

YouTube seals deal with top music label amid streaming moves

NEW YORK, USA - YouTube said on Tuesday that it had sealed a licensing agreement with the world's largest music label conglomerate Universal as the video behemoth explores creating a new streaming service.

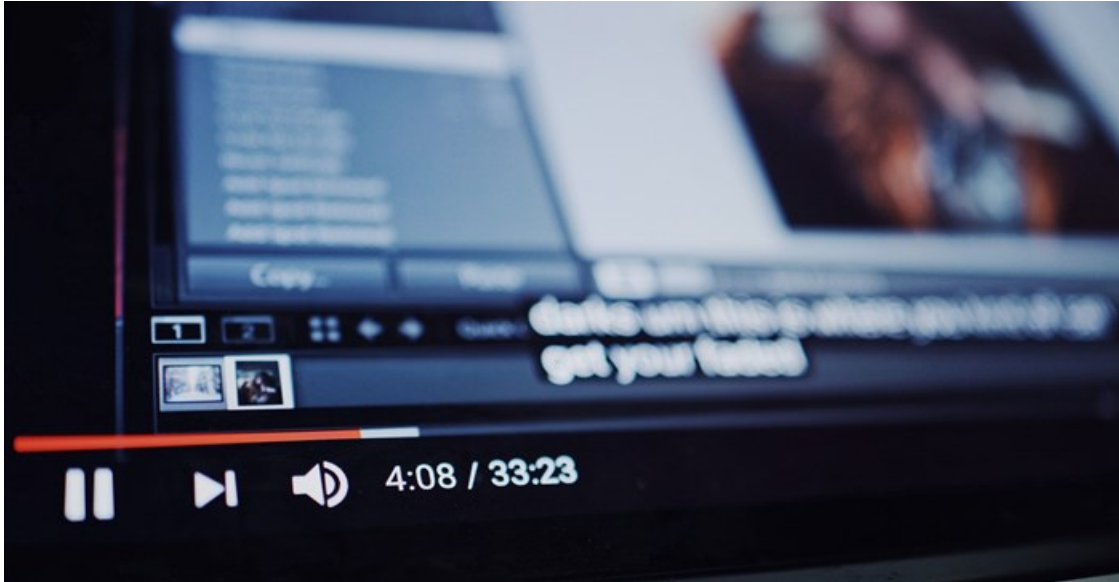


Image credit: Fancycrave - [Pexels](#).

YouTube, which is part of Google, said it reached a long-term agreement with the Universal Music Group, months after a deal with competitor Warner Music.

A joint statement did not specify the terms but hinted that the agreement would address compensation by YouTube, a constant source of irritation within the music industry.

"This important step forward provides our recording artists and songwriters improved content flexibility and growing compensation from YouTube's ad-supported and paid-subscription tiers," Universal chairman and CEO Lucian Grainge said in the statement.

He said the agreement also advanced "YouTube's commitment to manage music rights on its platform."

The recorded music industry has posted two years of solid growth after years in the doldrums thanks to the rapid growth of subscriptions on Spotify, Apple Music and other streaming platforms.

But the industry, led by the IFPI trade group, has long berated YouTube for the rates it pays.

Focus on user-generated content

YouTube argues that it pays a fair price. With the video site's focus on user-generated content, YouTube enjoys protection under United States law that largely absolves internet companies from responsibility for users' activities.

With Google languishing behind in music streaming, several technology sites reported last month that YouTube is preparing the launch of its own streaming service in 2018.

The video site already has a YouTube Music platform and the advertising-free YouTube Red subscriptions, but it is reportedly looking to set up a more elaborate site on the model of the major, on-demand music services.

The licensing agreements would be vital for a successful YouTube streaming service, with music fans unlikely to embrace a platform that has glaring gaps in its catalogue.

Source: *AFP* via i-Net Bridge.

For more, visit: <https://www.bizcommunity.com>