



**PERFORMER REMUNERATION IN THE DIGITAL AGE - MARCH 2021**  
**- Why we can't agree with a new unwaivable right for performers to negotiate directly with services**  
**- Why it is not in the 2019 EU copyright directive**

- Independents are pioneers in this field with our [Fair Digital Deals Declaration](#), but we do not support a new right for performers as we believe it runs counter to our model of solidarity, risk and sustainability.
- This question has been examined in detail many times, most recently in the EU copyright directive. A new right was dismissed by all three institutions. Trying to introduce it at national level would go against the directive and defeat its aim - harmonising copyright to foster the digital single market.
- The rights are already covered in contracts with labels who license these to platforms. A new right for performers wouldn't create any new income, but would simply redistribute existing income away from labels and featured artists to session musicians who already get paid via union agreements. This income would be distributed via collecting societies, which means extra admin and fees and being unable to negotiate normal commercial rates.
- Seeking a new unwaivable right for online exploitation is like asking high-street record stores to pay extra money directly to performers, on top of what labels pay. If that seems odd, that's because it is.
- A new right would impose a new licensing burden on music services to negotiate with collecting societies when the rights are already paid for, with any new payment ultimately being deducted from music companies. It would also put downward pressure on revenues as the model on which equitable remuneration is based pays up to 200 times lower than streaming. The impact would be massive.
- The European copyright directive already reforms performer rights in a balanced way and reflects years of review and negotiations. It is important to adopt the new rules and not open them up again.
- A new right would hit smaller companies harder as we account for the majority of contracts. It would drastically impact our members' ability to invest and reduce the number and diversity of artists able to make a living. It would also limit our ability to deliver solutions such as the Fair Digital Deals Declaration.

The covid-19 crisis and concerns about streaming revenue have led some groups to raise this question again. Some even claim performers do not receive remuneration for online exploitation, which is false - online exploitation is paid for in the same way as offline. In addition some of the numbers put forward in the debate look through the narrow lens of a single release or a single artist. This ignores the reality that successful releases make it possible to take risks with new artists - the solidarity or rising tide model.

The independent sector has trailblazed with our commitments to artists under the WIN Fair Deals Declaration for online exploitation. We have called for [proper crisis support](#) for the whole sector including performers and other music workers. We also actively seek a better balance of power to ensure platforms pay properly for music and [promote different streaming models](#) to promote innovation and investment in new talent.

We also support the EU copyright directive's sweeping reform for authors and performers - the principle of appropriate and proportionate remuneration (Article 18, which rejected a new right), transparency obligations (Article 19), a contract adjustment mechanism (Article 20) and right of revocation (Article 22).

**Our support for performers and artists is progressive, and a new right would hurt upcoming artists.**

It is important to understand the model of risk in the music sector today. Independent music companies are the main partners and risk-takers, accounting for over 80% of all new releases. That means they represent 80% of the risk in music, as well as 80% of the contracts. Our members are solicited today more than ever by artists looking for partners, yet a new right would cut through that model.

Current remuneration models for digital and physical exploitation tend to reflect the variety of contractual options in the market and the risk taken by the respective parties. Without changing risk, it is hard to justify remuneration changes which we believe would hurt new artists. Risk and solidarity depend on being able to reinvest profits and take risks with new artists. A new equitable remuneration right would contradict our primary obligations: i) maximise revenue for featured artists signed to us today; ii) take risks with new artists; and iii) innovate with new practices like Fair Digital Deals Declaration, optimal streaming models etc.