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IS STEALING MUSIC REALLY THE PROBLEM?

by [Jay Frank](#) on June 20, 2012 in [Industry Trends](#)

Music Piracy
You're doin' it wrong!



Once again, the issue of stealing music and its moral/financial/ethical arguments are dredged up. And once again, most people miss the overall point, causing the collective issue to dig a deeper ditch while those who've moved past it (i.e.: major labels) are busy raking in the dough in the new music business.

Yeah, you heard me. It's 2012, and now the neophytes are actually many indie artists (not all) while the smarter ones tend to be concentrated at major labels, thereby strengthening their power.

What started this was a post on [NPR's website by an intern named Emily White](#) who admitted to buying very little music in her life but owning a lot via various levels of legality. This led to an impassioned [response by Camper Van Beethoven/Cracker frontman David Lowery](#), who eloquently argued for the ethical and moral obligations Emily should have towards these artists and how stealing music has dramatically impacted their financial lives. This post has sprung up impassioned responses by, among others, [Bob Lefsetz](#) and a manager who is also, coincidentally, named [Emily White](#). People have dug in their heels and have spilled many hours defending and vilifying both sides.

Yet lost in this discussion is one important element. Facts. Because if you're going to argue that stealing has impacted your business, you should actually prove that...y'know...a lot of people have actually stolen your music.

A screenshot of the Google Insights search interface. On the left, under 'Compare by', 'Search terms' is selected. In the center, under 'Search terms', there is a list of search terms: 'camper van beethoven mp3', 'camper van beethoven free', 'camper van beethoven torrent', 'camper van beethoven rar', and 'camper van beethoven download'. On the right, under 'Filter', there are dropdown menus for 'Web Search', 'Worldwide', '2004 - present', and 'All Categories'. A 'Search' button is at the bottom right.

Web Search Interest: camper van beethoven mp3, camper van beethoven free, camper van beethoven torrent, camper van beethoven rar, camper van beethoven download

Worldwide, 2004 - present

Not enough search volume to show graphs.

Google, as the worldwide leader in search results, is a strong indicator of actual file trade demand. In fact, industry watchdog [Moses Avalon](#) argued such this week at [New Music Seminar](#). Yet, when I went to look on Google Insights to see the level of demand for free music by David Lowery's group Camper Van Beethoven, the message I get is, "[Not enough search volume to show graphs.](#)" This basically means, from what I can gather, that less than 50 people per month in the entire world are even showing *intent* to steal his music. Statisticians basically refer to this as essentially zero. Technically, the same search terms for his

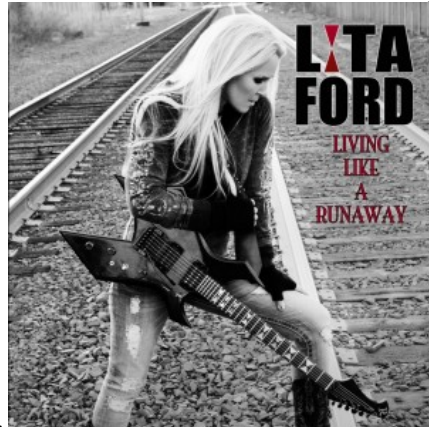
band Cracker show some potential thievery intent at work. However, if you actually searched these terms, you'd find most people were actually looking for a program to crack site passwords, and if they were looking for music they were more likely intending to steal the music of Uncle Kracker, who might actually have a legit beef on music stealers.

None of this is to say that I'm naive to think nobody is stealing music. Far from it. I just don't think they're stealing the music of the majority of artists bitching about thievery's impact on their business. The statistics don't bear it out. At my panel at New Music Seminar, [Musicmetric](#) CEO Greg Mead pointed out that file trading is actually decreasing in recent months. This echoes what fellow panelist Russ Crupnick reported in [NPD Group's "Annual Music Study"](#) back in March when they reported that P2P site activity decreased from 19% of the internet population in 2006 to 13% last year.

Respected blogger [Cory Doctorow](#) also noted last month that a summary of over 20 different papers on file trading [shows very little impact on sales from file trading](#). Drew Wilson, the author of the summary, got his results from such "fringe" groups as [The Wharton School](#), [The Journal of Law And Economics](#), and [The Journal of Business Ethics](#). The most interesting line in the summary to me is this one:

Judging by the evidence we've collected, the evidence does not point in the direction that file-sharing, in and of itself, displace sales, but rather, other factors would also play a role in displacement of sales.

The primary "other factor" is the fact that there are too many artists competing for shrinking dollars, largely due to the shift from albums to singles. Despite the economic number that David Lowery quoted of the number of professional musicians falling by 25%, if you took "album releases" as an indicator, it seems like the number of pros has increased. In a decade, we've gone from about 30,000 albums being released to over 77,000 last year. And that's just albums going thru legit channels. The problem, as noted by Chris Muratore of Nielsen on the previously noted New Music Seminar panel, is that 94% of those releases sold less than 1,000 units. Indicators that I have examined showed those low sales aren't because of people stealing them. They come from too many releases causing



most people to not even realize they are out. For example, 80s rocker [Lita Ford](#) has a [new album that came out yesterday](#). As of this writing, it's the 91st most popular new release on Rdio. How many of you have the patience or time to sift thru the other 90 releases to get to #91? Let alone decide to even put in the effort to steal it? Whether you were going to listen to it or not, I'd be willing to bet that almost everyone reading this found out that Lita Ford had new music from this paragraph. Stealing it is even further down their priority list.

And now that you know Lita Ford has a new record, what are you going to do about it? If you have a remote interest in her music at all, you're most likely going to listen to it on a perfectly legal source such as YouTube, Spotify, Rdio, Mog, Rhapsody or Slacker. Why? Because I bet you caught yourself subconsciously saying that it would be quicker and easier to stream it and see what it's about there than finding a site to steal it from, let alone having the downloads clutter your hard drive. Guess what? This is what most people do now. Having a download on a hard drive...single or album, purchased or stolen...this is the 2012 equivalent of "buying a CD with one good song on it". People are smart and will legally stream something before any sort of ownership decision solely because they don't want their hard drive cluttered with music they don't like. And guessing by the demographic of my readership, I would also guess most people just want to check out what Lita is up to and have no intention of any sort of ownership. The music would have to be mind-blowing to shift the decision from "let's see what she's up to" to "I need to own this".

So while all these independent artists argue thievery, do you know who's winning? Major labels. This week, of the top 100 tracks on Spotify, only 6% are on independent labels. Major labels have figured out that the game is about exposure and awareness, two things that they are actually quite good at. It's not about royalty rates, thievery, or even quality of music. It's all about how I get people to know I exist. Major labels aren't ignoring file traders, but they have moved past how much of their day they concern themselves with it. Instead, they focus on putting energy behind making music that the public wants and marketing the shit out of it so it rises above everyone else. While you've spent the last few years claiming the major labels are "dinosaurs" who are going to be "out of business", they've actually become stronger behemoths who are more progressive than you realize.

As for the quality of their music, that's a subjective opinion. And it's no more subjective than the independent artists who have figured out how to make a big business out of the new music business. Artists like [Tyler Ward](#), [Kina Grannis](#) and [Alex Day](#), amongst others, are making six figures a year in the new paradigm. They struggle to get respect from traditional media because they're not considered cool, credible musicians. Yet they run rings around the businesses these so-called cool bands deliver. Why? Maybe it's simply because they deliver the kind of music more people want nowadays. As far as I can tell, they spend not a minute worrying about the money they don't make and instead spend time making more money from the sources that do pay.

I agree ethically with David Lowery's assessment. A person who spends extra to protect migrant workers in a third world country but takes money out of musicians' mouths is a hypocrite. Emily White should stop complaining about wishing for a Spotify-like service and actually...y'know...subscribe to Spotify. But for actually succeeding in 2012, it's the wrong argument. The biggest problem that David Lowery has to face is exemplified by Zach, the 24 year old New Media indie label guy at the end of Bob Lefsetz' response post to Lowery's "screed". When told by a co-worker that David is the founder of Camper Van Beethoven and Cracker, he replies, "Not sure what either of those are..."

[Alex Day](#), [bob lefsetz](#), [Boing Boing](#), [Camper Van Beethoven](#), [Chris Muratore](#), [Cory Doctorow](#), [Cracker](#), [David Lowery](#), [Drew Wilson](#), [Emily White](#), [file trading](#), [Google](#), [Greg Mead](#), [Kina Grannis](#), [Lefsetz Letter](#), [Lita Ford](#), [Mog](#), [Moses Avalon](#), [Musicmetric](#), [New Music Seminar](#), [Nielsen](#), [NPD](#), [NPR](#), [Rdio](#), [Russ Crupnick](#), [Spotify](#), [stealing music](#), [Trichordist](#), [Tyler Ward](#), [Uncle Kracker](#), [YouTube](#), [Zeropaid](#)