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## Policy Brief

### Digitalisation and Intermediaries in the Music Industry: The rise of the Entrepreneur

**KEYWORDS:** Copyright, Music Industry, Self-Publishing, Retailers

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#### BACKGROUND

- The music industry has changed dramatically in the last few years with changes in technology and the popularity of streaming.
- This paper analyses the effect this has had on the market structure of the music industry and what this means for consumers.

#### METHODOLOGY

- The paper explains the recent technological changes in the music industry and discusses the effect this has had on copyright law
- It then gives a qualitative analysis of how the structure of the music industry has changed.
- It then concludes by reviewing the potential effect of these changes for consumers.

#### KEY FINDINGS

- There used to be a large number of artists whose songs were supplied to a small number of large record labels who produced CD's and other physical music and as a result obtained a significant share of profits from the music industry.
- Now streaming sites and other forms of digital download form a larger part of the music industry, this gives more power to creators as they now have the ability to sell content directly to consumers.
- Copyright law, as stands, still typically benefits powerful industry actors such as record labels and established artists.
- This new structure of the music industry may harm consumers as a high degree of control for industry record labels, streaming sites and artists could, in theory, lead to increase the cost of music to consumers.

#### POLICY ISSUES

- Policy makers need to be aware that the changing environment of the music industry may not benefit consumers.
- Consumers and possibly creators could benefit from a reform to copyright law to reflect the shift in power from traditional industry powers to creators and streaming platforms.

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### ABOUT CCP

The Centre for Competition Policy (CCP), at the University of East Anglia, undertakes competition policy research, incorporating economic, legal, management and political science perspectives, that has real-world policy relevance without compromising academic rigour.

### FOR MORE INFORMATION

More information about CCP and its research is available from our website: [www.competitionpolicy.ac.uk](http://www.competitionpolicy.ac.uk)

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