

UK music streaming faces scrutiny from competition watchdog

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In this Tuesday, April 3, 2018 file photo, a trading post sports the Spotify logo on the floor of the New York Stock Exchange. U.K. regulators are stepping up scrutiny of the country's music streaming market to see whether there's enough competition, after lawmakers outlined concerns that big online major platforms like Spotify may be too dominant. The U.K.'s competition watchdog said Tuesday, Oct. 19 2021 it will carry out a "market study" to assess whether fresh measures are needed to improve streaming competition. Credit: AP Photo/Richard Drew, File

Regulators are stepping up scrutiny of the United Kingdom's music streaming market to see whether there is enough competition after lawmakers outlined concerns that major online platforms like Spotify may be too dominant.

The U.K.'s [competition watchdog](#) said Tuesday that it will carry out a "market study" to assess whether fresh measures are needed to improve streaming competition.

The Competition and Markets Authority is taking action after an inquiry by lawmakers, who said in a report that three major [music](#) labels—Universal Music, Sony Music and Warner Music—dominate the U.K. recording market. That allows them to cut better deals with streaming platforms and leaves smaller rivals at a disadvantage, while artists complained they're not receiving a fair share of streaming royalties, the report said.

The watchdog said the review was needed because the way people listen to music has transformed over the past decade, with streaming now accounting for over 80% of all the music played in the U.K.

"The U.K. has a love affair with music and is home to many of the world's most popular artists," said Andrea Coscelli, the authority's chief executive. "We want to do everything we can to ensure that this sector is competitive, thriving and works in the interests of music lovers."

The Competition and Markets Authority uses market studies to check whether there are any competition and consumer issues in a specific market and if so, determines how to tackle those problems, including recommending changes to government regulations or taking enforcement action.

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