

SoundCloud and Warner Music Group Announce Global Licensing Deal Bringing Fan-Powered Royalties to Major Label Artists

WMG Is First To Sign on to SoundCloud's Fan-Powered Model

NEW YORK, NY (07.21.2022) – Today, SoundCloud, a next-generation music entertainment company, announced a global licensing deal with Warner Music Group (WMG), making them the first major label to adopt SoundCloud's payout model, Fan-Powered Royalties (FPR). Launched in 2021, FPR is a first-to-market payout model driven by fandom and built to power the fan economy. Designed to maximize SoundCloud's unique position as the only streaming service that enables and empowers artists to engage directly with fans, the model lays the foundation to give artists more control and opens up new products and fan monetization opportunities. FPR provides equitable and transparent ways for all artists, from indie darlings to international superstars, to earn money directly from their fans.

This exciting new deal allows every artist across WMG's roster to be paid based on fan listening behavior on SoundCloud. Under FPR, each fan's subscription or advertising revenue is distributed among the artists they listen to, rather than being pooled under the traditional pro-rata model the music industry has been using for over a decade.

“Today's deal is a major milestone because, under Fan-Powered Royalties, more artists get paid more money. But even more importantly, Fan-Powered paves the way for artists to create even more opportunities to monetize their art beyond streaming and create more value, driven by engagement with their fans,” said **Eliah Seton, President, SoundCloud**. “Warner Music Group is known for developing some of today's biggest superstars and helping them build long-term careers by investing in technologies and models which grow and support their fan communities. This makes them an ideal partner for SoundCloud and we're excited to bring our game-changing fan-driven product to their incredible roster of artists. SoundCloud is known for our community of music-loving fans and this partnership aligns with our commitment to a fan-powered, artist-centric business.”

Oana Ruxandra, Chief Digital Officer & EVP, Business Development, WMG added:

“The evolution of the music industry brings new ways to create, consume and monetize. As the ecosystem expands, WMG is focused on advancing and experimenting with new economic models to ensure the opportunities for our artists and their communities are maximized. SoundCloud has been an amazing partner in connecting artists and fans, deepening our relationship will allow us both to proactively build for the future.”

“This first-of-its-kind deal will create opportunities for artists across all genres, from emerging to superstars, to own the engagement with their fans for the first time,” said **Troy Carter, Member of SoundCloud Board of Directors and founder and CEO of Venice Music.** “I’m thrilled to be part of a group of dynamic leaders committed to bringing us one step closer to an artist-centric music industry.”

About SoundCloud

SoundCloud is a next-generation music entertainment company, powered by an ecosystem of artists, fans and curators leading what’s next in music. Founded in 2007, SoundCloud is an artist-first platform empowering artists to build and grow their careers by providing them with the most progressive tools, services, and resources. With over 300 million tracks from 30 million artists, the future of music is SoundCloud.

About Warner Music Group

With a legacy extending back over 200 years, Warner Music Group (WMG) today brings together artists, songwriters, and entrepreneurs that are moving entertainment culture across the globe. Operating in more than 70 countries through a network of affiliates and licensees, WMG’s Recorded Music division includes renowned labels such as 300 Entertainment, Asylum, Atlantic, Big Beat, Canvasback, Elektra, Erato, First Night, Fueled by Ramen, Nonesuch, Parlophone, Reprise, Rhino, Roadrunner, Sire, Spinnin’, Warner Records, Warner Classics, and Warner Music Nashville. WMG’s music publishing arm, Warner Chappell Music, has a catalog of over one million copyrights spanning every musical genre, from the standards of the Great American Songbook to the biggest hits of the 21st century. Warner Music Group is also home to ADA, the independent artist and label services company – as well as next gen artist services division WMX, which includes consumer brands such as Songkick, the live music app; EMP, the merchandise e-tailer; UPROXX, the youth culture destination; and HipHopDX, the hip-hop music news site. In addition, WMG counts storytelling powerhouse Warner Music Entertainment and social media content creator IMG N among its many brands. Follow WMG on [Instagram](#), [Twitter](#), [LinkedIn](#), and [Facebook](#).

ABOUT SOUNDCLOUD

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