



INDIAN MUSIC INDUSTRY AND PIRACY – A SURVEY IN MUMBAI

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ABSTRACT

Present study was conducted with the objective to explore the opinions and perceptions of music industry personnel about the impact of piracy. The sample of 30 music industry personnel having at least one year working experience in any music organization were approached using questionnaire. Snowball sampling was done covering various music organizations and institutes in Mumbai. The average age of the music industry personnel was 39 years and an average income of Rs.31, 923.08. Majority of music industry Personnel were male while remains twenty percent were female. Half of the music industry personnel were having experience of up to 20 years. More than half of the music industry personnel believed downloading the music from different sites not for commercial purpose is piracy and is harmful for music industry and has a negative impact. More than half of music personnel's work was affected by piracy and music composers affected the most Majority of music personnel believed that live music performances is a principle source of revenue in India and their responses reflects the silent acceptance of positive impact of piracy on live performance as it helps in the form of publicity of the event or performer. Majority of music industry personnel believed high price tag of music sales encouraged piracy behavior and peer to peer services is the most convenient medium for the piracy. It was really strange that more than half of music industry personnel never took any step against piracy and only one third of music industry personnel were completely aware about copyright laws available to avoid piracy.

Keywords: About Music industry, Copyright law, Copyright Piracy

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INTRODUCTION

The Indian Music Industry (IMI) is a trust that represents the recording industry distributors in India. It is the 2nd oldest music industry organization in the world that was involved in protecting copyrights of music producers and supporting growth of music entertainment industry. . All major music labels in India are part of this association. Record companies like Saregama India Ltd. (HMV), Universal Music (India), Tips, Venus, Sony Music Entertainment (India), Crescendo, Virgin Records, Magnasound, Milestone, Times Music and several other prominent national and regional labels are part of the IMI. The IMI represents over 75% of all legal music sales in India.

Concentrating on the music industry, it can be stated that all members of the channel between the musician and the final end user are hurt by illegal file sharing. Starting with the artist creating a piece of art with commercial value, other market players such as sound engineers and recording studios are involved and interested in the future success of that given piece of art. After them, companies dealing with the publishing of music labels and managers responsible for the promotion of artists are also concerned about sales figures. Finally, music stores offering the records of musicians for sale and organizers of live performances are also interested in selling the highest possible amount of CDs and concert tickets. Looking at the problem this way indicates that many players have to face the fact that the music market is dominated by inequality, where demand is well satisfied, but suppliers are not rewarded for their performance and their costs can be covered only with more and more difficulties.

To understand copyright issues; first we need to understand the copyright laws available to protect our work:

What is a Copyright?

Copyright is a form of legal protection given to many kinds of created works such as musical compositions or songs, lyrics, records (CDs, LPs, singles, 45s, cassettes, DAT, etc.) poems, books, films, TV shows, computer software and even commercials. For a work to be protected under copyright, it must be: 1) “original” which means that it was not copied from any other source; 2) “fixed in a tangible medium of expression” which means that it exists in some reasonably permanent or stable form so that a person can perceive it and reproduce it; and 3) have a minimum degree of creativity.

For the musician, copyrights can protect both songs (which usually consists of a melody and includes lyrics if the song has words) and recordings (CDs, mp3s, LPs, cassettes, DAT, and any other recording). The “fixed” requirement means that there is no protection for a song

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that is only in your head. A song may be "fixed" by writing it down, recording it (even on a handheld recorder), or saving it to a hard drive on a computer. Playing a song live does not meet the "fixed" requirement. But, if you record the live performance, you have now "fixed" the song.

Once an original work is fixed in a tangible medium, the creator has copyright protection automatically. Though registering the work with the Copyright Office may be desirable, it is not required to obtain copyright protection.

The Rights of the Copyright Owner:

The owner of a copyright has the exclusive rights to do the following:

1) Reproduce the Work: The rights to make copies of the work, such as the right to manufacture compact discs containing copyrighted sound recordings.

2) Distribute Copies of the Work: The right to distribute and sell copies of the work to the public.

3) Perform Works Publicly: Copyright owners of songs (but not owners of sound recording copyrights) control the rights to have their song performed publicly. Performance of a song generally means playing it in a nightclub or live venue, on the radio, on television, in commercial establishments, elevators or anywhere else where music is publicly heard.

4) Make Derivative Works: A derivative work is a work that is based on another work such as a remix of a previous song or a parody lyric set to a well-known song.

5) Perform Copyrighted Sound Recordings by Means of a Digital Audio Transmission: This is a right recently added by Congress that gives copyright owners in sound recordings the rights to perform a work by means of a digital audio transmission. Examples of digital audio transmissions include the performance of a song on Internet or satellite radio stations (such as XM or Sirius).

6) Display the Work: Although this right is rarely applicable to music, one example would be displaying the lyrics and musical notation to a song on a karaoke machine.

No one can do any of the above without the permission or authorization (usually given in a license) of the owner of the copyright.

The Copyright Term:

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The length of time that a work is protected by copyright for a work first published after January 1, 1978, is the life of the author plus 70 years. That means for the entire lifetime of the author and 70 years after the author dies, the copyright is in force.

The Two Kinds of Music Copyrights:

There are two different kinds of music copyrights:

Sound Recordings: A sound recording is a simply a work comprised of recorded sounds. For example, the recorded performance of a song that appears on a compact disc is a sound recording.

Musical Works (that is, “Musical Compositions” or “Songs”):

Both the music and the lyrics to a song, or each of them separately, can constitute a copyrightable musical work.

Distinguishing between Copyrights in Sound Recordings and Musical Works: Sound recordings and musical works are separately copyrightable works that can be owned by one or more authors. It is important to be able to distinguish between the two: a musical work, or a song, usually means a melody and often (but not always) lyrics; a sound recording is the actual recorded performance of that song. For example, if a songwriter composes and writes the lyrics to a song and Madonna records a version of the song and includes it on her new album, the songwriter owns the copyrights in the musical work (because she wrote the music and lyrics) and Madonna, or more likely her record label, owns the copyrights in her recorded version of the song (the sound recording) which is contained on a compact disc sold in record stores. The copyrights in sound recordings and musical works create two different revenue streams for their owner(s) in the form of royalties from record sales and music publishing royalties. In the above example, the songwriter would be entitled to the publishing royalties resulting from any performances of Madonna’s version of her song on the radio while Madonna would get the royalties from the actual sales of the compact disc containing her recorded version of the song.

There are different aspects of Copyright issues; in which the main issue is Piracy. We can term as piracy to Copyright issues.

Piracy:

Copyright piracy is a phenomenon prevalent worldwide. Piracy is the unauthorized duplication of an original recording for commercial gain without the consent of the rights owner. The music piracy can be considered a new, growing phenomenon since the late 20th century as the unauthorized use of copyrighted music started to be spread to tapes and CDs for the private use among individuals. Over time the conduct of piracy changed from pirating CDs to internet piracy, bringing out the present issues of downloading illegally copyrighted music. Record companies and music organizations have been trying to stop the piracy of music, but the prevention of it is very hard, close to impossible as there are many skilful ‘amateur’ programmers that can create new computer softwares working as vehicles for music piracy. Piracy in general can be defined as “*acontested and value laden label given to activities which involve the unauthorized reproduction of copyrighted material*”. Copyright piracy is thus like any other theft which leads to loss to the owners of the property. Besides economic loss, piracy also adversely affects the creative potential of a society as it denies creative people such as authors and artists their legitimate dues.

There are different ways through which piracy takes place that are worth mentioning.

- **Counterfeiting.** The copying of legitimate music that even can include the art of the cover of the album. Often the intention is to fool the customer to think this is an original album.
- **Pirating.** Songs or albums are copied without copying the cover art, thus trying to only spread the music, and not to sell the album as it would be original.
- **Bootlegging.** Reproduction and distribution of music that has not been sold or spread by record companies. A lot of these materials come from live concerts and studio records.
- **Tape trading.** Exchanging CDs, DVDs, or other form of recorded tapes for non-commercial use, usually conducted by private collectors of music.
- **CD burning/home taping.** Private people burn albums or singles on their own CDs for non-commercial use.
- **File sharing.** Sharing of digital music on Internet via various programs such as Bit Torrent, Napster and such.

Internet Piracy:Peer-to-peer (p2p) downloading – giving enhancement to internet piracy.

P2P- meaning peer-to-peer (often referred to as P2P) is a type of internet network allowing groups of computer users with the same networking software to connect with each other and access files from one another's computers and hard drives.

TECHNOLOGY AND PIRACY:-

The development of new technology such as the Internet, CD-ROMs, and CD-Rs has accelerated music piracy rates. Now a days, technological development such as file sharing; MP3 players, and CDRs have increased music piracy. The most common forms of music piracy are Internet Piracy and compact disc piracy. The fact that digital products are virtual instead of physical affects the economic mechanisms behind the production and distribution of content, and how piracy works for digital as opposed to physical products: "the main consequence of the non-physical form of digital products is their virtually negligible marginal cost of reproduction and their ability to be digitally delivered. "The cost of burning a CD drastically lowered the overhead for record companies, as well as for music pirates, and with the growing tendency toward online distribution among legitimate and illicit distributors alike, the expense of distributing shrunk further from the costs of printing and transporting CDs to merely the costs of maintaining a website. By sheer volume of file transfers, though, distributing music through traditional web servers and FTP servers were not as popular as peer to peer (P2P) now, because the traditional direct download method is slower. In addition, the majority of file sharers in the survey preferred to get their music from "local sources" such as LAN connections, email, flash drives, sharing with other people they know personally. The other most common method of file sharing was with P2P technologies. Now days, P2P networks' popularity had grown so much that they used as much as amount of the total volume of information exchanged over the internet.

To stop piracy it is necessary to understand ground level reality of piracy on Music industry. So to fulfil the same requirement; A survey was taken place with Music industry to explore their understanding about copyright laws and action taken by them to protect their work from get pirated. Due to the sensitivity of the topic many of them refuses to take part in this survey.

OBJECTIVE OF THE STUDY

1. To know the socio-economic profile of music industry personnel.
2. To examine music industry personnel understands of 'piracy'
3. To understand the music industry personnel's opinion about how piracy affects the music industry
4. To know the music industry personnel's opinion about revenue sources of music industry
5. To know music industry personnel's opinion about factors responsible for this problem of piracy
6. To know music industry personnel's opinion about measures taken by music industry for the problem of piracy

Methodology of the study

Descriptive research design using survey methods was employed for the present study. Music industry personnel were approached via email, telephone and directly. Questionnaires were sent to them via different means. Music industry personnel who had at least one-year experience of working in any music organization formed the part of sample. The data collection of thirty music industry personnel was taken from various recording studios, music institutes and performing art institutes across Mumbai.

Data Analysis

The analysis of the data began by preparing the code book in the Microsoft excels, data was coded and analysed. Frequency, Percentage, and Mean were used for data analysis. Further analysis could not be carried out due to limitation of time.

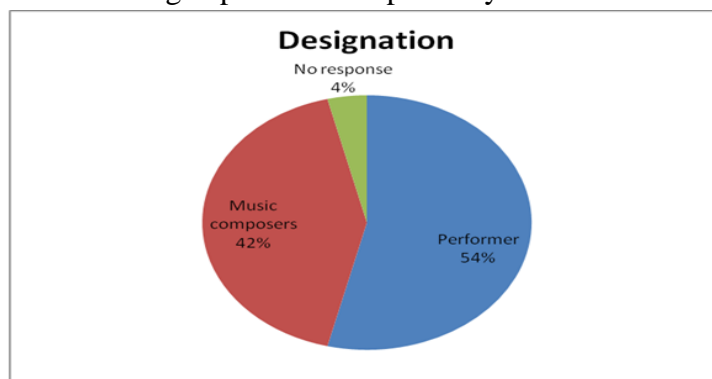
Operational definition

Music Industry Personnel: Any person irrespective of age and sex who is presently working in music field having minimum of one year's work experience in Music Industry.

Findings:-

Socio Economic Profile of Music industry personnel

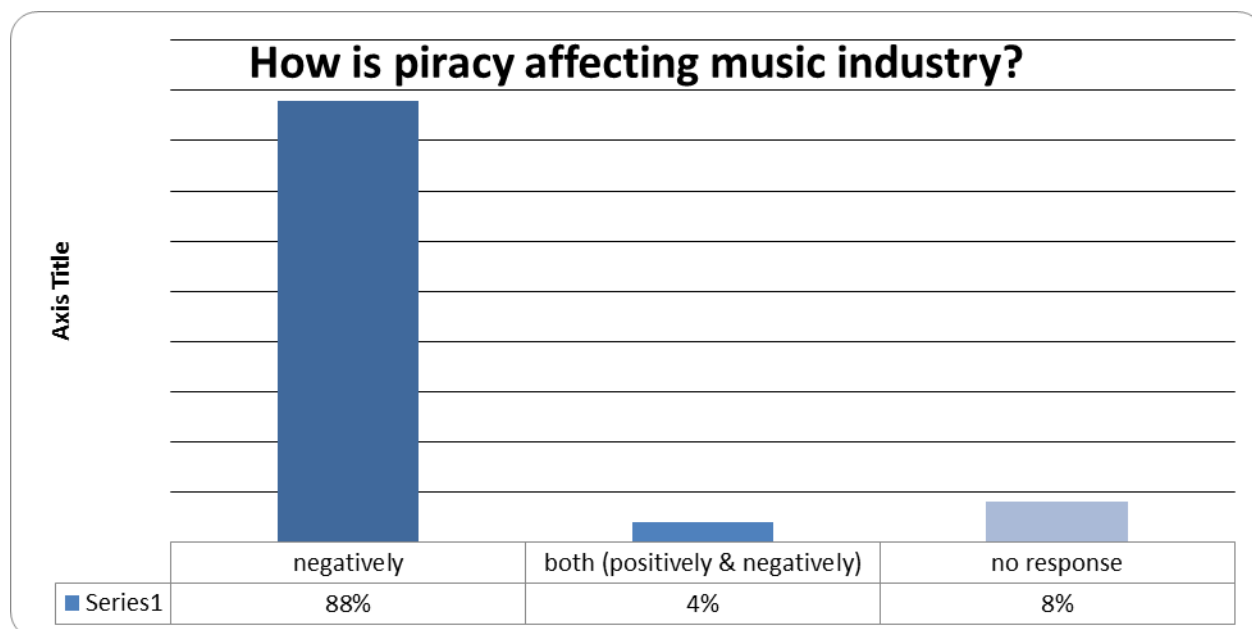
The average age of the music industry personnel was 39 years and an average income of Rs.31, 923.08. Majority (80%) of music industry Personnel were male while remains twenty percent were female. Half (54%) of the music industry personnel were Performers and more or less similar (42%) of the music industry personnel were music composers. Half (54%) of the music industry personnel having experience of up to 20 years. One third (31%) of the music industry personnel having experience of up to 40 years



Graph 1- Percentage distribution of designation of music industry personnel

How piracy affects the music industry

Majority (88%) of the music industry personnel said piracy has a negative impact on music industry. Majority (92%) of the music industry personnel believed piracy is harmful for music industry. One third (31%) of music industry personnel agreed having complete knowledge of copyright laws. Majority (58%) of music industry personnel accepted that music personnel were asked has ever piracy affected their work. Majority (73%) of the music industry personnel responded affirmatively on the question of “Do you agree before the rise of the Internet, these copyright laws were useful to solve piracy problems because the piracy could be materially detected?”



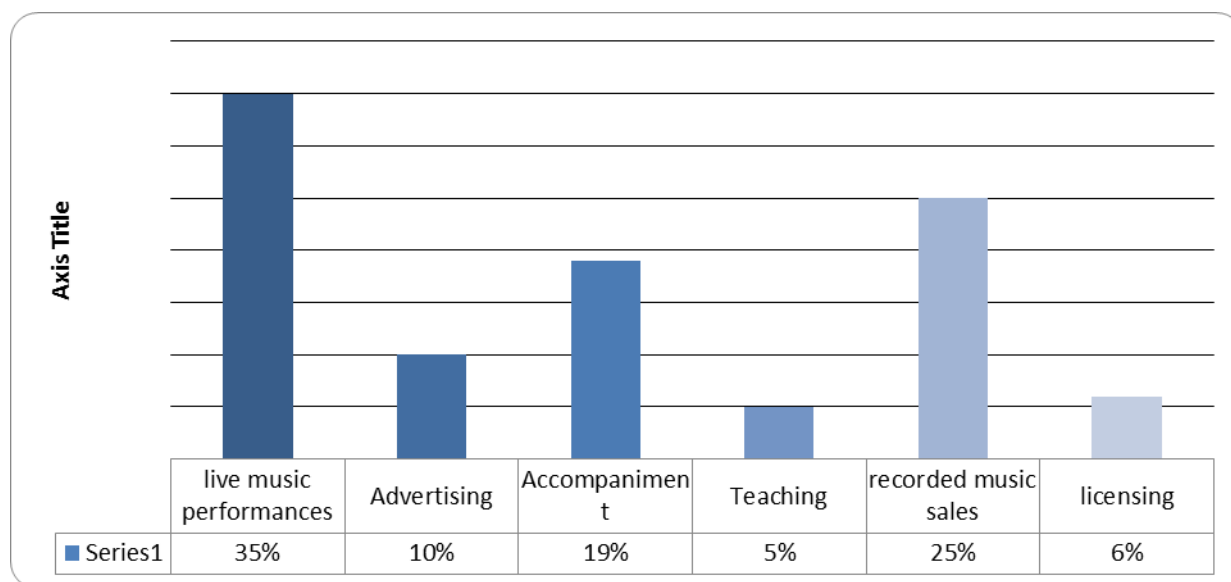
Graph 2: Percentage distribution of music industry personnel by impact of piracy on music industry

“Do you agree that downloading the music from different sites not for commercial purpose is piracy?” In response of this, more than half (58%) of the music industry personnel replied affirmatively. More than one fourth (27%) of music industry personnel were in denial. One fifth (15%) were neither said yes or no, they were neutral about the statement

More than one third (34%) of the music industry personnel said music composers affected the most

Revenue sources of music industry

Majority (35%) believed live music performances as a principle source of revenue in India. Majority (85%) of the music industry personnel agreed with the statement of “Do you agree piracy decreases the music sales?”



Graph 3: Percentage distribution of music industry personnel opinions about principle sources of revenue for musicians in India

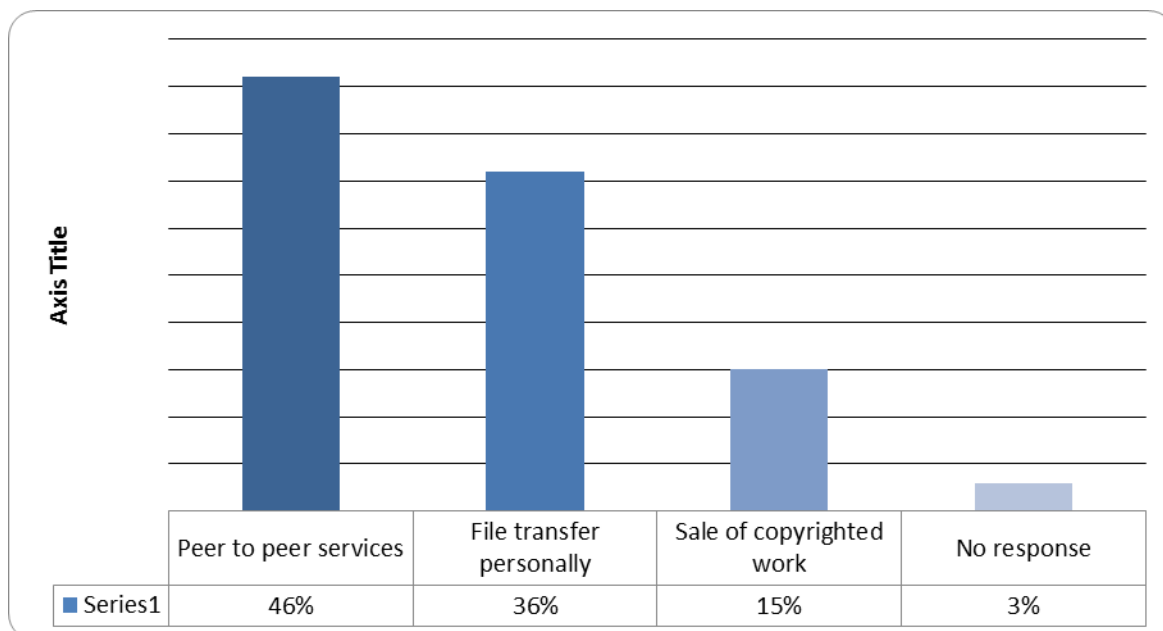
Half (50%) of the music industry personnel were not agreed that piracy has positive impact on live music performance. On the same side more than one fourth (27%) music industry personnel accepted the fact that piracy has a positive impact on live performance. Almost same percentage (23%) were neither said yes or no, they were neutral about the statement.

“Do you agree impact of piracy becomes increasingly negative as popularity grows?” In response of this, more than half (58%) of the music industry personnel replied affirmatively. On the same side more than one fourth (27%) music industry personnel were neutral about the statement. One fifth (15%) denied this fact.

“Do you agree at the initial stage of artist’s career piracy play positive role like publicity?” In response of this, almost half (46%) of the music industry personnel were agreed and same percentage (46%) were disagreed. Very few (8%) were neither said yes or no, were they neutral about the statement.

Factors responsible for Piracy

Majority (46%) of music industry personnel believed that peer to peer services is the medium of piracy. One third (36%) of them voted for file transfer personally. One fifth (15%) of them voted for sale of copyrighted work. Very few (3%) did not vote for any factor.

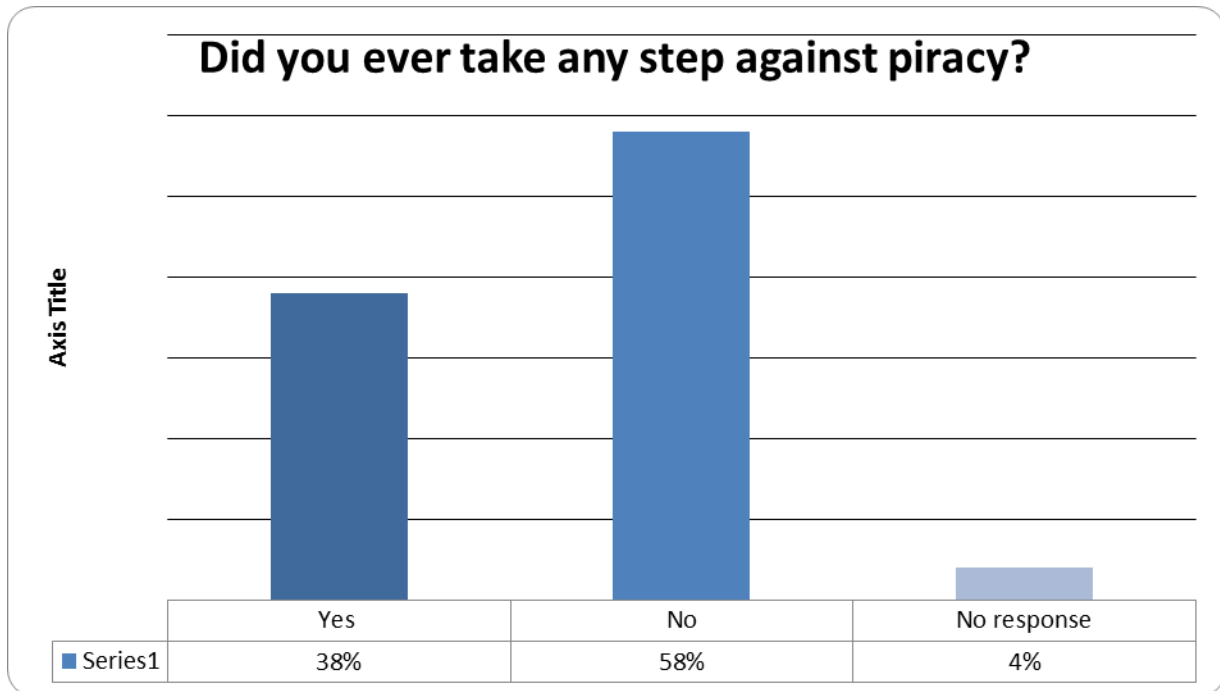


Graph 4: Percentage distribution of opinions of music industry personnel about factors responsible for piracy

“Do you agree that better education about harmful effects of piracy could change the behaviour of illegal downloading?” In response of this, Majority (81%) of the music industry personnel were agreed that better education could change the behavior of illegal downloading. Very few (11%) music industry personnel did not believe that better education could be the solution. 8% were neutral about the statement.

Measures taken by music industry for the problem of piracy

Did you ever take any step against piracy? Wherein more than half (58%) of music industry personnel denied to take any step against piracy.



Graph 5: Percentage distribution of music industry personnel about step taken by them against piracy

CONCLUSION:-

Thus the study concludes that music industry personnel accepted the negative impact of piracy on music industry but when it comes to measures taken for the problem of piracy majority of them had never taken any step against the piracy. Majority of them were also unaware about copyright law. Hence Majority didn't believe that licensing of music rights could be the revenue of music industry in India.

Music industry personnel's responses indicate silent acceptance on positive impact of piracy on live performance. However they believe that impact of piracy becomes increasingly negative as popularity grows but at initial stage of artist's career piracy play positive role like publicity.

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