



CompleteMusicUpdate.com

MUSIC RIGHTS IN THE AGE OF AI

MUSIC COPYRIGHT

the basics

WHAT IS COPYRIGHT?

Copyright is a legal concept which provides creators with certain controls over the outputs of their creativity – which can then be exploited for profit.

THE CORE MUSIC RIGHTS

RHYTHM

LYRICS

MELODY

SONGS



THE SONG RIGHTS

*aka the publishing rights
or author rights*

PERFORMANCE

PRODUCTION

MASTERING

RECORDINGS

THE RECORDING RIGHTS

*aka the master rights
or neighbouring rights**



THE MUSIC RIGHTS INDUSTRIES

SONGS

SONG
WRITERS

COMPOSERS

LYRICISTS

MUSIC
PUBLISHERS

RIGHTS
ADMIN

COLLECTING
SOCIETIES

MUSIC PUBLISHING SECTOR

RECORDINGS

ARTISTS

SESSION
MUSICIANS

PRODUCERS

RECORD
LABELS

MUSIC
DISTRIBUTORS

COLLECTING
SOCIETIES

RECORD INDUSTRY

COPYRIGHT CONTROLS

REPRODUCTION

DISTRIBUTION

RENTAL

ADAPTATION

PERFORMANCE

COMMUNICATION

COPYRIGHT CONTROLS

REPRODUCTION

DISTRIBUTION

RENTAL

ADAPTATION

PERFORMANCE

COMMUNICATION

MAKING AVAILABLE

COPYRIGHT CONTROLS

MECHANICAL RIGHTS

REPRODUCTION

DISTRIBUTION

RENTAL

ADAPTATION

PERFORMANCE

COMMUNICATION

PERFORMING RIGHTS OR NEIGHBOURING RIGHTS*

**WHEN A THIRD PARTY WANTS
TO EXPLOIT YOUR CONTROLS**

THEY MUST GET YOUR PERMISSION

YOU USUALLY CHARGE FOR THAT PERMISSION

=LICENSING

WHEN A THIRD PARTY WANTS TO EXPLOIT YOUR CONTROLS

DIRECT LICENSING

DIRECT DEAL

You do a deal
with licensee

THIRD PARTY DEAL

An agent does
deal with
licensee

COLLECTIVE LICENSING

COLLECTING SOCIETY DEAL

You allow a collecting society
to license on your behalf

MUSIC RIGHT REVENUES

market trends

RECORDED MUSIC REVENUE STREAMS



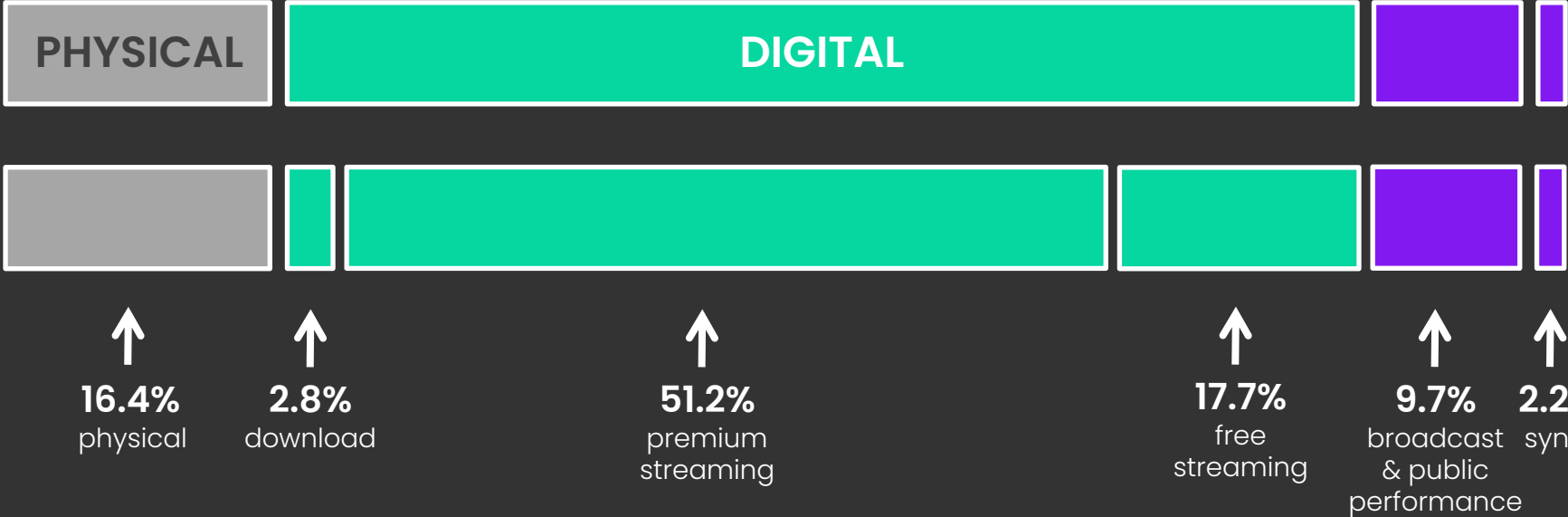
Digital platforms

Physical: CD + vinyl

Broadcast + public performance

Sync: TV, movies, games + ads

GLOBAL RECORDED MUSIC REVENUES



THE DIGITAL MARKET TODAY

DOWNLOAD STORES



PREMIUM STREAMING

GLOBAL
SERVICES



REGIONAL
SERVICES



FREE STREAMING



UGC PLATFORMS



ONLINE
RADIO

MUSIC
PODCASTS

LIVE
STREAMING

FITNESS
APPS

GAMING
PLATFORMS

META
VERSE

DIGITAL TRENDS



Premium streaming generates most income

Ad-funded streaming revenues also growing

Dominated by small number of platforms

Generally a revenue share business

DIGITAL TRENDS



UGC platforms also a growth revenue stream

Though industry reckons they often underpay

How can we get more from the platforms?

What about their other monetisation tools?

THE SUPERFAN OPPORTUNITY

ARTIST STORES

CD + vinyl

merchandise

downloads

pre-orders

UGC CHANNELS

memberships

digital gifting + donations

ad share

endorsements

OTHER D2F CHANNELS

livestreaming

digital collectibles

personalised content

pay-walls

NEW TECHNOLOGIES

fan-funding

THE SUPERFAN OPPORTUNITY



Big opportunities in this domain

Though what is the offer?

Which platforms should you use?

What is the role of the label?

PHYSICAL TRENDS



Physical product sales slumped in 2000s

Have become pretty stable in recent years

Vinyl revival has played a key role in that

Though in some markets CD sales still decent

BROADCAST + PERFORMANCE TRENDS



A bigger revenue stream than many realise

Even more important on the songs side

Took a hit during the COVID pandemic

But now back in growth

SYNC TRENDS



Modest revenue stream for industry at large

But a key revenue stream for some players

Can result in very lucrative single use deals

Brand content on social media a growth area

MUSIC-MAKING GENERATIVE AI

an overview

INTRODUCING GENERATIVE AI



AI models that generate content

eg text, images, audio, video, music...

Of particular interest to the music industry

Profile boosted by the “ChatGPT effect”

LEGAL CHALLENGES

copyright + beyond



OPTIONS FOR TRAINING DATA...

Commission original music for training

Use production music libraries

Use commercially released music

GENERATIVE AI + MUSIC: LEGAL QUESTIONS

if AI is trained using existing music –
does that need to be licensed?

the music industry is adamant that
AI companies must seek licences from
copyright owners to train AI models
with copyright protected works

GENERATIVE AI + MUSIC: LEGAL UNCERTAINTIES



Could specific copyright exceptions apply?

Or the US principle of 'fair use'?

Many AI companies argue "yes"

The music industry insists "no"

GENERATIVE AI + MUSIC: LEGAL STRATEGY



Copyright obligations being tested in court

Most cases in the US courts

eg music industry v Suno, Udio, Anthropic

Some music cases in Germany filed by GEMA

GENERATIVE AI + MUSIC: LOBBYING STRATEGY



Also seeking clarity from law-makers

ie "Explicit permission is required"

And no new copyright exceptions...

...for text + data mining (TDM)

GENERATIVE AI + MUSIC: LOBBYING STRATEGY



EU law has a TDM exception

But rights owners can opt-out

UK government has proposed similar system

The music industry is lobbying against this

TRANSPARENCY OBLIGATIONS



How do we know what music AI firms used?

Also need transparency obligations in law

The EU AI Act provides these, but...

Big concerns these are being watered down

RIGHTS BEYOND COPYRIGHT

if an artist's voice is cloned using AI
+ this "digital replica" vocal clone is used in
a human-produced or AI-produced track...

can the artist control the creation and/or distribution
of sound-a-like tracks of this kind beyond copyright?

can 'publicity rights' be used to protect a voice?

PUBLICITY + PERSONALITY RIGHTS



Can publicity or personality rights help?

These vary from country to country

And don't even exist in some countries

To what extent can these rights help?

PUBLICITY + PERSONALITY RIGHTS: US DEVELOPMENTS



NO FAKES Act in US Senate

No AI FRAUD Act in US House

ELVIS Act in Tennessee

Do these provide a useful template?

ONE LAST COPYRIGHT QUESTION

should AI-generated music
enjoy copyright protection?

UK copyright law
provides default
ownership rules
for computer-
generated works

But in most
countries, it's
assumed only
human created
works are
protected

US Copyright
Office says "no"
for AI-generated
but "yes" for
AI-assisted

COMMERCIAL OPPORTUNITIES

for the music industry

THE LICENSING OPPORTUNITY



How big is the licensing opportunity?

How much data do AI companies need?

Does it skew to bigger catalogue owners?

Is it a one-off or ongoing opportunity?

OTHER OPPORTUNITIES



What new products can AI enable?

New personalised music experiences?

New personalised fan experiences?

Creator tools built around music-makers?

USING AI TOOLS TODAY

pros + cons



HOW CAN THE MUSIC INDUSTRY USE AI...

to support the music-making process?

to support music marketing?

to support the running of music companies?

MAKING USE OF AI IN YOUR BUSINESS



Marketing content

Business + legal documents

Data analysis

Can AI solve music metadata challenges?

CONSIDERATIONS WHEN USING AI



Potential for errors + 'hallucinations'

What rights are you granting a platform?

Is the output protected by copyright?

Who is liable if AI platform is infringing?

LOOKING AHEAD

future trends

FUTURE TRENDS: STREAMING



Premium streaming the key revenue stream

Services need to increase “ARPU”

With price increases + super-premium

And by getting more out of the free tier

FUTURE TRENDS: LICENSING



Other digital + licensing opportunities

Easier to realise with simpler licensing

Especially on the publishing side

Can we crack metadata + micro-licensing?

FUTURE TRENDS: SUPERFANS



Superfan a big opportunity for artists

But exact strategy will differ artist to artist

Who takes the lead on this?

What is the role of the label?

FUTURE TRENDS: AI



AI both an opportunity + a threat

Balances out for labels + featured artists

Need to identify what opportunities are

Will depend on outcome of legal debates

