



September 2014

House of Lords Digital Skills Committee

Digital Skills in the UK – Call for Evidence

About UK Music

1. UK Music is the umbrella body representing the collective interests of the UK's commercial music industry, from songwriters and composers to artists and musicians, studio producers, music managers, music publishers, major and independent record labels, music licensing companies and the live music sector.
2. UK Music exists to represent the UK's commercial music sector, to drive economic growth and promote the benefits of music to British society. The members of UK Music are listed in Annex.

General

3. UK Music welcomes the formation of the Digital Skills Committee of the House of Lords and looks forward to its inquiry “to consider information and communications technology, competitiveness and skills in the United Kingdom”.
4. The British music industry is at the heart of our creative economy and contributes significantly to UK culture and society. Last year, we reported that the sector contributes £3.5 billion to GVA, employs over 100,000 people and has exports of £1.4billion.¹ We will imminently be publishing a new report which updates these figures further.
5. The Government has identified the creative sector as a key generator of UK economic growth and employment over the next decade. As an important part of the creative industries, the music sector will play a major role in driving this growth, but to

1

[http://www.ukmusic.org/assets/general/The Economic Contribution of the Core UK Music Industry WEB Version.pdf](http://www.ukmusic.org/assets/general/The_Economic_Contribution_of_the_Core_UK_Music_Industry_WEB_Version.pdf) and [http://www.ukmusic.org/assets/general/Summary Document - The Economic Contribution of the Core UK Music Industry.pdf](http://www.ukmusic.org/assets/general/Summary_Document_-_The_Economic_Contribution_of_the_Core_UK_Music_Industry.pdf)

UK Music
British Music House

26 Berners Street
London, W1 3LR

T. 020 7306 4446
F. 020 7306 4449
E. contact@ukmusic.org

www.ukmusic.org

achieve its full potential the industry will need to recruit and retain the best trained, talented, and diverse work force.

Digital Skills and the Music Industry

6. The music business is increasingly a digital business. The BPI reported that digital accounts for 50% of UK record industry trade revenues.² In 2013, *PRS for Music* online revenues reached £61.2m, an increase of 18.3%.³ Digital skills are needed to support all aspects of today's music business, whether it is online or offline music.

7. In an increasingly digital market the music industry needs to recruit and retain a workforce that can adapt and embrace new technologies. It is essential that school leavers have a basic level of digital literacy and that graduates are equipped with the digital skills to gain employment in the sector.

8. Research conducted by Creative & Cultural Skills in 2011's Music Blueprint found that whilst the music industry is a highly qualified sector when compared with the UK working population, employers are still concerned that applicants lack work ready skills. A lack of digital skills was seen as the biggest future skills need.⁴

9. Anecdotal research conducted by UK Music in November 2013 revealed that over three quarters of music employers surveyed said applicants and new entrants lacked basic digital skills including programming, coding, and web design.

10. Rights management in the music industry is key to ensuring creators get paid in the digital value chain. This means that many jobs in the music industry are in IT, programme management, systems and software development, managing data standards and databases. These are global projects and require international collaboration. Music employers inform us that they increasingly require employees to have database experience. The sectors interest is not solely in music technology, but in having a workforce equipped with broad technology skills.

UK Music Skills Academy and other industry initiatives

11. UK Music is playing a central role in improving skills and training in the music industry through our Skills Academy. Launched in July 2013, the UK Music Skills Academy is a joint initiative with Creative & Cultural Skills and aims to increase collaborative working between the music business and the education sector for the benefit of young people aspiring to work in the industry.

12. One of the key objectives of the Skills Academy is to improve opportunities for students and ensure graduates are more employable in the music industry. The Skills Academy is developing long-term partnerships between music employers and education institutions to foster genuine engagement and a constructive dialogue to address the sector's skills gaps.

² <http://www.bpi.co.uk/media-centre/streaming-fuels-growth-for-uk-recorded-music-industry.aspx>

³ <http://www.prsformusic.com/SiteCollectionDocuments/About%20MCPS-PRS/financial-results/financial-results-briefing-paper-2013.pdf>

⁴ http://blueprintfiles.s3.amazonaws.com/1319716452-Music-Blueprint-Web_26_7_11.pdf

13. Music is unique, powerful and can engage young people from all backgrounds. UK Music has established a schools programme, 'Music Skills and Schools' to help young people aged 14-16 and teachers understand how the music industry works and provide workshops and seminars to develop key skills valuable to the music industry including music production and app development. This year, we plan to reach 1000 young people across the UK.

14. In order to address digital skills gaps in the industry, UK Music members offer training courses to improve their member's skills and training in this area. For example, the Association of Independent Music (AIM) run regular digital training days covering digital marketing, the use of metadata, global music licensing and social media training.

15. UK Music also supports the City and Guilds music & studio technology and sound engineering Level 1,2 3 qualifications which is funded, approved and catering for 14 to 16 year olds. The entire suite of units is already supported by all relevant industry sectors and is mapped out correctly with all national occupational standards.

Copyright

16. At the heart of the music industry is the copyright framework. It allows companies to invest in talent and for creators to make a living.

17. The most recent Kantar Media online copyright infringement tracker estimated that one in six (17%, equating to approximately 7.4 million) of UK internet users aged 12+ consumed at least one item of online content illegally over a three-month period and around a quarter of these (4%) exclusively consumed illegal content.⁵ According to the same research music is the most consumed type of content online.

18. Infringement of copyright is a substantial challenge to the success of the UK music industry. To UK Music, digital skills is just as much about equipping online users and businesses with the correct tools to respect the rights created by copyright and ensure value in the digital world as it is about creating a skilled based workforce.

19. UK Music seeks to promote initiatives that raise awareness of the legalities of accessing copyright content online. For example, in conjunction with Aardman Animations and the Intellectual Property Office we have developed an app based game, Music Inc, which aims to engage young people in a fun and interactive way.

20. Music Inc was launched at the beginning of the year. The app has attracted 176,000 individual players. There are nearly half a million devices (440,000 devices) in 50 countries (UK, USA, Indonesia, Brazil, Germany, Italy, Canada, France, Australia, Netherlands) carrying the game. Players are in the game for an average 20- minutes. The app simulates the music industry and demonstrates how player's decisions on infringement can impact their business and has formed part of the "Music Skills and Schools" programme. We also welcome initiatives such as the development of the Copyright Hub which attempt to raise greater consumer and business awareness of copyright, as well as the recently announced Creative Content UK programme.⁶

⁵ http://stakeholders.ofcom.org.uk/binaries/research/telecoms-research/online-copyright/w4/OCI_MAIN_REPORT_W4_FINAL.pdf

⁶ <https://www.gov.uk/government/news/new-education-programme-launched-to-combat-online-piracy>

Conclusion

21. We would like to be able to reach more young people and seek the support of the Government to help expand our work into schools. This could be achieved through supporting the UK Music Skills and Schools programme and developing digital learning resources that are of relevance to the music industry that can be used in schools.

22. The recently launched Creative Industries Council industrial strategy, Create UK, recommended industry should “commit to funding and developing a toolkit that can be used by schools across the UK, both inside and alongside the new Computer Science curriculum, which will, for the first time require teachers to teach about internet safety.” This is a measure that UK Music is keen to see followed up by the Creative Industries Council and its associated Intellectual Property sub-group. Government should consider how they can further support such activities and future initiatives.

23. Alongside this, we propose additional funding for computer training for teachers across the UK and ensure that digital skills are embedded in the music curriculum. This should include education and awareness about copyright, something that is currently missing in the music curriculum. If pupils can understand the importance of copyright from a creator’s perspective then this will improve their digital skills and future employability within the knowledge economy.

24. Finally, the UK Music rehearsal room network should be expanded to provide greater opportunities to young people.⁷

⁷ <http://www.ukmusic.org/skills-academy/rehearsal-rooms/>

Annex

UK Music's membership comprises of:-

- AIM – Association of Independent Music - representing over 850 small and medium sized independent music companies
- BASCA - British Academy of Songwriters, Composers and Authors – with over 2,000 members, BASCA is the professional association for music writers and exists to support and protect the artistic, professional, commercial and copyright interests of songwriters, lyricists and composers of all genres of music and to celebrate and encourage excellence in British music writing
- BPI - the trade body of the recorded music industry representing 3 major record labels and over 300 independent record labels.
- MMF - Music Managers Forum - representing 425 managers throughout the music Industry
- MPG - Music Producers Guild - representing and promoting the interests of all those involved in the production of recorded music – including producers, engineers, mixers, re-mixers, programmers and mastering engineers
- MPA - Music Publishers Association - with 260 major and independent music publishers in membership, representing close to 4,000 catalogues across all genres of music
- Musicians' Union representing 30,000 musicians
- PPL is the music licensing company which works on behalf of over 90,000 record companies and performers to license recorded music played in public (at pubs, nightclubs, restaurants, shops, offices and many other business types) and broadcast (TV and radio) in the UK.
- *PRS for Music* is responsible for the collective licensing of rights in the musical works of 100,000 composers, songwriters and publishers and an international repertoire of 10 million songs
- UK Live Music Group, representing the main trade associations and representative bodies of the live music sector

For more information please contact Tom Kiehl, Director of Government and Public Affairs, UK Music on tom.kiehl@ukmusic.org or 020 7306 4465.