

UMG rejects TikTok's deal, says platform underpays artists and promotes AI

By  Lindsey Schutters

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Universal Music Group announced on Wednesday that it will not renew its contract with TikTok, the popular social media platform, after [failing to reach an agreement](#) on fair compensation for its artists and songwriters, protection from AI-generated music, and online safety measures.



UMG will pull its music off TikTok from 1 February. Source: Ivan Smokov/Pexels

The company, which represents some of the world's biggest stars, said that TikTok offered to pay its artists and songwriters at a rate that is a fraction of what other major social platforms pay, despite relying heavily on music-based content.

It also claimed that TikTok is allowing the platform to be flooded with AI-generated recordings, which could dilute the royalty pool for human artists, and that TikTok has not taken adequate steps to address the issues of infringing or problematic content, such as hate speech, bigotry, bullying and harassment.



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UMG stated in an [open letter to its artists](#) that TikTok tried to intimidate it into accepting a bad deal by selectively removing the music of some of its developing artists, while keeping the music of its global stars.

The label said that it will always fight for its artists – which include Taylor Swift, Billie Eilish, Ariana Grande and Adele - and songwriters and stand up for the creative and commercial value of music. It is notable that this move comes after the group set its Q4 2023 earnings call for 28 February.

UMG also extended its strategic licensing deal with Tencent earlier this month.

TikTok claps back

TikTok responded by calling the move “sad and disappointing” in [a statement](#) that accused UMG of putting their greed above the interests of their artists and songwriters.

The social media platform claimed that the music label is using a “false narrative and rhetoric”, saying that UMG chose to walk away from the “powerful support of a platform with well over a billion users that serves as a free promotional and discovery vehicle for their talent”.

ABOUT LINDSEY SCHUTTERS

Lindsey is the editor for ICT, Construction&Engineering and Energy&Mining at Bizcommunity

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