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[@ EconMusic: Billy Bragg On Social Media: 'Everyone's Making A Shitload Of Money Except Us'](#)

By [Robert Andrews](#) - Tue 23 Sep 2008 05:18 PM PST

English singer-songwriter [Billy Bragg](#) used our EconMusic conference in London to urge the emerging wave of web services to pay artists fairly for using their songs. **"Everyone's making a shitload of money, it seems, except the content providers,"** said the singer-songwriter, who has previously criticized MySpace and MTV on artists' rights and Bebo on payments.



"How much do you think MySpace makes from advertising?," Bragg asked rhetorically. "\$800 million? And how much do they pay for content?" The crowd's titters belied the answer 'not a lot'. "We need to establish the principle of paying content providers, not just musicians but for everybody. In order for us to to make a living, the industry has to recognize that the old model doesn't work anymore and has to be restructured."

Sitting alongside our moderator [Angel Gambino](#) - notably, both an MTV alum and recently-departed Bebo music VP - Bragg urged musicians to mobilize together to demand better rates and an industry-wide body to simplify online royalty collections.

-- **Give it away now?:** VC [Danny Rimer](#) - whose Index Ventures has invested in Last.fm, Loudeye and Rhapsody amongst others - foretold "artists are going to have to think of themselves as brands and give their music away for free", making money instead from endorsements, as 50 Cent has done. Clearly riled at the prospect of following the rapper in to energy drink sponsorships, Bragg quipped: "It's hard enough trying to write songs, without having to design Chinos as well. People *already* get my music for nothing from the BBC and commercial radio"; he demanded websites pay royalties like the broadcasters already do: **"Any music service should be paying, it's as simple as that"...**

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Lots more after the jump...

-- **So how will sites pay?:** Last.fm COO [Spencer Hyman](#): "We're very happy to share all the advertising revenue that we get, but **what we can't do is to give more than we're getting in.**" Then how exactly *will* such sites put a penny in artists' pocket? Hyman spoke plenty of Last.fm's own [Artist Royalty Program](#), which this week [won The Dandy Warhols' business](#), but raising the money to pay artists seems to be proving problematic... Last.fm's promised premium subscription service hasn't yet surfaced and "internet advertising is really, really hard", he said, suggesting the paradigm is less effective than TV advertising.

Last.fm debutante Warner Music recently yanked its tunes from the site during a license dispute in which it is supposedly seeking bigger payouts, while indies' body Merlin threatened to sue it over "illegal" music use. Hyman said negotiations are continual, and turned to [Marla Shapiro](#) of royalty collector MCPS-PRS to arbitrate: **"There are some very reasonable discussions about what we can be expected to pay. We have faith that you will bear with us on that one..."**

-- **Hard to pay?:** But most agree that current licensing frameworks are too cumbersome even to *allow* artists and sites to profit fairly. [Steve Purdham](#), CEO of ad-supported We7: "Paying people is actually one of the hardest things to do. Peter Gabriel is one of our investors and it's taken us 18 months to get *his* music on our site." Bragg: "There are people running platforms who want to pay artists but there are so many technical hurdles in the way - we need root-and-branch reform of the way we move money around the industry; there does need to be an industry-wide collection agency that deals with this kind of stuff."

Gambino said Bebo even got cease-and-desist orders over its use of tracks uploaded by the very same labels. Hyman: "The music industry is definitely different - I've never come across so many lawyers in my life." Bragg said labels needed to open up: "That's *my* income stream they're pissing in. I want to be able to exploit my music, as a small producer no longer signed up to the major labels."

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