

INDEPENDENT MUSIC COMPANIES ASSOCIATION

Annual

REPORT



2023 – 2024

Table of Contents



• <u>Introduction</u>	<u>1</u>
• <u>What our leaders say</u>	<u>2</u>
• <u>New board, territories & priorities</u>	<u>3</u>
• <u>This year we focused on</u>	<u>4</u>
• <u>AI - EU framework, rights reservation</u>	<u>4</u>
• <u>Digital opportunities</u>	
• <u>Streaming reform</u>	<u>5</u>
• <u>Emerging tech</u>	
• <u>Contesting so-called "equitable" remuneration</u>	<u>6</u>
• <u>Sustainability, A2IM/Merlin project, Murmur</u>	
• <u>The business case for sustainability</u>	<u>7</u>
• <u>Diversity fatigue and taking action</u>	<u>8</u>
• <u>Drop-in association sessions</u>	
• <u>Touring and mobility</u>	<u>9</u>
• <u>RAAP and performance monies</u>	
• <u>Survey on collecting societies</u>	
• <u>Friends scheme</u>	<u>10</u>
• <u>Awarding talent</u>	<u>11</u>
• <u>Stepping up as a network</u>	
• <u>In other finance news</u>	<u>12</u>
• <u>The vinyl market</u>	
• <u>Setting up a humanitarian programme</u>	
• <u>Merlin partnership</u>	
• <u>Worldwide collaboration - WIN</u>	<u>13</u>
• <u>ORCA think tank</u>	
• <u>Thank you</u>	<u>14</u>
• <u>Our board and committees</u>	
• <u>Our members</u>	<u>15</u>

INTRODUCTION

"This year, IMPALA focused on new priorities, including AI opportunities, streaming reform, fiscal support, expanding in Central and Eastern Europe, and enhancing sustainability and inclusion efforts.

Our mission to return more value to artists remains a top priority. We called on services to review their revenue models, including 'moment economy' services like TikTok, and addressed concerns over remuneration models like so-called "equitable" remuneration. AI was a major focus, with IMPALA playing a key role in the EU's AI Act, the first of its kind, which supports creators by enforcing copyright and transparency.

We also tackled issues affecting members' income, such as performance rights in Europe and promoting digital opportunities. IMPALA, supported by Merlin, advanced projects like One Step Ahead and launched the Carbon Calculator in the USA. We also published a report setting out the business case for taking sustainability action.

We welcomed a new Bulgarian association as well our first Ukrainian member and celebrated EU Diversity Month with a panel discussion and our Changemaker award for Black & Irish. Working again with YouTube on our Artists to Watch programme, we put the spotlight on talent across Europe.

IMPALA also secured EU funding for the next four years, marking a new era of support. With new EU leadership, we're preparing for future challenges.

We thank our exceptional team, executive board, committees, members, and Friends of IMPALA for their crucial roles in supporting the independent sector in Europe."



HELEN SMITH
IMPALA EXECUTIVE CHAIR

WHAT OUR LEADERS SAY

"Developing the network is one of my key priorities and it's great to be chairing the 2024 AGM in Bucharest. The Central and Eastern European region is a huge market with amazing talent and I am excited to be able to chair IMPALA with the huge opportunities we have across streaming and the whole market."

**IMPALA CHAIR DARIO DRAŠTATA,
EXECUTIVE DIRECTOR OF REGIONAL ASSOCIATION RUNDA
(EX-YUGOSLAVIA COUNTRIES)**



"My priority is to support our streaming reform work along with the chair of our working group Mark Kitcatt. This also includes maximising AI opportunities as well as ensuring we have the right frameworks in place as regards to copyright. I am also delighted to chair IMPALA's drop-in association coffee mornings which we launched this year."

**IMPALA PRESIDENT FRANCESCA TRAININI,
VICE PRESIDENT OF ITALIAN ASSOCIATION PMI**

"I am delighted to continue as treasurer of IMPALA. The whole question of how the sector can grow through clever use of fiscal incentives is one of my top priorities. We want to see a more coordinated approach across Europe to maximise the sector's ability to take risks with new artists and develop their businesses."

**IMPALA TREASURER, GEERT DE BLAERE,
BOARD MEMBER OF BELGIAN ASSOCIATION BIMA**



NEW BOARD, TERRITORIES & PRIORITIES

With the election of a new board at our last AGM in Vienna, where Dario Draštata of Balkan regional association RUNDA was appointed as the new IMPALA chair, we are enhancing our presence in Central and Eastern Europe as a key priority. Dario's leadership aligns perfectly with our renewed priorities for this mandate. He is joined by Francesca Trainini of the Italian national association PMI who serves as IMPALA's president, while Geert De Blaere from the Belgian association BIMA continues his role as treasurer.



(Left to Right: Alexander Hirschenhauser (VTMÖ, AT), Helen Smith (IMPALA, BE), Dario Draštata (RUNDA, HR), Francesca Trainini (PMI, IT) and Geert De Blaere (BIMA, BE))



Now active in 33 European countries, IMPALA is expanding its reach with the recent inclusion of Bulgaria and Ukraine. We are also collaborating with key local labels to establish national trade associations in Ukraine, Greece, and the Baltics, a crucial step in strengthening the independent network across Central and Eastern Europe.

In addition to territorial expansion, members also identified key priorities for the coming years. These include AI, streaming reform and remuneration, enhancing our digital capacity, fiscal support, sustainability, and diversity to name a few. More detail on these priorities and other work can be found throughout this report.

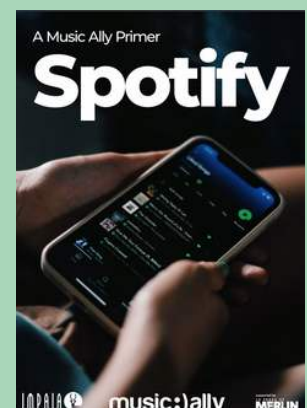
THIS YEAR WE FOCUSED ON

Securing the world's first AI legal framework

IMPALA agreed a strategy on AI based on maximising commercial opportunities and high standards around authorisation and transparency. We worked hard with other stakeholders on the adoption of the EU AI Act, the world's first comprehensive legal framework on AI. Our next step is implementation, advising members on rights reservation to maximise licensing opportunities and pushing for a joined up approach globally via the WIN principles as well as other initiatives such as the [Human Artistry](#) campaign.

Continuing to boost the sector's digital opportunities

Our committee, chaired by Dan Waite of Better Noise Music, meets monthly to keep us at the forefront of the digital market (e.g. Spotify editors and local contact points, streaming penetration by territory, streaming fraud, updated [streaming manipulation guidance](#) etc.), while frequently exchanging with Merlin and DSPs on how to maximise opportunities for the independent sector. Our One Step Ahead and Strategic Primers projects (both supported by Merlin), with CMU and Music Ally respectively, continue to provide latest guidance to navigate the digital environment. This work is crucial and includes our new Strategic Primers series with reports dedicated to [Amazon Music](#) and [Apple Music](#) and [Spotify](#), alongside recorded Q&A sessions with Music Ally.



Ramping it up on streaming reform

Since the release of our updated 10 step plan to reform streaming in 2023, we continue to liaise with services and call out unintended consequences regarding revenue allocation reforms initiated by Deezer, Spotify and Apple Music. We ask all members to track the impact so we are able to discuss further with the services. Any data is useful - by track, artist, genre, market or label (e.g. has overall label income gone up or down, on a per label basis, what %?).

IMPALA - 10 POINTS TO MAKE THE MOST OF STREAMING #2

- ◆ GETTING MORE MONEY INTO THE MARKET AND STOPPING DILUTION
- ◆ CHANGING HOW REVENUE IS SHARED
- ◆ BOOSTING DIVERSITY, TRANSPARENCY AND CLIMATE ACTION

<p>1 GROW OVERALL STREAMING REVENUES AND END DILUTION</p> <p>UNLOCK SUBSCRIPTIONS (PRICES TO FOLLOW INFLATION)</p> <p>PROMOTE DIFFERENTIATION</p> <p>END ALL VALUE GAPS AND OTHER FORMS OF REVENUE DILUTION</p> <p>NO TAKE IT OR LEAVE IT NEGOTIATION TACTICS</p>	<p>2 NO ROYALTY REDUCTION</p> <p>NO PAY FOR PLAY</p> <p>OR OTHER INITIATIVES RECREATING ELEMENTS OF PAYOLA</p>	<p>3 APPLY REVENUE ENHANCEMENT MECHANISMS IN MARKETS WHERE SERVICES ARE FAILING TO CONVERT USERS TO PAID MODELS</p>	<p>4 USE SOPHISTICATED TOOLS SUCH AS AI TO ADDRESS UNLAWFUL ACTIVITY THAT REMOVES VALUE FROM CREATORS</p> <p>INCLUDING STREAMING MANIPULATION, AD-BLOCKING, STREAM-RIPPING AND AI RIP OFFS</p>
<p>5 LABELS TO PAY ARTISTS A FAIR CONTEMPORARY DIGITAL ROYALTY RATE</p> <p>NO "EQUITABLE REMUNERATION" (STREAMING IS NOT RADIO)</p> <p>SUPPORT INDUSTRY AGREEMENTS AS IN FRANCE INSTEAD</p>	<p>6 REFORM ALLOCATION OF STREAMING REVENUE</p> <p>DIFFERENTIATION OF RATES (ACTIVE ENGAGEMENT, ARTIST GROWTH, FAN PARTICIPATION, PRO-RATA TEMPORIS)</p> <p>INCREASE MASTER RIGHTS SHARE (FOR LABELS AND ARTISTS) OF DIGITAL PIE TO COVER RISK & INVESTMENT*</p> <p>THRESHOLDS TO ACCESS MONETISATION MECHANISMS SHOULD NOT HARM SMALL LABELS OR SMALL MARKETS</p> <p><small>*OUR PLAN ILLUSTRATES HOW MASTER RIGHTS ARE BEING UNDERVALUED BUT IS NOT ASKING FOR A REDUCTION OF THE SHARE FROM OTHER PARTS OF THE SECTOR</small></p>	<p>7 ENABLE SEARCH BY</p> <ul style="list-style-type: none"> - LABELS - PERFORMERS - PRODUCERS - COMPOSERS - MUSICIANS - AUTHORS - PUBLISHERS 	<p>8 BOOST LOCAL REPERTOIRE AND LANGUAGES</p> <p>BETTER PROFILING IN PLAYLISTS AND OTHER FEATURES</p> <p>HAVING TRACK TITLES IN MORE THAN ONE LANGUAGE</p> <p>SPECIFIC RINGFENCED FUNDING MECHANISMS ALLOCATED TO INVESTMENT IN NEW, LOCAL RECORDINGS</p>
<p>9 COLLABORATE WITH LABELS/MERLIN TO ENSURE EDITORIAL ALGORITHM DEVELOPMENTS DON'T NEGATIVELY AFFECT DIVERSITY, LOCAL REPERTOIRE OR OPPORTUNITIES FOR ARTIST DISCOVERY</p>		<p>10 HELP OUR DIGITAL PARTNERS ASSESS AND REDUCE THEIR CARBON FOOTPRINT FOR DIGITAL MUSIC</p>	

We also raised the alarm on the value gap with moment economy platforms such as TikTok. At the same time, we are preparing economic modelling on our streaming plan and promoted a fairer streaming market on World Cultural Diversity Day.

Keeping pace with emerging tech

Our emerging tech group has been busy finalising work on Web3, Metaverse and NFTs with a webinar jointly run by AIM and Soga World on Web3, touching upon AI opportunities for labels and guidance to combat fraud. The group, chaired by AIM's Gee Davy, is also seeking to compile a selection of useful resources on legal aspects of AI use.

Speaking up on why so-called “equitable” remuneration is bad

Our stance against so called "equitable remuneration" rights for performers on streaming remains unchanged. This includes working on the international aspects with WIN to ensure the reason why it is not equitable is clear. Poland (the last country to implement the copyright directive) ultimately decided against new rights for performers, while Belgium's law is under judicial review, along with Germany. We urge members to review our updated resources and participate in surveys on remuneration and contractual practices.

Internationalising our carbon calculator, business case survey & supporting Murmur

Having updated our Carbon Calculator, we launched a US pilot with A2IM during Indie Week as a first step in internationalising the tool. Thanks to Merlin for their support on this project and to our core contributors.



Karla Rogożar with Music Declares Emergency ahead of IndieWeek panel on music industry environmental initiatives.

The “Business Case for Sustainability” report based on interviews with members who have initiated sustainability measures is now available.



We encourage all members to check out our climate investment guidance, also including Murmur, a new climate investment facility for the arts and music.



We are working with Music Climate Pact, hosted by AIM, whose work to co-ordinate across the whole sector is taking shape, with the appointment of Roxy Erickson as Project Manager.



THE BUSINESS CASE FOR SUSTAINABILITY IN THE INDEPENDENT MUSIC SECTOR

KEY BENEFITS OF SUSTAINABILITY

Better serving music fans who are more interested in sustainability than non-music fans



Improving brand awareness publicly and being better positioned competitively to attract artists



Collaborating more with other stakeholders is seen as essential to secure sector-level change and a sustainable future for the music industry



Influencing common industry standards, terminology and data provision

Making financial savings (manufacturing, distribution, energy, travel), reducing impact, becoming more innovative, creative and forward-thinking



Being better placed to recruit and retain top employees, and improving workplace culture

Complying with reporting obligations (for very large businesses)



"Future-proofing" businesses, being more agile and financially resilient

Recognition as leaders in helping achieve a more sustainable music industry



Being ready for future reporting and reduction obligations as well as tax incentives which are expected to apply to all companies in the future



IMPALA BUSINESS CASE FOR SUSTAINABILITY

Focussing on diversity fatigue and the business case for taking action

Our [third annual EDI report](#) featured the [business case for taking action](#) (with K7! and Epitaph Europe), offering practical suggestions to combat diversity fatigue, as well as a snapshot of what members are doing. We updated our [one-pager](#), [guidance for members](#) and [guidance for associations](#). Please share! In May, we celebrated [EU Diversity Month](#) by honouring [Black & Irish](#) with the [Changemaker award](#), and highlighted key initiatives during [Mental Health Awareness Week](#). Our EDI task force also organised [an online panel discussion](#), with the recording available [here](#). Lastly, for [International Women's Day](#), we reviewed our inclusion efforts and put the focus on our board diversity programme.



New drop-in sessions for associations every month

We launched a new monthly drop-in coffee morning slot for associations, chaired by our president Francesca Trainini. These meetings are deliberately blue sky to allow for free exchange of ideas and best practices across the network.

To sign up contact nprevost@impalamusic.org

Helping the EC see the light on European performance income and the USA

We continue to address the EU "RAAP" ruling anomaly, which affects global performance rights protection. Significant funds and the principle of "reciprocity" are at stake. Through a dedicated working group with European artist collecting societies, we liaise with the EC, member states as well as the European parliament. We also issued a [joint statement with artist organisations from key European markets](#), urging the EU to find a flexible solution and increase trade pressure on the USA for basic artist and label protections. Discussions with the incoming commission and parliament will resume later this year to find a legislative solution.

If at first you don't succeed, try again - new vision for touring

Our arguments on touring (VAT, double taxation, carnet issues and visas) were revamped and included by the 'One Voice for European Music' policy coalition in their report presented at this year's Europe Day (May 9th) conference. The event was hosted by the Belgian Presidency of the EU. Read the recommendations [here](#). These arguments reflect IMPALA's letter to EU members states entitled a '[new European vision for touring](#)' back in July 2023. IMPALA has also been engaging with the US visa process for artists and attended a meeting on this at A2IM's Indie Week in New York.

Surveying members on key collecting society issues

Our collecting society committee continues to exchange insights and strategise on key issues for members. This included a survey of local collecting societies based on certain performance indicators selected by the committee. Additionally, we update members on critical issues impacting income, such as the RAAP and Atresmedia cases. We also attended IFPI's performance rights committee meeting in London, where producer collecting societies worldwide discuss ongoing issues.

Growing our Friends scheme and welcoming other programmes



IMPALA's Friend of IMPALA scheme is aimed at companies interested in working with the independent sector in Europe.



Any company which works with the sector in Europe (or would like to) can apply for our "Friends" programme. Friends can join the scheme for a year or more (subject to approval by the IMPALA Board). This can be renewed. There is an annual fee, in order to guarantee the exclusivity and value of the arrangement. IMPALA also offers a barter agreement with potential partners.



IMPALA's partnership scheme includes YouTube, Spotify, Audiosalad, SonoSuite, Fama, Lissen, plus the new addition of music finance company beatBread. Their participation underlines their commitment to working with the independent music sector. We also welcomed the new WIN supporters' programme which sits alongside IMPALA's scheme and national programmes.



Let us know if you want to explore any of these new opportunities!

Awarding talent across the sector – from artists to labels to executives



IMPALA's 100 Artists to Watch showcase award scheme in partnership with YouTube continued with 31 countries participating this year (full playlist [here](#)), IMPALA also moderated our first panel on the programme at AIM's Future Independents with Zhiva (Serbia, Glitch Records), Malummí (Switzerland) and her label representative Fabienne Schmuiki from Irascible Music. IMPALA also remains an active partner in the Music Moves Europe Awards. This summer we recognised former EDI lead Lucie Jacquemet with our Outstanding Contribution Award. For the next edition, we will be aligning with the theme of inspiring inclusion for International Women's Day. Multiple winners across Europe who inspire through inclusion and leadership will be selected, so send in your nominations to rbrown@impalamusic.org.



Stepping up as a network

Thanks to our members who make IMPALA such a vibrant network, we have been selected as an eligible EU network for a possible four-year grant (2025–2028). This would support innovation in our existing work and new projects such as climate clinics, artist and label camps, and finance studies. National associations and WIN will also participate and provide key services. Recognising the crucial role of independents in the ecosystem, it's clear that IMPALA's innovative efforts have been recognised, well done to all members.



In other finance news

IMPALA has been busy discussing the scope of instruments such as the €2.4bn funding for creative industries in the Horizon Europe programme, as well as the EU's culture programme Creative Europe. IMPALA is also working with other stakeholders to make the EU's Late Payment proposal more flexible. Members' different views on national digital streaming fees were also discussed by the IMPALA board. In France, the 1.2% fee is expected to generate €18m annually in support of local music.

Working more closely on the vinyl market

Our vinyl group's focus has changed since the crisis in manufacturing, to look at a broader strategy to promote vinyl and connect with the sector. Recently, we've focused on sustainability aspects and have been regularly in touch with Key Production and Vinyl Alliance through our sustainability group.

Setting up a humanitarian programme

IMPALA's board has agreed to a new humanitarian scheme, including support for one or more broad reach aid organisation(s) as part of our corporate social responsibility, in the same way as we compensate for our carbon emissions through Murmur. We have launched a [new humanitarian support page](#) on our website and are making language available for members who have expressed an interest in speaking out in a balanced way.

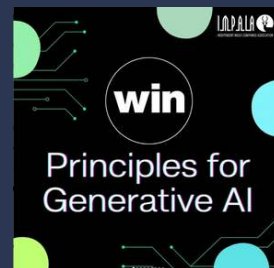
Growing our Merlin partnership

MERLIN

Our digital committee continues to meet [Merlin](#) frequently. As the official licensing partner of the independent community, Merlin champions our sector through its negotiations with key digital platforms and associations play a key role in Merlin's outreach through its sponsorship programme. Merlin's backing for our carbon calculator and its USA launch strengthens our sustainability efforts. They also sponsor pivotal IMPALA initiatives like One Step Ahead and Strategic Primers. Thanks to Merlin for their continued support!

Extending our collaboration worldwide

WIN plays a crucial role in expanding the global independent sector and fostering effective cooperation between IMPALA and other regions. Key areas of work include the [values of the global community](#), [principles regarding generative AI](#) which help extend the reach of the EU AI Act, and translating IMPALA's streaming plan into 6 languages. IMPALA also welcomed the extension of WIN's network with new national associations in Mexico and Colombia, and their new supporters scheme. Check out WIN's recent annual report [here](#).



Welcoming a new research think tank to illustrate the value of independent labels



Various independent labels have set up a new structure called [ORCA](#) with the remit of producing reports that will tell the independent label story across key regions. The first [report](#) includes engaging interviews with independent labels, see our comment [here](#) welcoming this new piece of great storytelling material.

Thank you

Our thanks goes to the whole team at the secretariat, all our members, friends, and partners for their continuous support throughout the year. Your unwavering commitment makes our endeavours achievable. A special thank you also goes out to our board, committees, and task force members, whose dedication enables our organisation to spearhead on the most pressing initiatives within the music industry across Europe. We're eager to see you at our board meeting and AGM in September at Mastering the Music Business in Bucharest, where we will further align our priorities. A huge thank you to Anca Lupes and Dan Muraru from Roton for their kind consideration in organising and hosting this opportunity. Finally, please join us in congratulating former IMPALA President [Kees van Weijen](#) on his 50-year anniversary in the business.

Our boards and committees

IMPALA's work is executed by its two boards, its committees, working groups, and task forces. We thank all chairs, members and advisors who continue to carry out our key investigative and reflection work on behalf of the sector across Europe:

Executive board

Chair: Dario Draštata (RUNDA)

Board of directors

Chair: Geert De Blaere (BIMA)

Association coffee spots

Chair: Francesca Trainini (PMI)

Central & Eastern Europe (CEE) group

Chair: Karla Rogožar

Collecting societies committee

Chair: Jérôme Roger (SPPF)

Copyright & performer committee

Chair: Matthieu Philibert

Digital committee

Chair: Dan Waite (Better Noise Music)

Emerging tech working group

Chair: Gee Davy (AIM)

Equity, diversity & inclusion task force

Chair: Eva Karman Reinhold (SOM)

EU projects committee

Chair: Matthieu Philibert

Finance committee

Chair: Geert De Blaere (BIMA)

Friends working group

Chair: Helen Smith

Humanitarian working group

Chair: Martin Goldschmidt (Cooking Vinyl)

Management committee

Chair: Dario Draštata (RUNDA)

Membership committee

Chair: Geert De Blaere (BIMA)

National association network

Chair: Eva Karman Reinhold (SOM)

PR & awards committee

Chair: Rory Brown

RAAP working group

Chair: Matthieu Philibert

Streaming reform working group

Chair: Mark Kitcatt (Everlasting Records)

Sustainability task force

Chair: Horst Weidenmueller (!K7 Music)

Touring group

Chair: Helen Smith

Vinyl pressing

Chair: Rory Brown

Our members

IMPALA's members represent the backbone of the independent music sector, a dynamic and innovative community that drives the discovery of new artists and investment in the creation of diverse music across Europe. The creative output of these micro, small, and medium-sized businesses, along with self-releasing artists, are not only at the forefront of artistic innovation but also play a crucial role in sustaining the sector by accounting for over 80% of all new releases in Europe and over 80% of employment within the sector. Their role is totally unique. Their work is vital for diversity and the cultural and economic vibrancy of the European music landscape, which is key to Europe's growth and competitiveness.



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