 exclusive radio stations in 330 markets with 98 percent coverage across the country.

Cumulus Media: Cumulus Media, Inc. is an American broadcasting company and is the third largest owner and operator of AM and FM radio stations in the United States behind Entercom and iHeartMedia, Inc. As of July 1, 2017, Cumulus lists ownership of 446 stations in 90 media markets. It also owns Westwood One.

Townsquare Media: Townsquare is a radio, digital media, entertainment and digital marketing solutions company principally aiming to be the premier local advertising and marketing solutions platform in small and mid-sized markets across the US. Its assets include 321 radio stations and more than 330+ local websites in 67 US markets, a digital marketing solutions company (Townsquare Interactive), a proprietary digital programmatic advertising platform (Townsquare Ignite) and approximately 200 live events with over one million attendees each year.

Entercom: Entercom Communications Corporation is a publicly traded American broadcasting company and radio network based in Bala Cynwyd, Pennsylvania. Founded in 1968, it is the second largest radio company in the United States, owning 235 radio stations across 48 media markets.

Commercial formats include:

- Pop/Adult Contemporary
- Rock/Alternative/Indie
- Country
- Urban/Rhythmic
- Dance/Electronic
- Jazz/Blues/Standards
- Easy Listening/New Age
- Folk/Singer-Songwriters
- Latin
- International
- Christian/Gospel
- Classical
- Seasonal/Holiday/Happening

Specialty shows with looser programming restrictions than what would be played in regular rotation exist within all major formats, often hosted for one-to-three hours of non-programmed material. Specialty charts for new music formats include FMQB Submodern albums/singles, Triple A albums, AllAccess.com, HITS Daily Double, Billboard.
Commercial radio is monitored by Mediabase, BDS, WARM, and other online fingerprinting services. Satellite or digital radio includes SiriusXM, Music Choice, and Pandora. SoundExchange collects for online radio broadcasters.

TV

In 2017 there were 1,761 stations on the air. There is no official national broadcaster in the US, with the closest equivalent being the public television service called PBS (Public Broadcasting Service). The major networks (ABC, CBS, NBC, FOX) own stations throughout the country with local and national programming. Online television equivalents include NPR Tiny Desk, KEXP, Paste Studio Sessions, Audiotree, Sofar Sounds, etc.

Late night music television programming includes:

- Jimmy Kimmel Live, ABC
- Tonight Show with Jimmy Fallon, NBC
- Last Call with Carson Daly, NBC
- Late Show with Stephen Colbert, CBS
- Late Night with Seth Meyers, NBC
- Late Late Show with James Corden, CBS
- Saturday Night Live, NBC

Music Magazines

Print

Print media in the US is changing on a daily basis. Publications like *No Depression* are a non-profit model based on subscriptions and philanthropy, whereas there are fewer for-profit print publications each year. According to Cision Media Research, these are the top 10 music print publications as of January 11, 2017.

1. Rolling Stone – 1,467,971
2. Music Alive! – 500,000
3. Alternative Press -297,222
4. M Music & Musicians – 160,000
5. Revolver – 150,000
6. Modern Drummer -105,042
7. Relix – 102,000
8. Guitar World – 92,328
9. Big Shot – 80,000
10. Jazz Times – 70,025

Music blogs, webzines, websites

Online music publications are standalone websites with a specific focus on music or entertainment. According to Hypebot, a leading trade publication, the top 20 music influential music blogs in 2019 are as follows:

1) Pitchfork - pitchfork.com
2) Hypebot - hypebot.com
3) Brooklyn Vegan - http://www.brooklynvegan.com/
4) Your EDM - Youredm.com
5) Pigeons & Planes - pigeonsandplanes.com
6) Music | Reddit - reddit.com/r/Music
7) My Old Kentucky Blog - http://www.myoldkentuckyblog.com/
8) Trap Music Blog – Run The Trap - runthetrap.com
9) Consequence of Sound - consequenceofsound.net
10) EDM.com - edm.com
11) All Music - www.allmusic.com
12) Dancing Astronaut - dancingastronaut.com
13) Birp! - http://www.birp.fm/
14) NPR - npr.org/sections/allsongs
15) Stereogum - stereogum.com
16) FACT Magazine - factmag.com

17) Hype Machine - hypem.com/popular?workaround..
18) Elicit Magazine - http://www.elicitmagazine.com/
19) Hip-Hop Wired - hiphopwired.com
20) No Fear Of Pop - nofearofpop.net

Summary analysis

It is important to note that while is some European countries a lot of PR can be done in-house at labels or by hiring a PR company, in the US it is slightly different. Hiring different companies for different destinations is the standard practice, e.g. for radio 'pluggers' service radio. Traditional PR companies service print and online and College radio 'pluggers' are separate again. A useful tip to cut down on the volume of PR required is to identify acts in the US which sound like you do and then target the media you see them in or hear them on through the various channels.

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