

THE COST OF STREAMING: HOW TV WRITERS AND MUSICIANS ARE PAYING THE PRICE FOR YOUR BINGE-WATCHING HABITS

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How can there be a writer's strike when we're living in a time of unprecedented TV and movie production, with more screens and outlets to watch content on than ever before? And what does this mean for the music industry?

Great questions. *Let's talk about it.*

The Streaming Era's Impact on the Writer's Strike

On May 2nd, members of the Writers Guild of America went on strike after their contract negotiations with the Alliance of Motion Picture and Television Producers fell through.

While the events and negotiations leading up to the strike are complex, the standoff directly results from the different business models ushered in by the streaming era. Unlike shows produced for broadcast or cable networks, shows produced for streaming services tend to have shorter seasons of only 6 or 8 episodes. Also, such shows likely will never go into syndication, which triggers back-

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end royalty payments to the writers and other contributors. This model diminishes the earning potential for writers. When the show they are hired to work on consists of only 8 episodes instead of 20 and has no chance of syndication, writers must find additional jobs to make up for the lost income.

On the other side of the coin, the streaming services driving this change are still largely unprofitable ventures. In their push to create content and gain subscription viewers, services like Disney+, Hulu, Peacock, Paramount+, Amazon Prime Video, etc. are reportedly losing money. [According to a CBS News article published on May 2, 2023](#), among the large streaming services, only Netflix turns a profit.

How Streaming Services are Changing the Music Industry

As an attorney, I've represented far more songwriters than screenwriters. But streaming impacts people who write lyrics and melodies in the same way it impacts people who write jokes and scripts. If a production company wants to use my client's music in a scene, the fees offered vary drastically depending on whether the show is going through a streaming service or a network. That's true even though the songwriter's creative content has the same impact on the TV viewer's experience of the show regardless of how they watch it.

I've also seen the impact of this phenomenon when I've worked on projects at the development stage. From documentaries to episodic TV series to feature films, stories about musicians and other artists are constantly being pitched. But in recent years, more uncertainty plagues these projects during the earliest stages of the project's development. The vastly different economics at stake, based upon where these projects eventually land, makes it harder for producers of projects to know what they can pay and what artists and other subjects should accept to be a part of the project.

I'm hopeful that the streaming video business model will develop along a path similar to the one streaming music has followed. The early days of music streaming services were bleak for many people making a living in music because traditional sales of music plummeted. But as subscription rates have grown, the revenues have grown dramatically as well. While I still believe more of that money needs to go to the creators, the rising tide has in fact lifted all boats. We can only hope that streaming video services will also stop leaking money soon and start being more reliable boats for everyone in the industry.

In Conclusion

I don't know about you, but I still have plenty of unwatched shows sitting in my Netflix/Amazon/Hulu/Peacock/Apple TV queue. But if this strike isn't resolved soon, there won't be new shows filling the pipeline. And more importantly, the creative people behind the pop culture we all love – both screenwriters and songwriters – will truly suffer the most.

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