



INDEPENDENT MUSIC PUBLISHERS
INTERNATIONAL FORUM

PRESS RELEASE - Date: 22 October 2020 - IMPF launches Independent Music Publishing Global Market View 2020

Brussels – Today, the International Music Publishers Forum (IMPF), whose members are independent music publishers from around the world, has released a report showing the value of the global music copyright business. Worth EUR 25.52 billion in 2018, with 61% attributed to the global recorded music sector and 39% to the music publishing sector worldwide, encompassing revenues generated by music publishers and songwriters and composers through collective management organisations. In 2019, the value of music publishing (alone) was estimated at EUR 5 billion globally.

Indies represent 27% of that global market share; a rather impressive figure considering that this report classifies “indies” as those companies with a market share of 5%, or less, of the overall music publishing market. The report also reveals that this 27% global figure varies widely according to region, with, for example, independents constituting a remarkable 63% of the publishing market in Japan.

Annette Barrett, President of IMPF and Chair of the Board of Directors, commented: *“I am so pleased to launch this report as President of IMPF. It’s a study that needed to be undertaken, not just to use for global advocacy with policy makers everywhere, but for all music publishers to better understand our strengths, repertoire and indeed the regions of the world that may require more focus. This study also underpins what we have always known, that the size of the indie music publishing market internationally is very significant as is our positioning in the overall music industry. This report is a starting point, and should we decide to look in the future at our contribution in real terms – employment and job creation, investment in new talent, support to songwriters and composers, number of companies, etc. – then our impact is only multiplied.”*

Breakdown by streams of revenues:

When looking at the various revenue streams, while digital revenue was below 20% of the global publishing revenue in 2018, streaming and digital services are clearly growing, and indie publishers want to look at ways of ensuring that their own value is fully recognised.

“While this figure is increasing, it is still shockingly low. For instance, though digital revenues account for approximately 80% of the growth in revenues on the recording side, this is not the case in publishing where growth comes mainly from mechanical revenue. Independent music publishers are well aware of this discrepancy and it is something that requires further reflection and action,” Barrett commented.

Breakdown by region:

In terms of regions, North America, Europe and Japan are leading the growth curve, but growth is a reality on all continents. While the report shows that it is more difficult to obtain strictly accurate figures in some regions the tendency across the board is

similar, and the issue of accuracy in reporting is one which indies will work to ameliorate together with CISAC and collective management organisations (CMOs).

Piracy and corruption continue to be a real problem everywhere, particularly in the African continent and China, and IMPF joins industry colleagues and other rightsholders in any efforts to address this threat.

The impact of Covid-19:

The report acknowledges the serious and devastating impact of the Covid pandemic on the music industry. Around the world, there has been a wave of cancellations and postponements of live performances, with many, many more to come. This is having a dramatically ill effect on the livelihoods of all those working in, and connected with, the music sector. While some CMOs have ventured to calculate estimated losses, the real impact will only be known, and felt, next year, given the timeline between collection and distribution.

Rethinking the “value gap”:

The “value gap” continues to be addressed in different regions of the world and it is crucial that policy makers understand that the “safe harbour” regime designed in the early days of the Internet can no longer be used to exempt certain online services from the normal conditions of music licensing. In the EU, the Copyright Directive is in the process of being transposed into national legislation. Efficient and accurate implementation is crucial to ensuring that rightsholders are fairly and sufficiently remunerated for the use of their online copyright-protected content.

However, low levels of digital income – one-fifth of the global music publishing income as shown in this report – are not merely due to “safe harbour” issues, but also due to the way licenses are negotiated, thereby begging the question as to whether the indie music publishing market could in effect be bigger. Rethinking the way streaming licences are granted is clearly on the table. This is particularly important given the impact of Covid on the music industry. Streaming subscriptions are, as noted previously, on the rise, and yet this growth is largely beneficial to the labels with over 55% of their 2019 revenue coming from streaming services.

The role of independent publishers:

The report shows the value and contribution of independent music publishers to the global music market and provides substantive information and future proofing guidance for industry, authors and composers, as well as policy and decision makers. It is also now vitally important to work together to rebalance the asymmetries between labels and publishers, an asymmetry that has only been exacerbated by Covid.

As the case studies included in this report demonstrate, indie music publishers are acknowledged for their flexibility, persistence and ability to adapt to change, particularly in these difficult times. During the months following the outbreak of the Covid pandemic, publishers have had time to reflect on how they do business; as natural entrepreneurs, they have seen and responded to the new licensing opportunities brought on by the worldwide lockdown.

“As the network and meeting place for independent music publishers globally, IMPF

is confident that together any challenge can be turned into an opportunity. In times of change this report demonstrates the strength of indie publishers. IMPF will continue to assist, provide, and connect indie publishers around the world and ever more so in the current climate and especially in those territories where indies may be sole operators and lack any solid network” said Barrett.

Quotes from IMPF members:

Ichiro “Ichi” Asatsuma, Chairman, Fujipacific Music Inc and IMPF Board member (Japan):

“I am very pleased to see this first report estimating the global economic overview of indie music publishing, and to see the value we bring to the overall international music system. It’s also good to see the current growth and importantly, the potential growth areas.”

Mary Jo Mennella, CEO & Founder of Music Asset Management, Inc., Board Member of IMPEL, Past President of the AIMP, and IMPF Board Member (USA)

“Solid businesses are built on relationships. Being an Independent publisher showcases your entrepreneurial spirit and through those relationships creates a global network with like-minded colleagues and companies forming a powerful bond. Particularly during challenging or uncertain times being independent affords a company with the ability to nimbly pivot as needed with the goal of exchanging information and ideas to further the industry’s growth in support of its songwriters.”

John Fishlock, MD and Co-owner of Active Music Publishing, and IMPF Board member (South Africa): “The ethos of being an indie is that you only sign something you love and therefore you put time, passion and dedication to the career of the person you represent. You hear a song, you love it, and you say, I am going to make sure this song is a hit.”

Methodology:

The report compiles available information on the music industry and aims to illustrate the value of independent publishing within the music ecosystem. It provides an economic and financial overview of the global industry with the purpose of highlighting indie publisher’s contribution and influence. This report assembles, for the first time, the global market revenue and percentage share of the independent music publishing industry. It looks at where the industry revenue was at internationally in 2019 and 2018, a view which is critically important given the impact of the Covid pandemic of 2020 (and 2021). The report also shows the growth potential of the sector in the wider music market context.

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IMPF is the global network for independent music publishers. IMPF represents the interests of indie music publishers internationally, shares experiences and best practices, exchanges information on the copyright and legal framework in different territories and jurisdictions, and helps stimulate a more favourable environment for artistic, cultural and commercial diversity for songwriters, composers and publishers everywhere. www.impforum.org