PRESS RELEASE

Reimagining Radio Broadcasting Roundtable

New Delhi, October 17, 2019: The Esya Centre, a think-tank that researches issues which lie at the intersection of technology and policy, organised a Roundtable discussion on radio broadcasting today.

Participants included Dr Megha Patnaik, Fellow, Esya Centre and Assistant Professor, Indian Statistical Institute. Dr Mark Schultz, Goodyear Tyre and Rubber Company Endowed Chair in Intellectual Property Law and Director, Intellectual Property and Technology Law Program, University of Akron School of Law, also spoke at the event.

The Roundtable was organised to discuss regulatory issues that hamper the growth of India’s radio industry. FM radio accounts for 22 percent of music listening time across platforms (TV, Internet and Internet streaming) but accounts for less than three percent of total industry revenues. India has 369 private radio stations which earn Rs 3100 crore annually. Yet, they pay only Rs 60 crore to the music industry.

In this context, it becomes imperative to revisit rules and regulations that were framed when the radio industry was in its infancy.

“The Copyright Board order of 2010, which mandates that radio stations share only two percent of net advertising revenues with music license holders, needs to change. The radio industry is now competitive, and revenues come in from multiple channels like political ads and live events,” said Dr Patnaik. She added that there should be voluntary licensing to determine market rates and artists be adequately compensated.

Dr Schultz said that compulsory licensing regimes are pervasive and hamper the growth of the music industry. “This systematic under-pricing of works leads to lower innovation, where investments into new solutions, content and research are reduced. This ultimately translates to a reduced consumer experience,” he added.

Blaise Fernandes, President of the Indian Music Industry, said that opening up the recorded music industry would help India leverage its soft power, just like Latin America and South Korea. “Big Hit Entertainment, a Korean pop music giant valued at just under 1 billion US dollars, earns significant revenues from exports. Open up the recorded music industry sector and we will see the next Despacito emerge from India and that will be a true Make in India story,” he added.

The objective of the roundtable was to deliberate upon market-based equitable alternative revenue mechanisms, which ensure that both radio stations and the music industry don’t have to grow at the cost of each other.

(Note: Photographs from the event are attached)

ABOUT ESYA CENTRE

Esya is a niche and new think-tank that seeks to generate empirical research and inform thought leadership to catalyse new policy constructs for the future. It simultaneously aims to build institutional capacities for generating ideas which enjoin the triad of people, innovation and value, consequently helping reimagine the public policy discourse in India.

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Based at New Delhi, Esya also aims to galvanise the best minds on ideas that impact India – with a focus on enhancing decision-making capacities within and outside government. This involves curation of specialized and cutting-edge research and partnerships with people, networks and platforms.

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