

**Global reach:** The Orchard's Raye and Republic Of Music act Yussef Dayes (below)

## SPECIAL REPORT

# DISTRIBUTION REVOLUTION

Distribution is one of the most fast-paced areas of the industry, and 2023 has been a typically busy period, with artists and labels from all genres cutting through with bespoke campaigns. To take the pulse of one of the busiest parts of the business, *Music Week* gathers a selection of its key players for a special report that discusses independence, reach and the unrelenting push for innovation that drives this sector...

— BY JAMES HANLEY —

For a snapshot of what access to quality music distribution can help achieve in 2023, look no further than Raye's year in review. The independent UK singer-songwriter bagged her first No.1 single at the start of the year with the million-selling smash *Escapism* (1,268,047 sales, according to the Official Charts Company), and reached No.2 with her debut studio album *My 21st Century Blues* (48,292 sales) the following month.

The campaign marked her return under a new partnership with LA-based Human Re Sources, which is part of Sony Music's artist & label services operation The Orchard, and has also yielded a live LP, *My 21st Century Symphony - Live At The Royal Albert Hall*, backed by The Heritage Orchestra and Flames Collective gospel choir. As the old saying goes, success has many fathers.

"Human Re Sources and The Orchard, in collaboration

with Raye and Sibling Management, led the incredible debut album campaign," says Hannah Celnikier, senior artist marketing manager at The Orchard. "It has been an exceptional period for Raye, with *Escapism* among the top-selling UK single releases by British artists this year."

The Orchard can also point to successful partnerships with acts such as Jorja Smith, Enny, Black Honey, NSG and The Snuts, as well as companies including Perfect Havoc Records and Ignition Label Group. It also assisted Ren's surprise surge to the albums summit with Sick Boi, pipping Rick Astley to the post in October.

The company's UK & Europe MD Chris Manning tells *Music Week* the significance of distribution has grown with the shift towards digital platforms and the rise of independent artists and labels.

"The diversity and volume of music out there is on a scale never before seen," he says. "It is hugely exciting, but also comes with challenges."

Manning says that, when done right, distribution is fundamental.

"It helps to achieve global reach, fully monetise audio across all platforms, utilise marketing opportunities while adapting to industry trends, and make data-driven decisions," he says. "It means that artists and labels are aligning with a partner that brings quality control and a team who can help navigate the constantly changing landscape."

Pieter Van Rijn, president of Downtown Music, goes as far as to suggest that the democratisation of the music industry has been "enabled and empowered" by easy access to distribution services.

"It's the job of distribution services to connect audiences to the quality music of our clients and vice-versa and as such, distributors need to offer the best quality services, the most accurate and insightful data, and the highest creative standard possible," he says. "At Downtown, our work combating fraud and







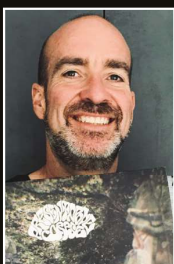
*"To succeed, businesses must invest in the growth of clients, artists and creators"*

**PIETER VAN RIJN  
DOWNTOWN**



*"Raye is exceptional, Escapism is among the biggest singles by UK acts in 2023"*

**HANNAH CELNIKIER  
THE ORCHARD**



*"Our relationships with shops and DSPs are key in making sure artists' music is being promoted"*

**MARK MCQUILLAN  
REPUBLIC OF MUSIC**

our efforts in trust and safety are testament to our mission to provide quality distribution and ensure that artists are fairly compensated."

The Downtown group is divided into FUGA Distribution Services, Downtown Artist & Label Services, Downtown Music Publishing and Creator Services – teams with more than 2,500 businesses and partners with over two million artists and songwriters. Clients include Riot Games, Beggars Group, Rancho Humilde, Armada Music, Epitaph, The Hives and PolyEast Records.

Van Rijn claims the sheer breadth of music services the firm offers at a global scale is "unmatched" in the indie sector. Its "core pillars of distribution" – FUGA and Downtown Artist & Label Services – may have started with their distribution niche, but over time have evolved into full-service operations with "global impact".

"I've discussed the growing impact of 'glocalisation' at length over the last 12 months, and the need for a multi-service offering at both global and local levels shows no signs of abating," says Van Rijn. "To truly succeed in the modern market, businesses need industry knowledge at the local level and they must invest – whether financially or via the services they offer – in the growth of their clients, artists, and creators."

Accordingly, a simple distribution offering is no longer sufficient to stand out from the pack.

"Plain distribution is table stakes now; it's the services, reliability and flexibility that you offer alongside it that put leading distribution companies ahead of others," he argues. "They need to offer audience data and insight alongside building workable strategies with partners. Moreover, they need to have local relationships with DSPs and editors that help their partners effectively put these strategies into place."

Mark McQuillan, MD of Republic Of Music (ROM), agrees that there is much more to the art than meets the eye.

"Distributors are not only a platform for artists and labels to get their music released physically and digitally into the market, but we can also set up and run all direct to consumer [D2C] initiatives, put in place promotion teams, marketing and effectively run a complete campaign for an artist as if we were a label as well as distributor," he says.

ROM works with labels such as Lucky Number, Moshi Moshi, !K7, Sacred Bones, Captured Tracks, Full Time Hobby, Brace Yourself Records, Mondo and Brownswood, as well as helping the likes of Teenage Fanclub, Klangkarussell, Sleeper and Cast self-release and retain control of their master rights.

In McQuillan's opinion, distributors should offer a one-stop solution for both digital and physical distribution under one roof "as the two are so intertwined". As ever, relationships are key.

"Distributors' relationships with physical stores and digital DSPs are absolutely fundamental in getting the artists' music visible and promoted in physical retail and on digital platforms via editorial playlisting," asserts McQuillan, who points out the physical market can still bring in crucial sales and income to artists – especially in that all important week of release.

"Bands and labels can also clearly benefit hugely from having a proactive and hands-on physical distributor who can help them maximise physical sales," he



**Independents' day:** (Top to bottom) IDOL's Afro B, Beth and The Hives, who are both clients of Downtown

continues. "Streaming continues to be king, but I do feel physical products, especially vinyl, are here to stay for a long time yet."

Digital distributor IDOL has teams in London, Paris, Berlin, Johannesburg, LA, Nashville and New York. Its UK roster includes Erased Tapes, Gondwana, Local Action, Fire Records, SRD and Soundway Records. Its client base also includes InFiné, Glitterbeat and video game giants Ubisoft and Bandai Namco, while it provides tailored services to La Femme, Ibrahim Maalouf and Lord Apex. So far in 2023, it has announced deals with Nigerian act Yemi Alade and London-based Afrowave pioneer Afro B.

"Access to quality playlists is increasingly competitive," stresses IDOL founder and president Pascal Bittard. "Our teams have built solid relationships with DSPs all around the world by communicating with them daily to secure support for our releases. But distributors can't solely focus on playlisting, a large part of our offering is to assist labels in understanding new trends, developing direct-to fan operations and embracing marketing opportunities. We work hard to find on-platform placements and partnerships for our labels and artists."

Bittard advises that a good distributor needs to be involved in release strategy from the outset, "as well as every stage of a campaign – from the early A&R process through to detailed post-release analysis".

"These services must also extend beyond assisting artists and labels in their day-to-day operations to proactively bringing creative ideas and strategic input to ensure no opportunities are missed," he insists.

IDOL has also developed expertise in areas such as digital revenue optimisation, social networks management, physical distribution, international development.

"For years now, our audience development offering has extended beyond traditional digital marketing and into all aspects of social media strategy," adds Bittard. "This has led to optimising artists and labels' online presences as well as generating new revenue streams across TikTok, Twitch, Facebook, Instagram and Snapchat – each being essential mediums to harness in a digital landscape. Likewise, IDOL's international coordination service is involved in all aspects of campaigns by either establishing their local set-up or implementing global marketing strategies.

"New opportunities are around every corner," contends



PHOTO: Ebru Yildiz





*"Distribution plays a vital role for new, unsigned artists who are looking to get onto the music career ladder"*

**COLIN YOUNG**  
CC YOUNG

Bittard. "Whether it's harnessing the influence of UGC platforms like TikTok, or the emergence of new markets, it remains essential for distributors to keep up to date."

Director of accountancy firm CC Young & Co and royalties company Y Royalties, Colin Young is able to give an alternative perspective on the marketplace. Young contends that distributors play "a very important role" in the industry of 2023.

"They can be an ideal solution for an established band with an established back catalogue looking to self-finance a new album," he says. "Where they play a vital role is for new, unsigned artists who are looking to get a step onto the music career ladder."

Young notes that developments in the sector are having an impact on the majors too.

"The nature of distribution deals have advanced enormously by the majors following the efforts of AWAL and other independents in earlier years," he says. "For major labels, an alignment with a previously signed artist provides excellent opportunities for label and artist."

Young explains how Y Royalties fits in.

"We undertake audits of distribution statements," he says. "These are not as straightforward as a standard recording recoupment statement. With all of the costs and income that is to be reported, distribution statements can be difficult to administer even for the accomplished major. Issues can include the incorrect allocation of costs, incomplete income, and the incorrect application of retentions."

He explains that Y Royalties prepares producer royalty statements for artists.

"As part of that process, a net receipts arrangement between artist and distributor is converted to a published dealer price arrangement between the artist and producer," Young says.

With Sony's acquisition of AWAL having been given the green light last year, Young suggests that there is disquiet over the potential for further consolidation in the market.

"Our concern is that the purchase of independents by majors will continue and further reduce competition," he says. ROM's McQuillan seeks to look on the bright side.

"Vinyl manufacturing turnaround was a challenge a few months ago, but now manufacturing timelines have come right down," he says. "So it isn't such an issue right now and therefore brings opportunities to make vinyl more quickly and be more creative on formatting. The recent move of physical warehousing from Cinram to Utopia has been a massive challenge for almost the entire industry, but we are all in the same boat and we will pull together."

Downtown's Van Rijn is excited by the opportunities offered by emerging territories – tipping India and Africa to follow Latin America and Asia in becoming key markets – and is equally enthused about technological developments.

"We've seen explosive growth in consumption across Latin America and Asia with their enormous local markets, presenting a big opportunity," he notes. "DSP innovations open up new licensing opportunities, unlock new fanbases and present an expanded array of platforms to work with. AI will bring new opportunities for content recognition, creation, monetisation, royalty accounting and payment services as well as technologies to expand audiences."

Keeping an eye on the moving goalposts, Van Rijn foresees "new, more easily accessible monetisation opportunities



#### **Distro inferno:**

(Top to bottom)  
Mannequin  
Pussy, who are  
distributed by  
Downtown, The  
Orchard client  
Jorja Smith and  
new IDOL act  
Yemi Alade

for artists and labels" on the horizon, leading distributors to come up with new services to match that need.

"I also believe that there will be more emphasis on creating direct connections between artists and their fans through data and AI, utilising technologies that are still currently in the nascent phases," he says. "These technologies – especially AI-driven models – will also spur on new revenue opportunities."

IDOL's Bittard considers fake streams, AI and remuneration as being key issues to watch.

"At the end of the day, we are in an increasingly competitive sector that has a growing offering for consumers, both in terms of artistic content and music consumption platforms," he adds. "We must continue to find ways to make artists stand out without exhausting them, whilst also taking the need for fairer remuneration and environmental issues into close account."

The Orchard's UK president Ian Dutt highlights the potential of two areas of interest in particular.

"As the rest of the world continues to catch up with the traditional mature markets from a streaming perspective, musically and commercially we become a more diverse and exciting sector," he says.

"Secondly, the power to create success has shifted to the audience, providing a more fair and level playing field for independent artists and labels. There are always challenges, but right now I'm obsessed with harnessing what curation means in a world driven by volume."

What's more, Dutt expects the gap between the indie and major sectors to continue to close.

"Monetisation from emerging markets will become more significant," he says. "Emerging technologies will develop an element of tangibility within the distribution sector and the metrics of success will become less reliant on charts."

Whatever the future may hold, you can feel confident of one thing: music distribution is in the safest of hands.



*"Distributors can't solely focus on playlisting, we help with new trends, direct-to fan operations and marketing"*

**PASCAL**  
**BITTARD**  
IDOL



PHOTOS: CJ Harvey, Ivor Alice