



representing the
recording industry
worldwide

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PRESS RELEASE

IFPI'S 'INVESTING IN MUSIC' REPORT SHOWS RECORD LABELS INVEST US\$4.5 BILLION ANNUALLY IN A&R AND MARKETING

- **US\$4.5 billion** – record labels' global investment in A&R and marketing in 2015
- **27%** - share of record company revenues invested in A&R and marketing
- **US\$0.5 – \$2million** – typical cost to break worldwide-signed artist in major market

To visit the microsite please click [here](#)

The download the full report, please click [here](#)

London, 30th November 2016 – Record companies remain the largest investors in music, providing more than US\$4.5 billion for “Artists & Repertoire” (A&R) and marketing in 2015, according to a new report published today by IFPI, representing the recording industry worldwide, in association with the World Independent Network (WIN), representing independent labels internationally.

Investing in Music details record companies' global investment in discovering, nurturing and promoting artists and their music. The report highlights the extensive 'behind the scenes' work performed by teams of professionals at record companies supporting these efforts.

Jointly introducing the report, **Frances Moore**, Chief Executive of IFPI and **Alison Wenham**, CEO of WIN, said: “*Investing in Music* highlights not just record companies' financial investment in artists, but also the enduring value they bring to artists' careers. In the digital world, the nature of their work has evolved, but their core mission remains the same: discovering and breaking new artists, building their careers and bringing the best new music to fans. These are the defining qualities of record companies' investment in music.”

Key data highlights from the report include:

- Record companies invest 27% of revenues back into A&R and marketing – this is the work of discovering, nurturing and promoting artists. Investment in A&R and marketing totalled US\$4.5 billion in 2015. Companies sustained this level of annual investment even as the industry weathered two decades of revenue decline.
- Of that 27%, record companies invest 16.9% of revenues in A&R – this is a higher proportion than the equivalent research and development (R&D) investment ratio of all the leading sectors included in EU Industrial R&D Investment Scoreboard 2015.
- A major international signing will cost between US\$0.5 million and US\$2 million to break in a major market such as the US or UK – including investment in everything from artist advances to recording costs, videos, tour support, and marketing and promotion.
- Music companies also invest, along with distributors, in developing the infrastructure of the digital market, servicing more than 360 digital music sites globally with more than 40 million tracks.

- Ends -

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Notes to editors:

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About IFPI

IFPI is the organisation that promotes the interests of the international recording industry worldwide. Its membership comprises some 1,300 major and independent companies in 60 countries. It also has affiliated industry national groups in 57 countries. IFPI's mission is to promote the value of recorded music, campaign for the rights of record producers and expand the commercial uses of recorded music in all markets where its members operate.

The Worldwide Independent Music Industry Network (WIN) is a global forum for the professional independent music industry. It was launched in 2006 in response to business, creative and market access issues faced by the independent sector everywhere. For independent music companies and their national trade associations worldwide, WIN is a collective voice. It also acts as an advocate, instigator and facilitator for its membership.