WiFi: CWAGNM No Password
DMCA enacted, 100% physical

In 2017, over 80% of revenues came from online / digital sources.
Revenue Composition:

U.S. REVENUES 2008

- Physical: 66%
- Streaming: 4%
- Digital Downloads: 30%

U.S. REVENUES 2017

- Streaming: 65%
- Digital Downloads: 15%
- Physical: 17%
- Synch: 3%

Streaming Nearly 2/3 of Market In 2017

Source: RIAA
As revenues have moved to digital, so has piracy
- 1980s – primarily Vinyl and cassette counterfeit goods
As revenues have moved to digital, so has piracy
- 1990s – primarily CD counterfeit goods
As revenues have moved to digital, so has piracy - 1999 to present – primarily digital piracy
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As revenues have moved to digital, so has piracy - 1999 to present – primarily digital piracy
Changes in digital piracy

![Graph showing changes in digital piracy](image-url)
And physical piracy continues to be a threat – often high quality counterfeits (HQC) on ecommerce platforms
Impact on U.S. Music Business:
While gaining in the last 2 years due to streaming, still down 40% from peak, and only now reaching 2008 levels

Source: RIAA
Impact – piracy + state of law = value gap

Nearly 1 trillion streams in US in 2017. Streams accounted for 65% of US revenues, with 1/3 of those streams by volume due to ad supported streaming.

But ad supported on demand streaming only accounts for 8% of revenue.

Source: Nielsen SoundScan, BuzzAngle, Pandora public filings, RIAA, RIAA estimates
Enforcement Challenges

- New, unclear limits on ability to identify people behind infringing domains
  - ICANN permitting over-compliance of GDPR by registrars

- Cross-border challenges with enforcement + easy for infringers to move locations / domains

- Shift to cryptocurrencies, bitcoin mining, etc. for the flow of dollars
State laws that may help in digital world


• Streamlined civil cause of action to address online music piracy

• Similar to law that exists in 46 states for physical product

  • Tennessee – State law enforcement
  • Florida – Private right of action

• Require owners and operators of websites or online services dealing in commercial music to disclose their true name, physical addresses, and email address (or telephone number – Florida) in a place readily accessible to consumers