

GLOBAL MUSIC MARKET VALUE	
Year	Retail value
2004	\$33.6bn (-1.3%)
2003	\$34.1bn (-7.4%)
2002	\$36.7bn (-6.7%)

2001	\$39.3bn (-1.3%)
2000	\$39.7bn (-1.6%)

source: IFPI
Figure in brackets shows year-on-year change

IFPI figures show country takes fifth of global market UK leads the way in collecting rights cash

Collection

by Robert Ashton

UK collecting societies are leading the world in earning money from radio and TV broadcasts and public performances.

Just weeks after the EC announced it wanted to increase competition among European collecting societies, new IFPI figures reveal that the UK's players jointly accumulated nearly \$100m (£59.5m) in 2004. This represents one fifth of the global market and puts the UK as the top market for performance rights revenue.

The UK contribution is part of \$493m (£293m) generated over the year by 55 collecting societies, surveyed for the first time by the IFPI in its 12th *The Recording Industry In Numbers* report, helping the worldwide sector to grow by 4.5% on the \$433m (£257m) collected in 2003.

UK societies such as MCPS-PRS Alliance helped bump up the amount collected for sound recordings and videos to \$93.5m (£55.6m), or 19% of the market, ahead of France, whose local collecting societies, including Sacem, brought in \$67.1m (£39.9m), 14% of the world total.

Japan and Germany were the third- and fourth-placed countries, with their collecting societies

picking up \$62.7m (£37.3m) and \$60.3m (£35.9m) respectively.

Although the total sum collected represents just 2% of record companies' sales of physical products, IFPI director of market research Keith Jopling says the sector is growing at about 5% annually – roughly equivalent to the decline in recorded music over the past five years.

"Collecting societies have become more efficient at getting money, there have been a lot of new societies and there is a lot more music broadcast," he says. "We predict growth could double in the next five years to be worth as much as \$1bn (£0.6bn) by 2010."

Jopling says the inclusion of performance rights revenues represents the IFPI's first step in reviewing a complete set of revenue streams, including digital revenues from online services and mobiles.

The 2005 report shows several landmarks were reached in the digital sector last year, with 180 services launched globally, taking the worldwide total to more than 300 – 200 in Europe alone. Music catalogue available on the major services doubled in 2004 to more than 1m tracks, while subscriber figures now top 2.2m.

The 172-page report shows the music industry achieved its best

Top 10 markets

Country	Revenue	% of total
UK	\$93.5m	19%
France	\$67.1m	14%
Japan *	\$62.7m	13%
Germany	\$60.3m	12%
Netherlands	\$20.9m	4%
Spain	\$15.3m	3%
Denmark *	\$13.0m	3%
Belgium	\$12.2m	3%
Australia	\$11.2m	2%
Sweden	\$11.0m	2%

TABLE SHOWS TOP MARKETS IN TERMS OF REVENUE FOR COLLECTION SOCIETIES. *SOUND RECORDINGS COLLECTIONS ONLY. (SOURCE: IFPI RECORDING INDUSTRY IN NUMBERS 2005)

year-on-year results since 2002 and that Universal comfortably hung on to its position as the top music group in 2004, despite the merger of Sony and BMG.

Universal profited from a good performance in the US – at the expense of the three other majors – to scoop more than a quarter (25.5%) of the world's recording business, which was worth \$33.6bn (£20bn) in 2004. This was just 1.3% down on 2003's \$34.1bn (£20.3bn) figure.

Universal was ahead of the merged Sony BMG, which captured 21.5%. EMI dipped slightly from 13.5% to 13.4% and Warner lost more than one percentage point to account for 11.3% (12.5%) of the market. The independent sector held steady with 28.4% (28.5%).

robert@musicweek.com

SUGABABES

SNAP SHOT

Island will defy the trend of the traditionally short-lived "girl group" genre when it releases the Sugababes' fourth studio album on October 10. The as-yet-untitled set sees the UK trio collaborating with songwriters including Dallas Austin, Cathy Dennis and Johnny Rockstar, as well as long-time writing partner Brian Higgins.

Island A&R manager Darcus Beese says the album is their most ambitious yet, citing Austin's influence in the act's development. "There had to be a reason for a new Sugababes album," he says. "The girls needed to know they

were going to move on musically and lyrically, because they're young women now. Dallas was clear that he didn't want to do just one single; if he was going to be involved he wanted to be part of shaping the album."

Much of the album was recorded at Nettle Hooper's London studio, where the songwriting experience involved introspection. "When I'm working with anyone I only want to bring out the realistic stuff," says Austin. Lead single Push The Button will precede the album's release on September 26.

CAST LIST: Management: Mark Hargreaves, Crown Music; A&R: Darcus Beese, Island; National Press: Anna Maslowicz, Island; Regional Press: Hannah Fenby, Island; National Radio: Charley Byrnes/Nick McEwen/Steve Pitron, Island; Regional Radio: Phil Wits/Jackie Pennor, Island; TV: Holly Davies/Mike Mooney, Island; Marketing: Nikki Fabel, Island; Publishing: Mutya & Keisha, EMI Music; Heidi, Universal Music.



Producers' importance recognised with event

The producer's huge role in making hits is being recognised with the arrival of the world's first conference exclusively dedicated to record production.

The Art Of Record Production kicks off at the University of Westminster next month with two days devoted to the record producer, his tools and his place in the pop music machine.

With a keynote speech from Whitfield Street boss Robin Millar and contributions from other leading producers and engineers including Music Producers' Guild chairman Mike Howlett, Muff Winwood, Tom Frederickse and Joe Meek protégé Ted Fletcher, the two-day session will cover ground such as technology, the creative role of producers, royalties and career paths.

Simon Zagorski-Thomas, senior lecturer in music and music technology at Thames Valley University, who conceived the event with his colleague and former MPG chairman Andrew East, says that musicology has recently begun to recognise record production as a vital part of the creative process.

Previously, some major music industry conferences have included sessions on record production, but Zagorski-Thomas says the increasing importance of the producer in hitmaking makes this first standalone conference on the subject necessary.

"A study of the lyrics or chord shapes of a Beatles track will only give part of the story," he says. "Production changes the making of tracks, for example lo-fi can give a feel of authenticity, but there is a thin line between that and crap production."

With support from the MPG and music business network group MusicTank, the event, which take place on September 17 to 18, will also bring the producer professionals into contact with academics working in the field, while a number of academic papers will also be presented on subjects as diverse as the new sounds Brian Wilson discovered for Pet Sounds and how remixing effects authorship. This last paper, by Salford University's Shara Rambarran, will use Danger Mouse's Grey Album as the starting point for this discussion.

MOS teams up with Vodafone

Ministry Of Sound's mobile content will be available across the globe for the first time following a link-up between the independent and network operator Vodafone.

As part of Vodafone's first deal with an indie, MoS artists such as Eric Prydz, Benny Benassi, Tomcraft and Boogie Pimps will gain a mobile presence via the Vodafone Live! mobile portal in 27 countries, plus another 14 courtesy of Vodafone's content partnership deals with other global network operators.

Vodafone Group head of music Ed Kershaw says, "This is a neat follow-up to our recent call to independent labels in the UK that we are committed to enhancing our catalogue with their repertoire. This is a particularly innovative partnership because Ministry owns all of its intellectual property rights and gives us and them the opportunity to produce something completely unique."



Prydz: MoS artist gains mobile presence

Ministry head of digital services Matt Dicks says, "We are pleased with the Vodafone deal as it will see our mobile content go global for the first time. The main aim for us was to create something original, unique, easy to download and fun. In a way, we strived to create something that is to an extent

irreverent-in-the-pub type fodder, which allows people to get a quick fix of Ministry content."

Ministry Of Sound will supply Vodafone with standard-issue content such as ringtones, ring-back tones, truetones and images, plus video and audio downloads.

The London-based dance music company will also supply a bespoke Ministry Of Sound TV-style programme made for mobile devices. Launched 12 months ago on Orange UK, the two-and-a-half-minute presenter-led show will feature video clips and artist interviews. The shows will be made available on Vodafone on a weekly basis from this Thursday and will cost Vodafone users £1.50 to download.

As well as continuing to supply the programme to Orange UK, Ministry also supplies ringtones, images, audio and download package, minus the bespoke TV-style programme, to 3.

Copyright of Music Week is the property of United Business Media. The copyright in an individual article may be maintained by the author in certain cases. Content may not be copied or emailed to multiple sites or posted to a listserv without the copyright holder's express written permission. However, users may print, download, or email articles for individual use.