

**ARTIST & LABEL SERVICES:**  
HOW TECHNOLOGY IS ENERGISING  
AN ARTISTS-FIRST GLOBAL BUSINESS

AN EXCLUSIVE REPORT BY  **midem**  
CONNECTED BY MUSIC

# EXECUTIVE SUMMARY

The Artist & Label Services sector is the new competitive player in the global music-industry arena, and it looks set to overhaul the state of the business in the 2020s.

As a business model, it is responding to a new reality that places the content creator right bang in the centre of a music company's strategy. The creator (the singer-songwriter, the composer, the performer), signed to a label or unsigned, is treated as an equal partner consulted at every stage of the business plan.

The game-changing catalysts have been the Internet, high-speed broadband, social media, influential global streaming platforms, and smartphones.

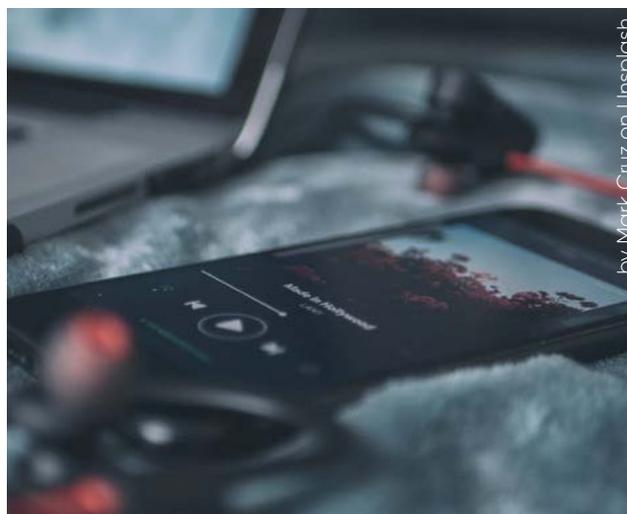
However, while empowering the creators to do their own thing, these technologies also showed artists the real hard work that goes into fulfilling big or small ambitions.

Enter the new generation of specialists known as Artists and Label Services. They use these almost consumer-friendly digital tools, from easy ones like YouTube uploads to complex features like algorithms, on behalf of the artists and on the artists' terms.

Artist & Label Services like AWAL, The Orchard, Kartel Music Group as well as Believe Digital and its subsidiary TuneCore were initially positioned as digital-distribution experts.

THE GLOBAL MUSIC MARKET				
Global recorded-music revenue in 2018:	Global value of streamed music in 2018:	Growth rate in paid streaming revenue:	Amount invested annually by record companies in A&R and marketing:	Amount invested in breaking a worldwide-signed artist in a major market:
<b>US\$19.1bn</b>	<b>US\$8.9bn</b> (47% of global recorded music revenue)	<b>32.9%</b>	<b>US\$4.5bn</b>	<b>US\$0.5m – US\$2m</b>

Source: IFPI



by Mark Cruz on Unsplash

But they have expanded their remit to give artists a host of other relevant and bespoke aids. Each artist can pick and mix elements that suit them and, crucially, they can hold on to their masters and other copyright.

According to reported MIDiA Research estimates, such artists-first and related label services generated US\$1.58bn in 2018, a significant sum

that effectively did not exist a decade ago and is forecast to grow.

This is taking place as trade organisation IFPI reports that the global recorded-music revenues jumped 9.7% to US\$19bn in 2018, the fourth consecutive year of growth.

In this Midem White Paper called *Artist & Label Services: How Technology Is Energising an Artists-First Global Business*, we examine this phenomenon's contribution to the industry's resurgence by:

- defining an Artist & Label Service
- analysing the state of the business
- highlighting the companies leading the pack
- compiling a gallery of hit acts adopting the business model
- exploring the impact on traditional recording companies,
- featuring exclusive interviews with senior Artist & Label Services executives

# ARTIST & LABEL SERVICES:

## HOW TECHNOLOGY IS ENERGISING AN ARTISTS-FIRST GLOBAL BUSINESS

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# 1 INTRODUCTION TO ARTIST & LABEL SERVICES

Artist & Label Services companies focus on the artist's creativity and needs first and foremost.

They are forging the emerging artists-direct industry (including artist-entrepreneurs, DIY creators) that is set to overhaul how the music business will operate in the coming years.

They are creating a new eco-system that makes the music industry more accessible and affordable to aspiring musicians without recording deals and established ones seeking more flexible choices.

They offer the same services and expertise at the same sophisticated level as pure-play traditional labels do, from marketing and promotion to distribution and tracking royalties on the countless number of digital services using music. But where the legacy label dictated the terms and conditions to the music creator, Artist & Label Services say the artist is the boss.

These enterprises include those that identify as only Artist Services, as only Label Services or those that offer both under one roof.

Some are standalone operations, some are subsidiaries of international music companies and others belong to the three colossal major record labels (Universal Music Group, Warner Music Group and Sony Music Entertainment).

## **The way it used to be**

Since the 1950s until the heyday of CDs in the 1990s,

artists have needed recording labels that offered them generous financial advances to spend on producing an album that would sell in a few millions to earn a Gold or Platinum sales certificate.

In return, they signed a standard recording contract where the label called the shots and the artist had to comply.

## **The old ways' pros and cons**

If the strategies agreed by the label executives worked, the act was on his or her way to international stardom. The Beatles, The Rolling Stones, Madonna and U2 have benefited nicely from traditional label contracts.

Yet, signed artists have constantly stated a desire for a greater say in their careers, wanted more creative freedom and wanted to own their copyright.

In 1994, George Michael failed in his bid to be unshackled from what he claimed was an unsatisfactory multi-album deal with Sony Music Entertainment.

Throughout most of his career, Prince battled acrimoniously with executives at Warner Music Group over his artistic and financial freedom, going so far as to have the word "Slave" written on his face in the 1990s. A truce was reached when a new contract was signed and he regained ownership of his master recordings.

In 2007, Trent Reznor of Nine Inch Nails

announced on the band's website: "As of right now, Nine Inch Nails is a totally free agent, free of any recording contract with any label." This occurred after the group and Interscope Records parted ways.

As recently as 2019, superstar Taylor Swift went public about her disapproval of the sale of independent label Big Machine Records to industry entrepreneur Scooter Braun. She argued that the transaction included the masters for her first six albums, which were recorded at Big Machine, and she had not been consulted.

Although she signed a new multi-album deal with Universal Music Group in 2018 and the actual details of the dispute turned out to be quite complex, it brought the debate about artistic independence into the public domain.

## **The Internet is a-changing the times**

In the early 2000s, from Napster and all its legal faults to Apple's iTunes, the Internet made digital media and distribution accessible to a significant proportion of the world's fans.

That very same tech placed liberating digital tools into the artists' hands. They could self-release their recordings via platforms like YouTube and SoundCloud.

In their bedrooms in any part of the world, they could use social media, from Facebook to Snapchat, for marketing and promotion.

# 1 INTRODUCTION TO ARTIST & LABEL SERVICES

## Streaming success

Streaming services that consumers happily paid for, like Spotify, Deezer, Apple Music and TIDAL, disrupted the concept of album sales and gave birth to a new yardstick for measuring success – the song.

The song economy is part of the innovation economy that has spurred advances in the digital era. In the song economy, an international hit could be streamed almost 10 million times daily.

This is a format that analysts say adds more value to a recording compared to the value of physical album that sold only 2 million units in total to be deemed a hit.

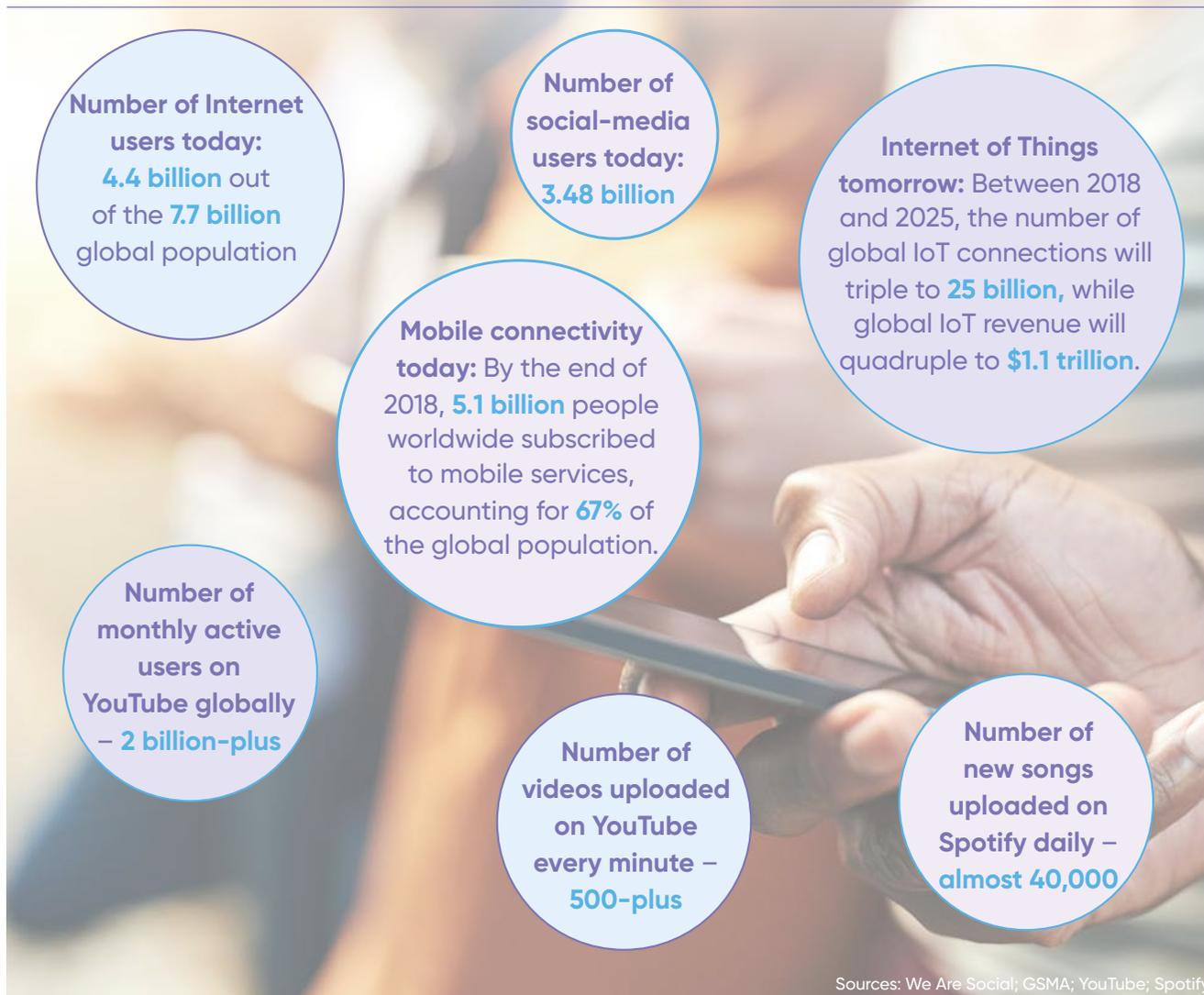
Being on the right streaming playlist can make the difference between getting thousands of streams to hundreds of thousands of streams in a few days.

Access to these constantly evolving digital tools has inspired a new generation of creators, the so-called DIY artists or self-release artists loved by Gen Z and Millennial fans, to do a host of talent-boosting things for themselves. No label required.

Furthermore, there have been regular heated debates on social media about privacy and copyright protection when recordings are transmitted on interactive-media services offered by the FAANG (Facebook, Amazon, Apple, Netflix YouTube's owner Google) tech giants.

Even Digital Service Providers (DSP) like Spotify

## INFLUENCE OF DIGITAL TECH ON CONSUMER BEHAVIOUR



# 1 INTRODUCTION TO ARTIST & LABEL SERVICES

and SoundCloud have been attacked for undervaluing artists' rights in terms of intellectual properties and business terms and conditions.

These publicly discussed issues have educated more artists about their rights and consequently reminded them of how indispensable they were to the industry's longevity.

## DIY has its limitations

Despite access to consumer-friendly tech on the Internet, creators have realised there is only so much they can do by themselves.

Uploading your song on to a website, watching it go viral and managing your YouTube channels is one thing. To work out how algorithms can direct your songs to the right online listeners, or how to incorporate TikTok or Alexa smart speakers into your marketing campaign, requires specialists' know-how.

This is where Artists and Label Services, effectively a digitally generated new form of artisanship, come in. Their artists-first expertise gives creators affordable à-la-carte options of everything that a traditional label, music publisher, artist manager or concert promoter has in-house.

The artist, unsigned or attached to a label, has the freedom to focus on creating while contributing directly to the business of reaching fans, propelling the career forward, earning

an income and retaining copyright ownership. Consequently, Artist & Label Services are also well-placed to help other rights owners to extract more value out of long-held assets.

## What Artist & Label Services Do

Here is a list of the key Artist & Label Services skills on offer:

- Artist development
- A&R
- Business plan
- Digital distribution
- Streaming strategy
- Playlist pitching
- Digital and physical sales
- Sales analytics
- Digital marketing and promotion
- Sync and music licensing
- Brand partnerships
- Fan engagement
- Digital creative services
- Royalty accounting
- Rights management
- Traditional media (TV, radio, print) promotion
- Publicity

## Artist entrepreneurs

Access to these Artists-focused services has led to the rise of the artist-entrepreneur, creators with a DIY doctrine who value their

creative independence above all else.

Chance the Rapper's sensational success at the Grammy Awards in 2017 opened doors to a new era as aspiring singers and songwriters realised they did not need to be signed to a label to have a career.

British singer Jorja Smith has openly declared that her independence is paramount.

There are several independent acts around the world who position themselves as both creators and business owners. Examples are indie-pop duo Client Liaison in Australia, Kiddy Smile in France, South African rapper Tshego, US-based Gabe Kubanda and Prateek Kuhad in India.

They might not be household names, but they manage their own music businesses and other commercial ventures. They appoint business partners to help them execute strategies, have millions of dedicated fans, are invited to celebrity gatherings and earn enough comfortably to maintain thriving careers.

Welcome to the era of the liberated artist. It is still developing and, because of the very bespoke nature of the services available to each artist, it is not easy to compartmentalise in one box.

This new sector, however, is here to stay for all artists and industry executives to address sooner or later.

# 2 ARTIST & LABEL SERVICES – THE PLAYERS IN THE FIELD

Who are the key companies that have started offering artists, rights owners and third-party labels a portfolio of added-value digitally driven tools from which to select what they need to grow their enterprises independently?

## Pure players

Only launched in 2017, **Human-Re-Sources** is arguably a next-generation music company dedicated to Gen Z and other young groundbreaking DIY music creators.

Its cohort of edgy, new-thinking urban acts include Instagram luminaries Baby Rose and Pink Sweat\$. With his background in artist management, Human Re Sources founder Julius 'J' Erving has set up what he describes as a company built to be a dedicated A&R division of a record label.

"We're a real A&R service for recordings, so we find ways to partner with a recording company. It is about putting in the work and getting proof of concept of what the artist can do," he says. "We're taking a more hands-on approach. We won't just distribute anything, only the things that we love and care about."

The tech expertise will come from Human Re Sources' merger with Q&A, the new modern-music and tech venture on a mission to "empower the next generation of artists through technology, tools and services".

Erving co-founded Q&A with Troy Carter, Spotify's

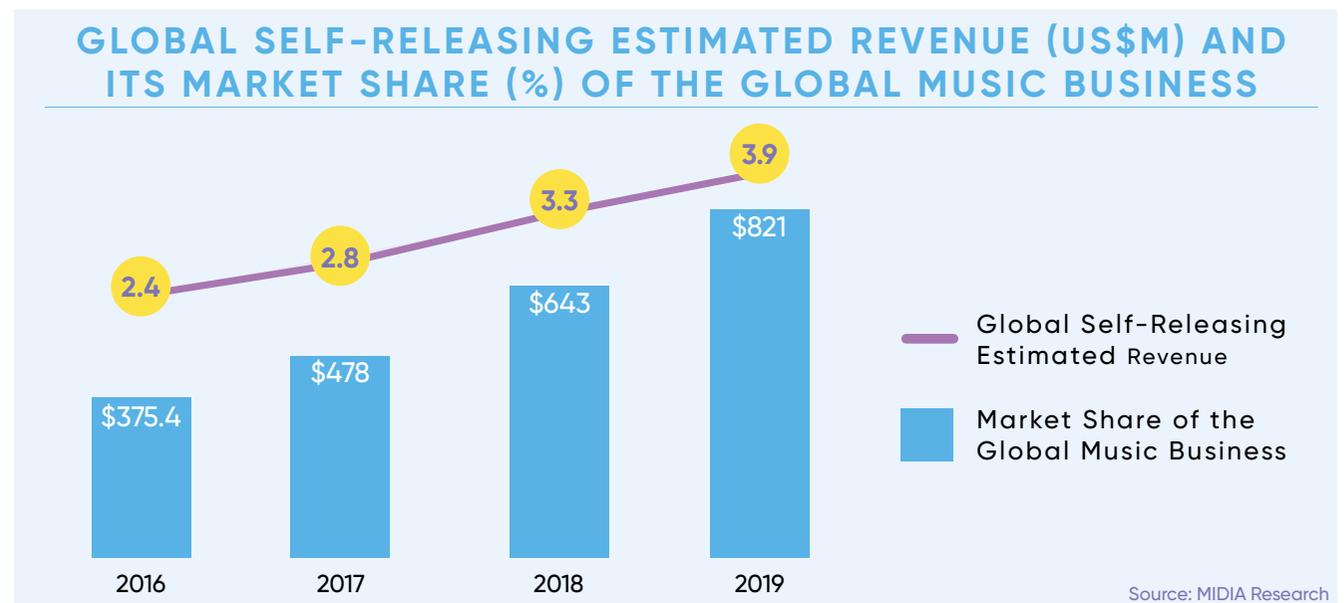
former Global Head of Creative Services, and industry stalwart Suzy Ryoo, who worked with Carter at Lady Gaga's management company Atom Factory.

He accepts that many of today's young creators are already well-versed in how to use technology. "It's amazing how skilled these artists can be. But we're about alleviating the load and figuring out when to sign great artists, while putting together a team equipped to promote their talent."

Focusing on artists' requirements has enabled **Kartel Music Group**, which has offices in London



Julius Erving



# 2 ARTIST & LABEL SERVICES – THE PLAYERS IN THE FIELD

and Los Angeles, to boost its highly comprehensive music and related services globally.

Among the talent it has supported internationally is Jeremy Loops, the South African singer-songwriter; Kiesza, the Canadian singer, multi-instrumentalist and fashion entrepreneur; Nashville-based rock band Icon for Hire; and maverick New Zealand “DIY trailblazers” Fat Freddy’s Drop.

“Kartel is a curated service, which means we work on a deliberately small and manageable roster of releases which allows us to properly engage around every artist and song we release,” Charles Kirby-Welch, Kartel’s CEO, says.

“That means bringing a human touch and investing time and expertise into an artist’s business..”

Another venture to keep an eye on is **UnitedMasters**, the US-based digital distributor. It hit the headlines in 2017 when it launched with a US\$70m investment round led by Google owner Alphabet, Hollywood studio 20th Century Studios, and star venture-capital firm Andreessen Horowitz.

UnitedMasters’ unique selling point is its ability to link DIY artists with major brands for branded content, sponsorship or advertising.

This is due to the background of its award-winning entrepreneur founder Steve Stout, owner of US ad agency Translation and an Advertising Hall of Achievement inductee.



## Conglomerates

**AVL Digital Group**, now a subsidiary of US-based international conglomerate Downtown Music Holdings, operates a host of self-release artist services that include the pioneering **CD Baby**, a music-distribution business originally founded in 1998 by a DIY creator who sold his music on CDs.

By 2013, CD Baby was a multifunctional distributor that assisted artists with their song-publishing, licensing and royalties needs. And in 2019, it was sold as part of AVL to Downtown Music for a reported US\$200m.

Its Creator Services division focuses on relationships with artists, making it easier to customise the pitching of their music to hundreds of international and local DSPs.

“We deliver so much content to all the DSPs that we’re in constant communication with them. We surface our curated pool of priorities each and every week across genres and countries so that they know us, and value our content for their services,” explains Kevin Breuner, CD Baby’s Vice President of Marketing.

“Our international footprint is also a huge advantage since much of the opportunity is in emerging markets where the streaming services are trying to make inroads with local fan bases in places where we have staff, such as Brazil, India, Argentina and Colombia.”

New York-headquartered **TuneCore**, part of the France-originated multi-territory conglomerate Believe, has said its artists have earned more than US\$1.5bn altogether since its launch in 2005. Media coverage in Music Business Worldwide showed that US\$500m had been generated in the previous 18 months alone.

To gain momentum in the increasingly competitive new sector, TuneCore’s owner Believe has invested directly in independent labels Tôt ou tard and Naïve Records in France, as well as Germany’s Nuclear Blast.

As Global Head of Artist Services, Marie-Anne Robert explains: “It is great news for artists, who now have wider choices on the menu. As an example, for metal bands, we have a very

# 2 ARTIST & LABEL SERVICES – THE PLAYERS IN THE FIELD

attractive label Nuclear Blast. But we now also have a complementary offer called Blood Blast with advanced distribution services for less mature or more autonomous bands.”

Kobalt Music Group, a Millennial operation that disrupted the industry by offering to monetise artists’ works without owning their copyright, bought **AWAL**, one of the first truly wide-ranging Artist & Label Services companies, in 2011.

It promises to hold each artist’s hand as they employ its major-label standard of services to monetise their talent and develop their creative growth.

## The major labels

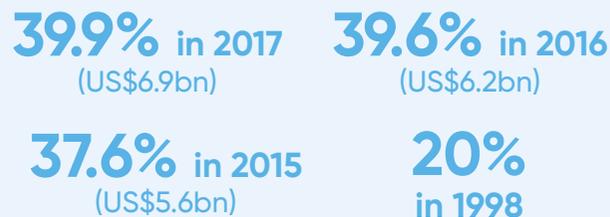
**Universal Music Group**, the world’s biggest music company, launched **Spinnup** in 2013. Targeted at unsigned artists, it is a subscription-funded service that allows them to upload their recordings, get them distributed on the global DSPs like Spotify, Apple Music and Deezer, and collect 100% of the royalties.

Via Spinnup, UMG offers them the facilities to learn about promotion, marketing, fan engagement, analytics and the opportunity to get signed by a record label. Spinnup says more than 60 its users, including Malta’s 2019 Eurovision Song Contest entry Michela, have recording deals with major labels.

UMG also became the 100% owner of Ingrooves

## THE GLOBAL INDEPENDENT-MUSIC MARKET

Share of total global music market:



Source: Worldwide Independent Network (WIN)

Music Group, the global digital-music marketing and distribution company, in 2019. It specialises in partnering with independent labels to enhance global-distribution opportunities.

**Caroline International**, another UMG services subsidiary, works with more-established international artists like Van Morrison and Chrissie Hynde. The US-focused division Caroline, which is linked to Capitol Music Group, has US rap band Migos and the multiple-awards winner Halsey on its team.

**Because Music**, the leading French independent label that includes popular French singer-songwriter Christine and the Queens, recently signed a global physical-distribution, marketing and promotion agreement with Caroline International.

ADA (Alternative Distribution Alliance) was a

physical distribution subsidiary kick-started in 1993 but it began to focus on independent creators’ digital needs from 2012. **Level Music**, another Warner Music services enterprise for only unsigned acts, was introduced in 2018.

UMG’s plans for Spinnup and WMG’s ambitions for both Level Music and ADA remain unclear. But industry observers note that they offer opportunities for both major labels to have access to up-and-coming acts before they are picked up elsewhere.

**The Orchard** is considered the US’ leading independent (digital-)music distributor. It is run as an autonomous entity despite being a 100% **Sony Music Entertainment** subsidiary. It has been expanding rapidly after buying German independent distributor finetunes and Norway’s Phonofile in 2017.

Additionally, it owns BalconyTV, an online music-video channel, which provides another asset for artists on its roster.

They include chart toppers BTS, the internationally popular K-pop boy band; award-winning British singer/label owner Jorja Smith; US rapper/producer/label owner T-Pain; and Ozuna, the Puerto Rican reggaeton superstar.

As Tim Pithouse, The Orchard’s Global Head of Artist and Label Services, says, the company offers multiple benefits to artists and independent labels,

# 2 ARTIST & LABEL SERVICES – THE PLAYERS IN THE FIELD

from global marketing, campaign management and digital marketing to sync, brand partnerships, as well as an in-house recording studio.

“The Orchard was founded on supporting independent artists and labels and we will continue to serve their needs and deliver their music to fans worldwide,” he says.

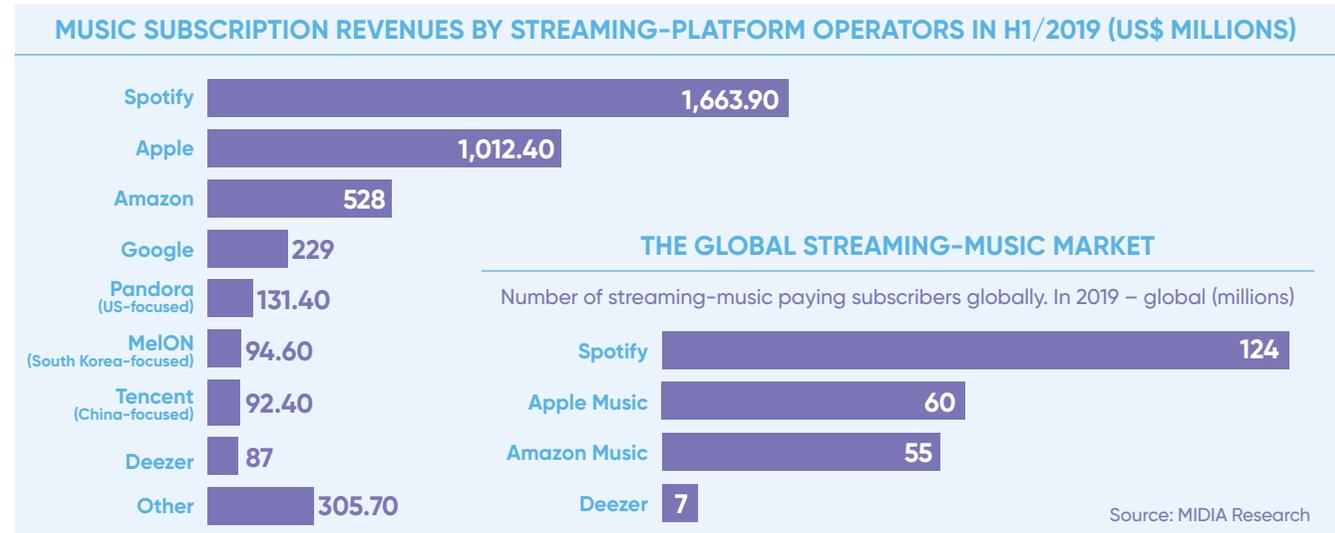
Explaining how The Orchard complements a major label like Sony, he states: “Many artists continue to value the benefits labels bring to enhance their career. But having world-class alternatives to drive their business in a bespoke way is incredibly powerful. The industry is built on relationships; finding the right fit is crucial for success.”

As the biggest investors in A&R globally, the majors cannot be ignored in the new artists-centric business environment.

Consider streamed-music stars like Roddy Ricch, Future, Tones and I, Trevor Daniel, Arizona Zervas, DaBaby, Lil Nas, Ashnikko and teenage Grammy Awards-laden nu-goth princess Billie Eilish. They began their careers posting mixtapes online, including YouTube and SoundCloud, or marketing their recordings via TikTok before signing to a major label.

However, the majors are accepting there are new investors starting to shake up the global music space.

## The independent labels



Self-releases alone might have accounted for only 3.9% of 2019’s global revenues, but the fact that the income exists at all is revolutionary in the recorded-music industry.

Out of necessity, it has been that DIY spirit that has seen small and medium-sized independent labels to be more agile than the majors in adopting the digital technologies and streaming platforms that have allowed Artist & Label Services to thrive.

Merlin, the rights agency licensed to collect digital-music royalties on behalf of its independent-label members, was launched in 2008. It has amalgamated the independents’ strengths to negotiate effectively with the global streaming and other digital platforms

using copyrighted music.

During its lifetime, Merlin has distributed more than US\$2bn to its nearly 900 members, which represent thousands of labels and distributors in more than 60 countries, and account for more than 15% of the global recorded-music market.

## New Merlin CEO talks exclusively to Midem

“One of Merlin’s primary roles is to provide independents with an efficient means to market and maximise the value of their rights,” explains Jeremy Sirota, Merlin’s recently appointed new CEO.

Its latest agreement was with TikTok, the short-form video-sharing app that is popular

# 2 ARTIST & LABEL SERVICES – THE PLAYERS IN THE FIELD

as a music-marketing platform thanks to its hundreds of millions of users and reported almost 1.5 billion-plus downloads.

Sirota's digital credentials include a stint at Facebook Music, where he liaised with independent labels. And while at WMG previously, he was directly involved in ADA's international music-distribution agreements and helped set up Level Music.

He plans to continue offering Merlin members "best-in-class" deals to ensure they are compensated whenever their repertoire is used on any digital platform.

"The core tenet of Merlin's ethos is to boost our members to control their digital business. This applies to labels, distributors, services companies, artist-management companies and every variant of them," he says.

"Even further, we alleviate our members of certain challenges that allow them to be more efficient and to focus on their core business. This saves them significant resources and allows them to operate more autonomously."

He has noticed the way Artist & Label Services are emancipating artists to achieve more than was once thought possible before.

"We are seeing an increasing empowerment of artists who now have far greater choice in how they take their recorded music to market and on

what terms," he adds.

"As a result, their label/distribution partners need to be more flexible in their approach. This works to the benefit of the independent sector, which has always been more nimble, adaptable and future-facing."

## Newcomers

Evidence of how disruptive and groundbreaking Artist & Labels Services could become is the entry of **SoundCloud** and **Spotify** into that space.

They are among the enterprises investing in activities that bring them closer to the creators that form the industry's foundation.

SoundCloud's range of services now include offering advance funding. As CEO Kerry Trainor discloses in the interview in this report's Chapter 5, SoundCloud plans to develop this new side of its business and recently acquired Repost Network, a rights-management and distribution company, to add to its assets.

Meanwhile, Spotify, another global digital-music brand, has snapped up a minority stake in DistroKid, which specialises in helping self-release talent upload their repertoire on as many international platforms as possible. Additionally, it has acquired SoundBetter, the audio-production marketplace, and melded it with its Spotify for Artists section.

## Evolving Artist & Label business models

A recent interesting development has seen the Services companies, like AWAL, BMG and (new to the game) SoundCloud, offer advance funding to artists needing a leg up to the next stage in their livelihood.

Sweden-based Amuse (described as a re-imagined record label) is gaining a reputation as an aggressively growing but independent artists-friendly label service. Via its analytics-based royalty-advance platform Fast Forward, it is able to calculate an artist's potential earnings for up to several months and offer that as advance payment.

In return for these options, the music creators share revenues and profits but still keep the copyright.

Some Services, like Universal Music's Spinnup or Believe subsidiary TuneCore, invite unsigned acts to pay monthly subscriptions to access all the digital tools needed for a direct-to-fans career.

Others are free services to be used in exchange for a commission subtracted from income.

Today, the global music industry has to accept the rules of the competitive business, whether among artists or music companies, are pivoting into new directions.

# 3 ARTISTS-DIRECT SUPERSTARS – THE GALLERY

Mega rock veterans Radiohead and Nine Inch Nails as well as newer hit makers like Jorja Smith have proven that their recorded music can reach millions of followers without being contractually tied to only one label. US act Chance the Rapper has gone down in history as the first artist to have a streaming-only album to

win Grammy Awards in 2017 with a mixtape that also entered the Top 10 in the Billboard charts. The fact that he was not signed to a label informed a host of unsigned acts that anything was possible. Placing tracks on today's aggressively competitive streaming platforms and their playlists has also

helped US-based Arizona Zervas and Canyon City, Indian singer-songwriter Hanita Bhambri, and Tones and I in Australia carve out healthy careers. Based on interviews with various companies, here are more examples of independent artists who are doing what they love to do their way with positive results.

## LAUV (US), ELECTRO-POP

### A&L Service Partner: AWAL

His two singles I'm So Tired and I Like Me Better have nabbed billions of streams. They broke the Top 20 radio charts in the US and clinched multiple Gold and Platinum sales in numerous countries, including the US, Canada, UK, continental Europe and Australia. His recordings were the No.1 and No.2 most streamed pop songs in the US by an independent artist in 2019. His achievements include recording the most spins by an independent artist on the US Top 40 and Hot AC radio in 2018 and 2019. Also, there were sold-out headline tours worldwide in the same years, including support on the Ed Sheeran Fall 2018 North America and Asia stadium tours. He boasts 30 million monthly listeners and 2.2 million followers on Spotify.



## LITTLE SIMZ (UK), RAP

### A&L Services Partner: AWAL

The 25-year-old's self-releases have won Best Album at the 2016 AIM Music Awards in the UK and Best Live Act at the 2015 DICE Awards in London, and she has been nominated for two awards at the 2017 AIM and MOBO awards.

More nominations followed in 2019 for the UK's prestigious Mercury Prize, the AIM Awards, the Q Awards, and the US' BET Awards, among others. In addition to being featured on numerous radio playlists on the leading UK stations, you can find her track Offence on a major global advertising campaign to push the FIFA 20 video game, and on the newest version of the highly popular This Girl Can TV commercial by the Sports England organisation.

Her Spotify monthly listeners increased by 240%, from 440,000 to 1.5 million at the peak of her GREY Area album released on AWAL's Age 101 label.



# 3 ARTISTS-DIRECT SUPERSTARS – THE GALLERY

## GIRL IN RED (NORWAY), INDIE POP

**A&L Services Partner: AWAL**

The SoundCloud alumnus has a total 240 million-plus audio streams under her belt. In addition to winning a Music Moves Europe Talent Awards, the top EU prize for popular and contemporary music, this year, girl in red was also nominated for Best New Artist in the World at the 2020 NME Awards. She has been confirmed for the 2020 Coachella festival after selling out a headline U S tour. She was rated very

highly in the 2019 Staff List at Billboard and Rolling Stone magazines and been named by NME, the iconic UK music magazine, as the No.1 artist to watch in 2020.



## JORJA SMITH (UK), R&B; POP; GRIME

**A&L Services Partner: The Orchard**

Only 22 years old, Smith has been releasing recordings via her own record label F&MM. She has successfully raised awareness of her talent as a recording and live act internationally. Now, the hits have started after joining forces with The Orchard in 2017 for her single On My Mind and the global roll out of her debut album Lost & Found. She was nominated Best New Artist at the 61st GRAMMY Awards in 2019 and was a three-time BRIT Awards nominee for British Album of the Year and British Breakthrough Act in 2019, when she won British Female Solo Act. Other trophies include the BRIT Awards Critics' Choice and an AIM Award in 2018.



## LOS TUCANES DE TIJUANA (MEXICO), NORTEÑO

**A&L Services Partner: CD Baby**

This Latin Grammy Award winner is the first Mexican Regional-Music act to have six recordings in the Billboard Top Latin Albums chart at the same time, and the first to take part in the Super Bowl, the US' most watched TV sport event. They are working with CD Baby to take back ownership of their master recordings to broaden their reach globally.

## ALDAIR PLAYBOY (BRAZIL), BRAZILIAN FUNK; BREGA

**A&L Services Partner: CD Baby**

The Brazilian's accolades include 1.5 million-plus monthly Spotify listeners, 3 million Instagram followers, and 1.24 million YouTube subscribers. He was one of the country's biggest self-distributed artists before signing to a Universal Music imprint in 2019.

## EL ALFA (DOMINICAN REPUBLIC), LATIN TRAP; DEMBOW

**A&L Services Partner: CD Baby**

With his 10 million Spotify followers, it is no wonder El Alfa has been invited to collaborate with the leading Latin American and US rappers like J Balvin, Bad Bunny, Pitbull and Cardi B.

# 3 ARTISTS-DIRECT SUPERSTARS – THE GALLERY



**PINK SWEAT\$** (US), R&B; SOUL

**A&L Services Partner: Human Re Sources**

This year, he will be appearing at the Coachella and The Governors Ball Music festivals supported by his 324,000 Instagram followers, 17,371 Facebook followers, 4.4 million monthly Spotify listeners, 29,700 Twitter followers and 32,300 SoundCloud followers.



**BABY ROSE** (US), R&B; SOUL

**A&L Services Partner: Human-Re-Sources**

Her international tour takes in most major US cities, plus the UK, Ireland, France, the Netherlands, Germany, Spain and Sweden by the end of July. Her cluster of fans include 46,100 Instagram followers.

## SPOTIFY'S TOP 10 STREAMING GLOBAL CHART (AS SEEN ON 15.02.2020)

Song	Artist	Number of daily streams
1. No Time To Die	Billie Eilish (US)	7,166,720
2. Dance Monkey	Tones and I (Australia)	6,761,024
3. The Box	Roddy Ricch (US)	6,614,317
4. Blinding Lights	The Weeknd (Canada)	6,394,628
5. Intentions (feat. Quavo)	Justin Bieber (US)	5,863,115
6. Don't Start Now	Dua Lipa (UK)	5,130,271
7. Yummy	Justin Bieber (US)	4,939,618
8. Tusa (feat. Nicki Minaj)	KAROL G (Colombia)	4,729,359
9. Falling	Trevor Daniel (US)	4,412,756
10. ROXANNE	Arizona Zervas (US)	4,107,549

Source: Spotify

## BILLBOARD'S TOP 10 STREAMING CHART (AS SEEN ON 14.02.20)

Song	Artist	Weeks in Chart
1. The Box	Roddy Ricch	9
2. Life is Good	Future (featuring Drake)	4
3. High Fashion	Roddy Ricch (featuring Mustard)	5
4. Dance Monkey	Tones And I	16
5. Godzilla	Eminem (featuring Juice WRLD)	3
6. Ballin'	Mustard & Roddy Ricch	21
7. Roxanne	Arizona Zervas	14
8. BOP	DaBaby	18
9. Everything I Wanted	Billie Eilish	11
10. Blinding Lights	The Weeknd	8

Source: Billboard

# 3 ARTISTS-DIRECT SUPERSTARS – THE GALLERY



**ANT CLEMONS** (US), GOSPEL;  
CHRISTIAN HIP HOP

**A&L Services Partner: Human-Re-Sources**

Clemons is already gaining attention for his collaborations with Kanye West and his gospel contributions to West's Sunday Service Choir. He is supported by 36,500 Instagram followers.

**JOEY TRAP** (US), RAP; HIP HOP

**A&L Services Partner: Believe**

With his 344,000 YouTube subscribers, 69 million YouTube views, 1.9 million monthly Spotify listeners and 105,000 SoundCloud followers, Joey already owns a music/e-commerce company called Kloud Gang Entertainment and leads a band called Young Rich Squad.



**JUL** (FRANCE), HIP HOP

**A&L Services Partner: Believe**

Jul, a Marseille native, has clinched three hit albums since 2014. But he fell out with his previous label, an independent called Liga One Industry, and left to launch his own label D'Or et de Plantine in 2015. The first album under the new regime, My World, won the Best Urban Album of the Year at France's prestigious Victoires de la Musique awards in 2017. After several self-releases, he is now collaborating with Believe to take his recordings to the next level.



**JACK SAVORETTI**

(UK), FOLK ROCK;  
INDIE POP

**A&L Services Partner: BMG**

After struggling to get a break in terms of sales via conventional record-label deals for his first three studio albums, the acclaimed British acoustic-guitar singer hit the jackpot with Written in Scars in 2015 after hooking up with BMG.

During the past five years, he has sold over one million albums under the BMG umbrella, 200,000 in 2019 alone.



**LP**

(US), INDIE POP;  
POP ROCK

**A&L Services Partner: BMG**

This US singer-songwriter had had two indie label deals and had been dropped by three major labels before she partnered with BMG. Since recording two albums with the company, she has scored 1.3 million album equivalents and is selling out arenas worldwide, most recently in Latin America



**INDER CHahal** (INDIA); PUNJABI GENRES

**A&L Services Partner: Believe**

With 296,000 YouTube subscribers and 40.6 million YouTube views, the young Punjabi singer is ready for his global growth working with Believe.

## PAUL HITCHMAN, President, AWAL, UK



AWAL, one of the pioneering Artist & Label Services, describes itself as the “answer to the traditional record label”. It tells artists: “We follow your vision; you own everything; you keep the lion’s share of profits; you have the final say.” A subsidiary of Kobalt Music Group, the global rights-management/publishing conglomerate, it represents more than 20,000 independent artists and labels worldwide.

**MIDEM: Artist & Label Services as an offering is becoming a specialist sector in its own right; how new is it?**

**Hitchman:** There have always been service providers to independent artists, but these have tended to be localised in a specific territory and usually been add-ons to distribution without the full range of services that an artist could expect from a label. What’s new today is the possibility to receive a global service from providers, with marketing teams in all key territories, as well as global DSP and media relationships. What’s specifically new with a company like ours is the possibility for artists to develop their career to its fullest extent with a single label-service partner, from early-stage releases to global stardom.

**MIDEM: In the tech-assisted age, what can your company do for artists that artists cannot do for themselves?**

**Hitchman:** AWAL provides a range of tech tools to its clients via our client portal and mobile app, including

streaming analytics, income analysis and product uploader. Beyond our tech platform, we offer the full range of label services on a global basis, including A&R, marketing, radio promotion, sync and licensing, and neighbouring-rights royalties collection. For breaking artists, this includes the full artist-development process. We also offer funding to enable artists to invest in their recordings and touring and grow their careers without giving up the rights to their music.

**MIDEM: Does an Artist & Label Services company need to be attached to specialist companies like a record label or a publisher, or can it be a pure-play stand-alone enterprise?**

**Hitchman:** AWAL is pure-play in that our sole mission and focus is to provide services to independent artists and labels. We do not compete with our clients.

Of course, we are part of the Kobalt Music group of companies that includes publishing and neighbouring rights, and many of our clients also choose to partner with Kobalt for publishing and neighbouring-rights collection. The important thing is to truly understand music and artists, so that your service is not just a technology platform.

**MIDEM: Does all this mean the end of the label-only businesses as we used to know it?**

**Hitchman:** Labels can still play an important role in the music ecosystem so long as they add real value to the artist beyond simply being a gatekeeper and financial investor. AWAL works with some of the most creative and influential labels in the world such as Glassnote, Good Soldier, First Access, B-Unique, Chrysalis, Year0001 and Chess Club.

## MARIE-ANNE ROBERT Global Head of Artist Services, Believe, France



Via a series of swift acquisitions, France-headquartered Believe now owns TuneCore, the New York-originated digital-music service provider. Believe also controls or has significant stakes in high-profile French independent labels Tôt ou tard, Naïve Records and Germany's Nuclear Blast. The global ambitions were enhanced in January when Believe acquired Canvas Talent, one of India's leading artist services and development companies. And TuneCore has sealed an international partnership with Tencent Music Entertainment Group, China's leading streaming-music operator.

**Midem: Artist Services as an offering is becoming a specialist sector in its own right; but how new is it?**

**Robert:** There is nothing new at Believe as our focus has always been to best serve artists at every stage of their career with flexible offers. But general trends show that artists are more and more structured,

and self-educated on data and digital strategies. They are less attracted by Artist Deals and are increasingly asking for à-la-carte services deals. Most of the industry recently realised this and started creating lighter offers that are adapted to the new ecosystem.

**Midem: In the tech-assisted age, what can Believe do for artists that artists cannot do for themselves?**

**Robert:** Ironically, digital made life more complex for artists, especially in the distribution and digital-marketing fields. The digital landscape is increasingly fragmented, packed with numerous retailers and social-media platforms. It's harder to get discovered, to understand algorithms and emerge on platforms. It's also harder to engage with audiences who are overstretched with tons of content. By offering a mix of technological solutions and human resources to support it, Believe has a quite unique added value in artist development.

**Midem: Does all this mean the end of the label-only businesses as we used to know it?**

**Robert:** Not at all: some artists will still need labels. It just means that alternative offers now co-exist alongside labels.

## DOMINIQUE CASIMIR, EVP, Continent Europe Repertoire & Marketing, BMG, Germany

A portrait of Dominique Casimir, a woman with long brown hair, wearing a black top, standing with her arms crossed. The portrait is framed by several concentric, hand-drawn yellow circles of varying thicknesses.

The 21st-century reborn BMG has a history that includes stints as major label/publisher Bertelsmann Music Group, as a joint-venture partner of Sony Music Entertainment, and as a global rights-management operation. It is now officially “the new music company”. Since 2008, it has been offering label and publishing services globally. Its artist, songwriter and publishing partners, who nabbed 58 direct Grammy Awards nominations or contributed to them in 2020, can also benefit from its experience in audio-visual media, sync, and licensing. Additionally, BMG has access to parent company Bertelsmann’s massive business in book publishing, film production and theatrical musicals.

**MIDEM: What is your definition of ‘Artist & Label Services’? Can they be offered to both established and emerging acts?**

**Casimir:** Our perspective is focused on service to artists, whether it be promotion, sales, marketing and the creation of content, storytelling or finding the narrative for a release. We put an artist’s brand in the centre and offer all the services around. The world has changed

so drastically, so that both established and newcomer artists now choose these revenue-share deals. It is an obvious choice for established artists who already have infrastructure and scale. But we now have great examples of newer artists performing really well with this service-driven approach such as LP, Max Giesinger and Jack Savoretti.

**MIDEM: In the tech-assisted age, what can BMG do for artists that artists cannot do for themselves?**

**Casimir:** The answer is likely to be a mixture of funding, infrastructure, expertise and, of course, cost. In many cases, it may be cheaper for an artist to sign a contract with a music company for the services they need rather than build that expertise for themselves.

**MIDEM: Does all this mean the end of the label-only businesses as we used to know it?**

**Casimir:** If you accept the BMG view that power has shifted to artists, that means there is inevitable pressure on label margins. One answer to that is to operate music publishing and records off the same platform as we do. No doubt some pure-play labels will survive, but the old model will not survive unscathed. That is why the worldwide success story for BMG has included No.1 albums from Kontra K (Germany) blink-182 and Janet Jackson (US), and Kylie Minogue (UK).

## JUSTIN KALIFOWITZ, CEO, Downtown Music Holdings, USA



Downtown Music used to be positioned as a global independent music publisher. Today, with a mission to place independent-minded artists at the core of its operations, it is an ambitious corporation that runs Downtown Music Publishing, Songtrust (royalty collection), and AVL Digital Group, which includes CD Baby (digital-distribution platform), DashGo (digital-distribution tools) AdRev (rights management and monetisation), Downtown Music Studios (recording facilities) and, most recently, FUGA (B2B tech and services) under one corporate roof.

**MIDEM: What is your definition of 'Artist & Label Services'? Can they be offered to both established and emerging acts?**

**Kalifowitz:** In the modern music business, there is no such thing as one-size-fits all. Whether you're an emerging artist or a global music business, there is a range of third-party providers offering support in distribution, promotion and monetisation of sound recordings.

**MIDEM: In the tech-assisted age, what can your company do for artists that artists cannot do for themselves?**

**Kalifowitz:** There are certain elements of what we do, especially around the technical side of delivery and distribution, not to mention licensing across hundreds of outlets that just isn't available to individual creators. We offer tools that optimise discoverability, enable artists to promote their music and review their performances across all DSPs, providing insights and benchmarking. Our Artist Services teams offer playlisting promotion and marketing as well as a sync platform that is increasingly adding significant value. We have fast monetisation solutions encompassing both master recordings and song copyrights, as well as video monetisation, for all artists.

**MIDEM: Does all this mean the end of the label-only businesses as we used to know it?**

**Kalifowitz:** What's interesting to us is not whether this is the end of the label-only business, but rather how businesses that trade in sound recordings are evolving. Whether it's a stand-alone label focused on supporting a particular style or region, a manager operating a label in partnership with an artist whose primary revenue stream might be touring, or a media company thinking about distributing its related masters, labels now come in an ever-increasing number of shapes and sizes. That's healthy for the broader music industry ecosystem.



## KERRY TRAINOR, CEO, SoundCloud, USA/Germany

The turnaround of the once financially troubled SoundCloud was acknowledged by the US\$75m that US online-radio giant Sirius XM Holdings paid for a minority stake in the “world’s largest open audio platform”. SoundCloud features more than 200 million tracks by 25 million-plus artists in 190 markets. It has hiked the monetisation and direct distribution of content via the SoundCloud Premier service, which enables creators to be also available on several streaming services like Spotify, Apple Music and Amazon. As a serious Artists & Label Services player, it can point to the triumphs of self-starter hitmakers like Billie Eilish, Post Malone and Lil Tecca, who acknowledge SoundCloud’s role in their rise to fame.

**MIDEM: Artist & Label Services as an offering is becoming a specialist sector in its own right; but how new is it?**

**Trainor:** What constitutes Artist & Label Services is not new. Between the artist’s creative process and reaching fans, that layer did exist but it was not as global and cost-efficient as it is now. Technology increases the global reach, offers velocity and also transparency for artists. It gives artists access to that affordable price-point, and they also get paid sooner. This is fuelling growth.

**MIDEM: In the tech-assisted age, what can your company do for artists that artists cannot do for themselves?**

**Trainor:** If you compare the development of artists to the development of tech start-ups in the investment space, there is a continuum that is stage-based. There is the early-stage, the growth-stage, and the late-stage investment. We’re seeing a similar reality emerging for artists and their digital data, which is the critical life blood to both the creator and the label or third party investing in the creator. Transparent data benefits both sides. When negotiations with the artist start, the label has an opportunity to invest in a proven case of success. The traditional label and publisher should not be dismissed. They have the ability to invest in the creator at the next level, such as linking the artist to a great producer or take an artist from regional to global success.

**MIDEM: Does an Artist & Label Services company need to be attached to specialist companies like a record label or a publisher, or can it be a pure-play stand-alone enterprise?**

**Trainor:** It can be attached to a label or be free-standing company created from scratch, or it comes from our position as a globally scaled platform. Historically, services provided distribution; they didn’t own the audience directly. But with SoundCloud, there is an audience you can access directly. We’re one of the largest music consumption apps on earth and we also provide a digital pipe to other consumption points.

## JENNIFER MASSET, Head of Independent Label Support, Spotify, USA



The world's biggest streaming-music platform has 124 million paying subscribers and is listed on the New York Stock Exchange with a market valuation of about US\$28bn. It also generates advertising revenue through its audience of 248 million monthly active users. It bought SoundBetter, an audio-production and collaboration marketplace, and has a minority stake in DistroKid, which helps musicians upload tracks on to multiple streaming platforms and online stores.

**MIDEM: What is your definition of 'Artist & Label Services'? Can they be offered to both established and emerging acts?**

**Masset:** While artists might be able to manage their own brand, music production and touring at the start, they will need to rely on others' expertise to reach the next level in their career. For some, they may need these services from Day One. For others, they may not need these services until their musical career becomes a full-time job that requires outsourcing some of the hats they were previously comfortable wearing. For labels, I think you see their personality in what they choose to do internally

and what they choose to outsource. Some labels offer all of the services internally, which may make them more efficient, but potentially more expensive for the artist to engage as well.

**MIDEM: Artist & Label Services as an offering is becoming a specialist sector in its own right; but how new is it?**

**Masset:** Labels have historically outsourced publicity, digital marketing, radio promotions, graphic design, production and engineering to third parties. But previously, they were not organised so efficiently under one umbrella as to offer what we call Artist & Label Services today. I think the movement toward self-distribution has helped give both artists and labels more choices as to what team makes the most sense for their needs at each stage of their development.

**MIDEM: In the tech-assisted age, what can Spotify do for artists that artists cannot do for themselves?**

**Masset:** Spotify For Artists has become a fantastic tool for artists, managers, and labels to best understand who is listening to their music. It has helped them to tour and focus their marketing dollars to reach, develop and connect with more fans globally. It does not, however, take action on behalf of the artists or labels. Our tools and our platform empower these creators to reach more people, but ultimately what they do with that power is up to them.

# 5 MIDEM ARTIST & LABEL SERVICES FORUM

Midem, the world's leading international music-business event, is launching the first-ever global platform for Artist & Label Services.

Called the **Midem Artist & Label Services Forum**, it cements Midem's reputation for always being at the forefront of evolutionary, and even revolutionary, developments in the global music market.

It recognises the essential role these services started playing gradually as the digital-music penetration started to advance. That momentum is accelerating and Midem's new platform will enable delegates to learn about these new totally artists-centric services and how they can incorporate them into their own ventures.

It aims to answer the new needs that have emerged within the rapidly growing streaming-powered international music business for its stakeholders: artists, managers, digital distributors, labels, DSPs, as well as the Artist & Label Services themselves.

Inside the Palais venue, this new Midem Forum will create a hub garnering leading relevant services that the stakeholders will be interested in: content production, funding, marketing, sales & promotion, rights management, and/or numerous other skills designed to boost artists' careers and provide solutions for labels to support their artists and catalogues.

## The Midem Artist & Label Services Forum includes:

- A marketplace where artist services/label services and digital distributors will showcase the solutions and expertise they offer
- A demo stage to promote their services
- A workshop space dedicated to educating artists, managers and indie labels that want to learn more about these new service providers
- A job board for service providers that is accessible to all Midem delegates
- Networking events with happy-hour cocktails that bring together all the stakeholders

Expect to learn more developments and news about the Artist & Label Services Forum at : [www.midem.com/en-gb/what-is-midem/artist-label-services.html](http://www.midem.com/en-gb/what-is-midem/artist-label-services.html).

# ABOUT THE AUTHOR

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Midem is the leading international marketplace for the global music community, bringing together more than 5,000 upper-level music professionals, from indie & major labels, publishers to tech pros, brands and artists. Midem is dedicated to helping the music industry and its partners develop business and creativity by bringing together, during 4 days, the key players of the music ecosystem. The event offers the opportunity to expand your reputation and business globally, discover artists and music catalog, get inspired by conferences and source new business models and services.



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