

Consultation: Definition of New Music on Radio 1 and Radio 2

1. BPI (British Recorded Music Industry) Ltd. is the representative voice for the recorded music industry. Our membership comprises around 420 independent record labels and the three major record labels – Universal Music, Sony Music and Warner Music. Together, these account for more than 85 per cent of the sound recordings legally consumed in the UK every year.
2. BPI believes that the BBC is a fundamentally important part of the ecosystem for British music, and for the UK creative industries as a whole. The UK is a world beater in the production of music; of investing in, developing and breaking new acts. The availability of a range of different services provided by the BBC is a crucial part of that process that leads to the phenomenal success of the UK in music and in the creative industries as a whole.
3. The BBC's commitment to music and music radio spills over into the thriving UK sector for the production and export of music and is an important part of the ecosystem that supports the UK's success in music exports. Regulations on the BBC must not reduce the huge diversity the BBC offers, in particular the range and depth to its music programming which the commercial sector is not able to match.
4. BBC Radio in particular, is a critical part of the success of British Music and the recorded music sector. The suite of radio stations, taken together, provide for a mix of tastes and views, expose listeners to new music and give the opportunity for music to find mass audiences and target specific genres of interest.
5. The existence of the BBC gives the music industry confidence that the music they invest in – from classical and opera to urban and dance – will find an audience and be given an opportunity to build a fan base. The BBC's services have no equal in the world, and the economic value of that to the UK's economy goes well beyond the expenditure on individual services.
6. BPI welcomes definition of New Music, and recognises that it is the result of a long period of consultation between the BBC, record labels and companies and Ofcom itself. As such, we support the compromise that has been proposed.
7. However, BPI would continue to make the case that this definition artificially constrains the flexibility of the BBC to bring new artists to audiences. Not every artist is an immediate success, and whether a track is judged as "new" should be based on whether a song is beginning to make its way into public consciousness rather than fixating on release dates.
8. New forms of consumption mean that artists emerge in different ways, and the power of fans to discover and bring to prominence artists and tracks lead to some artist releases are "new" to listeners in time periods that are wider than the 12 months from point of release.
9. BPI would, therefore, suggest some flexibilities in the implementation of the definition to ensure that there are not unintended consequences.

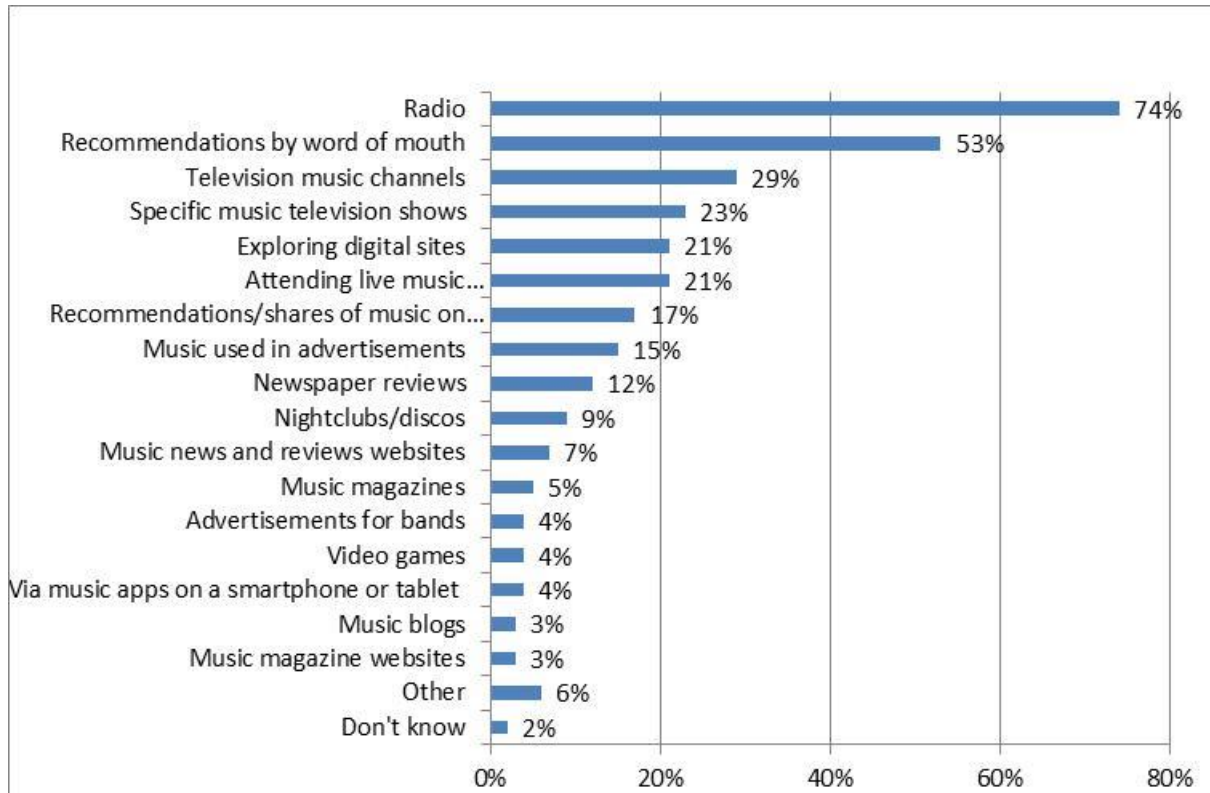
10. Where there is a specific problem over the definition of “release” is that an artist might distribute or upload a piece of content in demo form, before returning to it once they begin their recording career or later on as a reworking or updating. It would not, in BPI’s mind, be reasonable to consider this to be outside the definition of “new music” and believes that Ofcom should be clear to the BBC that this is the case.
11. BPI would also urge that Ofcom is specific in stating that a new version of a song – whether that be a record label release of a song previously shared online, or a remix of a track or a new version - it is counted within the definition of “new”.
12. BPI would also ask that consideration is given to the situation that where an artist has not previously charted in the top 40 singles chart they should still be considered as “new”. This will help with the primary purpose of the rule, which is to break new artists and get new music to listeners in the circumstances when artists take some time to emerge.
13. BPI would also request some flexibility in defining a track as “new” where it is continuing to grow streams week on week: This would mean that the greater fan control of the emergence of tracks is not discounted by radio.

The importance of BBC Radio to discovery

14. The music industry relies on being able to get music played on radio to reach new audiences. According to a 2014 survey by YouGov, the radio is still the single most important form of discovery for music¹ with *“more than six in ten (65%) music listeners who consciously strive to discover new music they haven’t heard before are more likely to discover new content via radio”*.

¹ <http://yougov.co.uk/news/2014/09/30/radio-still-remains-most-popular-way-discovering-n/>

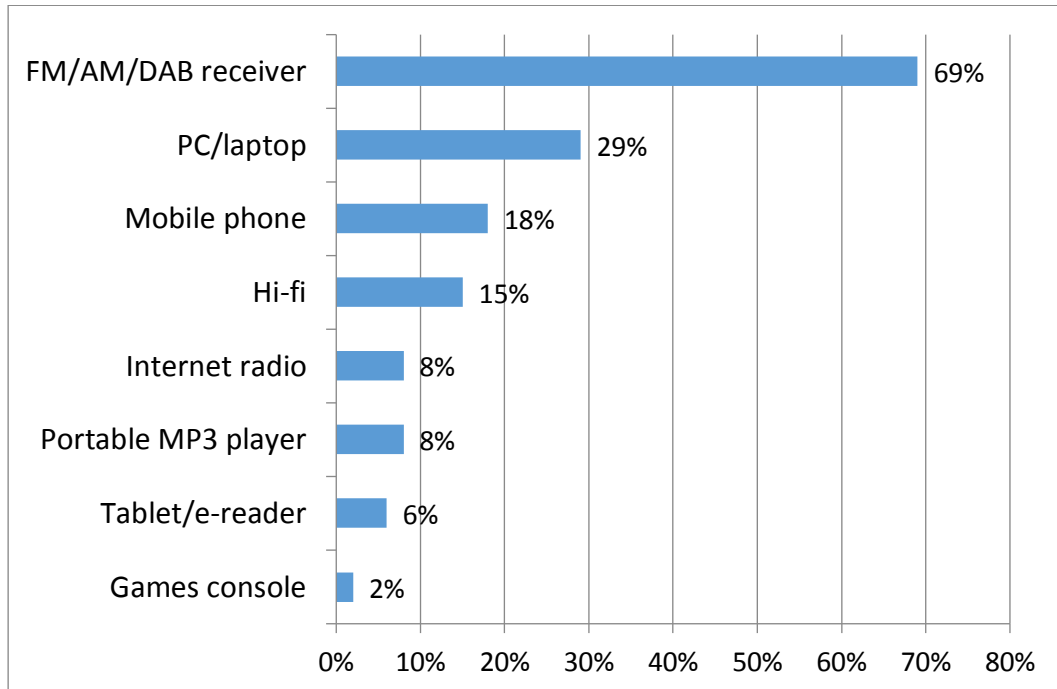
YouGov (2014) How respondents typically strive to discover new music



15. The importance of radio for discovery means channels need to cater for all age groups and playlisting decisions need to be fair, and give a reasonable chance for music that tends to appeal to different demographics to have access to mass audiences through the BBC.
16. Of course, not all discovery is of “new” music. It is important to play music that people know from all eras, and the BBC can, through its use of back catalogue, ensure new audiences are found for old music they may never have heard before.
17. Demand for music, and other creative content has exploded in the digital age. For all the shifts in consumption of content, Radio is still an overwhelming mass medium. As Ofcom itself states “Nine in ten people (89.6%) in the UK listen to the radio at least once a week.”² The same evidence showed that 63% listen to music-focused radio stations, much higher proportion than those that listen to music in either physical (48%) or digital (41%) forms in the same time period.
18. Despite all of the channel possibilities, radio is still overwhelmingly where audio listening is. AudienceMonitor ask specifically on what device a previous day’s listening has taken place. Radio receiver is the highest, with nearly 70 of people having listened to radio in some form. Other forms of listening will, of course, also be radio but via PC etc. and 8% are expressly listening to internet radio.

² https://www.ofcom.org.uk/data/assets/pdf_file/0014/105440/uk-radio-audio.pdf

On what device were respondents listening to audio

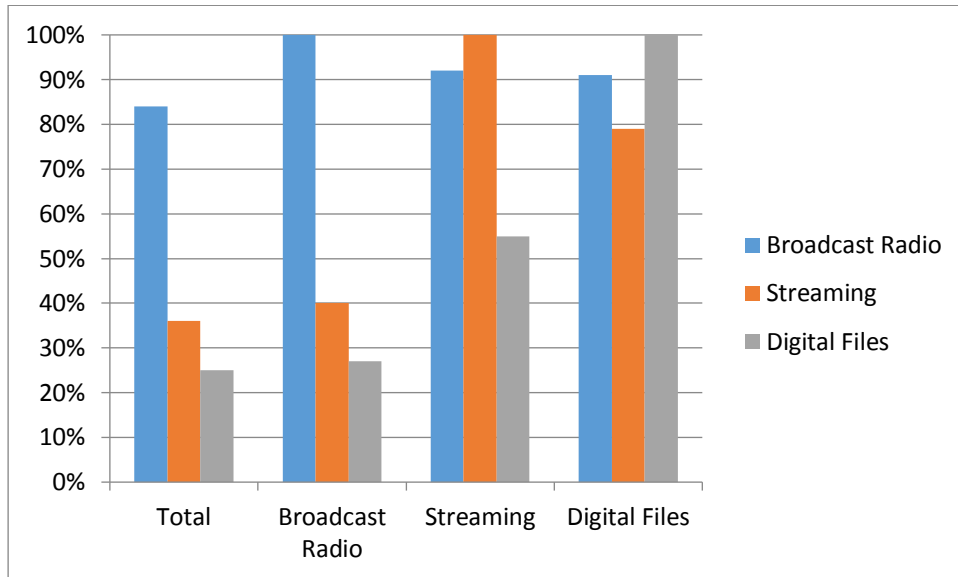


Source: Audiomonitor. Base 2,470 respondents who had listened to audio the previous day

19. Broadcast radio is still a very significant source of listening to music and those that listen to other music files will also listen to broadcast radio in high numbers. Over 80% of consumers listen to radio, according to AudienceMonitor³.
20. However, even where other services are used to listen to audio, radio is still incredibly important. The graph below shows that of those that listen to streaming services such as Spotify or Deezer, over 90% still listen to Broadcast radio. This is the same for those that listen to digital files, e.g. iTunes, Amazon or ripped CD collections.

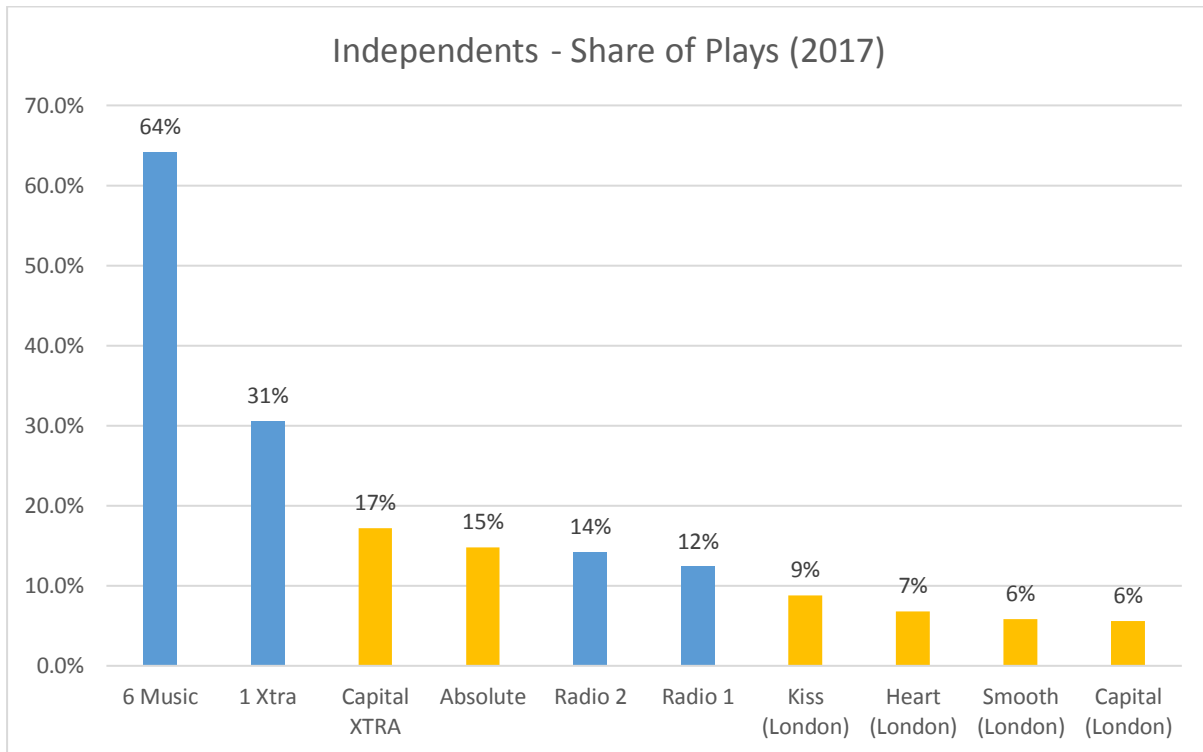
³ This will also cover speech radio

Proportion listening to radio that also stream or use digital files



Giving new music an audience

21. Given all of this evidence on listening and discovery, it is no surprise that the BBC is valued greatly by all music acts – big and small – as a route to new listeners.
22. Of particular importance is its role in helping the independent record labels, where one successful artist on a label can make a crucial difference to that company’s survival and growth, the BBC stands out in taking risks on new bands.
23. BPI analysis shows that independent record labels – the micro, small and medium size businesses that are a critical part of the UK’s economy – get a significantly greater proportion of play from BBC stations than they do from commercial radio. The table below shows that 6music in particular plays an amount of music from independent labels that is vastly above what market share would predict – with nearly 65% of radio play.



New Patterns of Consumption + Longer Release Cycles

24. Modern forms of consumption mean that an album campaign might run for as long as 18 months to two years. Releases of singles from a major selling album might not enter the singles chart for well over the 12 months they will have been available on streaming services.
25. Additionally, in the modern world the singles market can also be about slow-burning momentum. For example, Maybel's Finders Keepers was still growing after 25 weeks of release.
26. Increasingly, consumer and fans may identify and share hits that have not been put forward originally by the industry. These global ripple-effects, sometimes out of sync with nominal release dates, mean that singles can emerge as hits long after their first appearance on streaming platforms.
27. Since the start of 2016, 110 different singles from UK artists have charted in the Top 20 of the Official Singles Chart for the first time, of these, three artists that charted for the first time took longer than 12 months to reach the Top 20:
 - EYES SHUT was the 6th single from Years & Years Communion (quite unusual in itself), and was first released on a French independent a year before Years & Years signed to Polydor;
 - BE THE ONE was launched as Dua Lipa's first single a long time before Dua started getting traction in the UK, and was a genuine slow burner; and
 - REGGAETON LENTO (REMIX) was a re-released remix that only went top 20 following the re-release.

28. So whilst on average, timescales are shorter, it is important not to discount the fact that “new” artists can still take a long time to grow their audience. As the purpose of the rule is to help new music break through it would be within that spirit to have a rule that still allowed for artists that have not charted before to be kept within the definition.

Application of the definition

29. BPI would, therefore, suggest some flexibilities in the implementation of the definition to ensure that there are not unintended consequences.

30. Where there is a specific problem over the definition of “release” is that an artist might distribute or upload a piece of content in demo form, before returning to it once they begin their recording career or later on as a reworking or updating. It would not, in BPI’s mind, be reasonable to consider this to be outside the definition of “new music” and believes that Ofcom should be clear to the BBC that this is the case.

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