

BEHIND THE MUSIC BAN: WHO PAYS THE PRICE WHEN UMG AND TIKTOK FIGHT?

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Whether you are a content creator, musical artist, or someone like me who often (shamelessly) finds themselves mindlessly scrolling through social media platforms during their free time, you have likely caught wind of the recent dispute between Universal Music Group (“UMG”)—one of the world’s largest music conglomerates—and TikTok, one of the fastest growing, influential, and powerful social media platforms for promoting music.

While this dispute may seem to some just to be another corporate spat, it’s more than that; it’s a showdown with wide-ranging implications for copyright law, artists’ rights, and the digital realm at large.

So, what does all of this mean? Let’s break it down.

Background

The choice of a lawyer is an important decision and should not be based solely upon advertisements.

On January 31, 2024, the license agreement between the two companies expired. Due to the inability of UMG and TikTok to come to an agreement on the terms of a renewal, the contract was terminated, and all copyrighted music in which UMG owned an interest was immediately removed from the app.

UMG v. TikTok: A Matter of Greed or Principle?

The core issue between UMG and TikTok lies in the disagreement over how music should be valued and compensated on digital platforms. This confrontation sheds light on a larger conversation about recent technological advances and creativity, and why it should matter to everyone, not just those in the music industry.

In an [open letter](#) posted by UMG on January 30, 2024, UMG details its stance on the dispute, criticizing TikTok's approach to compensating artists and handling AI-generated music. UMG argues that TikTok's practices, including paying a "rate that is a fraction of the rate that similarly situated major social media platforms pay," and TikTok's alleged sponsorship of "artist replacement by AI", fail to adequately support the artists and songwriters whose music fuel their platform. UMG also takes issue with TikTok's content moderation, underscoring the ongoing battle against copyright infringement and harmful content.

TikTok, on the same day, issued a [response](#) accusing UMG of putting "their own greed above the interest of their artists and songwriters" and defending the platform as a crucial tool for artist exposure promotion and emphasizing their efforts to reach artist-friendly agreements with labels. TikTok accuses UMG of walking away from the negotiating table, thereby limiting artists' opportunities for discovery and fan connection on the platform.

Compensation and Valuation

This debate raises questions about fair compensation in the emerging digital age. It's undeniable that platforms like TikTok offer promotional opportunities to artists, but how do we quantify this in monetary terms? The UMG-TikTok saga prompts a reevaluation of how copyright holders are compensated in a world where exposure doesn't always equal financial success.

AI-Generated Content, Creative Workarounds, and a New Frontier of Legal Implications

This dispute also highlights how the emergence of AI-generated content presents new legal challenges. TikTok's hosting of AI-generated recordings, including those that impersonate real artists, raises questions about the protection of original content against the backdrop of technological innovation.

Moreover, the concerns posed by UMG related to TikTok allowing AI-generated works on the

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platform have only been intensified due to the removal of UMG music from the app. For example, following the dispute, most of the music written or recorded by Taylor Swift—an artist represented by UMG—was removed from the platform. Subsequently, users began sharing AI-generated tracks that replicate Swift's voice and style, including a song that was posted following the Superbowl, leading some to mistakenly believe the song was a leak from her new album and sparking debates over the decline in the quality of her song writing.

Additionally, as creative alternatives to the UMG TikTok ban, artists have resorted to creative methods to circumvent platform restrictions, employing techniques like pitch and tempo changes to avoid detection, although these solutions present their own set of challenges for linking to official music streaming platforms.

These examples are concerning as they affect the ability for human artists to earn royalties.

As such, these developments necessitate an update to copyright laws to address the nuances of AI and its implications for creative works.

The Role of Digital Platforms

This dispute also sheds light on the responsibilities of platforms like TikTok in copyright enforcement and the safeguarding of user content. It emphasizes the need for digital spaces to actively participate in copyright management and again ensure that creators and copyright owners are fairly recognized and compensated for their contributions.

Artists Caught in the Crossfire

UMG's control over the copyrights of globally renowned artists such as Taylor Swift, Drake, and Queen, amongst others, enhances its leverage at the negotiating table. However, in today's modern era, labels including UMG have encouraged artists to utilize social media platforms such as TikTok, to amplify their visibility and prove their market potential to distributors. Thus, to an extent, UMG needs platforms like TikTok to help promote their many artists that don't already have a world-renowned following.

As such, artists have found themselves in the crossfire of this dispute, with many expressing frustration as their music disappears from TikTok. Their frustration stems from the removal of their music, not only limiting their exposure but also raising concerns about the future of music discovery and promotion on digital platforms. Some artists have shared their personal struggles, highlighting the emotional and financial toll the situation has taken on them.

For instance, artists with indirect affiliations to UMG through collaborations or distribution deals found their music pulled from TikTok, disrupting their marketing strategies and affecting their mental health. Artist @ryanoaks, who has over 800,000 monthly Spotify listeners, is not directly signed by

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UMG, but his label distributes his music through a subsidiary of UMG. He posted a TikTok on February 1, 2024, discussing how his music's removal from the platform—a move he had no control over—affected him. Oaks had invested an estimated \$20,000 of his own money promoting his music through the platform, as instructed by his label, and now all his videos have been muted, leaving him without any potential return on his investment.

Similarly, artist @conangray, who has over 8 million followers on TikTok, humorously yet earnestly remarked in a TikTok posted by *Rolling Stone* that “career is over” and that he will “never . . . have a hit song ever again at this rate”. He further goes on to explain that artists affected by this will have to be creative going forward, employing strategies such as posting remixed covers of their songs on TikTok until this dispute is settled.

What Now?

The UMG-TikTok face-off signals a crucial call for the modernization of copyright law and the need for new compensation models and copyright protections that respect creators' rights while adapting to the realities of the digital age.

In essence, the battle between UMG and TikTok transcends mere corporate discord, representing a watershed moment for the music industry. It challenges stakeholders to rethink the value of music and creativity in the digital domain, potentially reshaping the future of how music is shared and monetized online.

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