



midem ®

Quick Review 2010

MUSIC GETS BACK TO BUSINESS

This gives you a quick summary of MIDEM 2010 and how delegates used the event to further their business. It has been prepared for you by the editor-in-chief of the MIDEM News, Julian Newby, and his team.

A MARKET OF DEALMAKING

THE STRONGEST message to have come out of MIDEM 2010 is that music is back in business. **Deals were being signed in Cannes from day one**, and continued throughout the week.

An early announcement was the **deal between MySpace and performing rights organisation SoundExchange**, who have joined forces to **find missing artists who together are owed some \$15m in royalties from online exploitation of their music**. MySpace CEO Owen Van Natta said another goal of the joint venture's aim was "to empower artists to interact with their fans".

Elsewhere at the start of MIDEM: French telecoms company **SFR announced a partnership with the artist M** that included broadcasting **live concerts to mobile phones**; Nashville publisher Big Yellow Dog Music announced the signing of writer and guitarist Al Anderson; music video site **MUZU.TV announced video syndication deals with a number of major publishers** including AOL Music, Telegraph Media Group and Bebo; **IODA**, the US-based Independent Online Distribution Alliance, announced partnerships with **The Philadelphia Orchestra and digital company InstantEncore.com**; and **National League Music** of the US announced a partnership with **Tokyo's New Latin Quarter** nightclub that will see the release of over 300 live recordings from music legends including **Sammy Davis Jr and Nat King Cole**.

And the dealmaking continued throughout the week. Germany's Clasart signed a deal in Cannes for the rights to the performances of the New York Opera House; **European entertainment group PIAS sealed deals at MIDEM with New York-based licensing and royalty service provider RightsFlow**, and for its D2C technology with Digital Animal, MAM Logistic and Topspin Media; **UK indie publisher Respect Music signed with the Kassner Group to represent its songwriters worldwide**; US jazz label Motema signed with Hamburg's Music Alliance Membran for distribution and licensing in Europe; and **South African music veteran David Gresham signed an exclusive deal with Belgian dance/pop label Mostiko Records** as part of the Gresham Record Company's expansion into pop and dance music.

Clear Channel Radio announced a partnership with legendary New York music club CBGB's for the creation of CBGB Radio; video producer Unitel Classics partnered with the Pergolesi Spontini Foundation in the recording of all of the composers operas in high definition; and **Peermusic Hamburg** and Peter



Hoffmann, the composer and producer for German group **Tokio Hotel**, have launched a **joint venture, Hopla Reloaded**, to break new talent using the 360-degree model.

Universal Music Publishing Group's CEO David Renzer announced deals with singer-songwriter **Kenny Loggins** and **Australia's Albert Music**, home of a number of high-profile acts including **AC/DC**; international digital entertainment company **TAG Strategic signed a deal with India's Only Much Louder** to develop music events and ventures in India; and the UK's Demon Music Group signed a licensing deal with Phoenix Music International (PMI) that will see all PMI Group's music licensed and exploited by Demon's labels.

Times Music Of India's Adarsh Gupta said he expected to sign between six and eight deals by the end of MIDEM; Finland's Rockadillo Records' entire catalogue was licensed to Chinese music giant Shanghai Synergy; Paris-based Hibou Productions Editions signed sub-publishing deals with Times Of India and the Russian State Music And TV Centre; the **UK's 21 Vision acquired the only rights to Pavarotti material outside of Decca**; and the **Henry Hadaway Organisation signed a "six figure audio licensing deal" with Sweden's X5 Music Group**.

Many new companies and concepts were introduced at MIDEM 2010 for the first time — but music's veterans were out in force too. **Legendary 1960s label Blue Horizon was relaunched at MIDEM by Seymour Stein and Richard Gotterher, the original founders of Sire Records**.

That CD sales are falling is not contested, but digital downloads are on the rise — and MIDEM made world news during the week with the announcement that **Karlheinz Brandenburg** has teamed with Bach Technology to launch what they hope to be the **successor to Brandenburg's invention, the MP3. MusicDNA allows fans to access a range of music-related content through one player**.

TRENDS: THE FUTURE IS HERE

ARTISTS and creators are becoming increasingly — and necessarily — proactive on the business side of the industry. That was a key trend at this MIDEM. At a MidemNet conference, **Getty Images' Jonathan Klein said artists who are comfortable in the digital world are happy to engage with fans across all platforms.** Artist **Pharrell Williams, at his first MIDEM**, backed this up in his keynote session saying that **if he was starting out today, he would put his music on his own website, use the site to engage with his fans**, and would then "bug the hell out of the advertising agencies to use my music". **Radiohead's Ed O'Brien reinforced the message that artists can, and must, take control of the industry: "The money men have taken over and consequently the creativity and fun that typified labels in the Sixties have gone and we need to get that back."**

The strengthening of relationships between brands and music emerged as another key trend. **PepsiCo Americas Beverages' Frank Cooper III said that brands must move from sponsoring, to creating and curating**, while **NASCAR Media Group's Jay Abraham explained how his company had already started doing that, through a partnership with Cherry Lane. Coca-Cola's biggest-ever marketing campaign, around the FIFA World Cup, engaging Canada-based Somalia-born artist K'naan, got an airing at MIDEM.**



Panos Panay of MIDEM Talent sponsor Sonicbids presented a case study involving fashion chain The Gap, which in 2009 switched from playing recorded music in its stores to live music for one day — to celebrate the chain’s 40th anniversary in the US. Sonicbids provided the artists and the result for The Gap was 800 million views of the performances posted on various sites. Spotify’s Daniel Ek and YouTube’s Patrick Walker said they were certain that ad-supported streaming of audio and video would one day be profitable.

Eastman Kodak Company’s Jeffrey Hayzlett used his company’s case study — first having made billions from analogue and then having to adapt to digital while looking “into the abyss, into the grave” — as an analogy for the music industry, which must “reinvent itself to survive”.

INDUSTRY OUTLOOK

MUSIC is the world’s number one pastime, according to the MidemNet/Music Matters Global Music Survey, carried out by Synovate and announced exclusively at MidemNet on the eve of MIDEM. The survey found that 83% of the 8,500 questioned in 13 countries were “very passionate” about music. The survey also found that music streaming is a big favourite among fans, with one in five people around the world — topped by Korea at 60% — having streamed their favourite songs in the past month, from the growing number of music streaming services, such as MySpace, The Hype Machine, Seeqpod, Imeem, We7 and Spotify.

Statistics released during MIDEM by CISAC revealed that revenue remained stable in 2008, but that a 12% drop in mechanical revenues caused by the slump in CD sales will be felt in 2009 and 2010. **The 220-plus societies belonging to the global copyright organisation generated more than €7bn in 2008.**

The apps phenomenon was reinforced with profits figures released by Apple during the week that showed a 50% increase, and a **doubling in sales of the iPhone**. Speaking at MidemNet’s Apps & Music panel, David Fisher created the buzz of the market by announcing that his **music recognition app Shazam drives 300,000 individual song sales per day.**

MIDEM 2010 lives on online!

- midem.com:
 - **conference videos in full (edited versions soon)**
 - **The MIDEM News’ online editions, issues 1-4**
- midemnetblog.com: **live reports on MIDEM’s key conferences and events**
- twitter.com/MidemNetBlog: **keep on following!**
- **MIDEM iPhone App: participants’ list, blog and twitter feeds, programme and more.**