

Piracy sinks local music sales

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The result is a substantial loss in revenue to local artists and the government.

The South African music industry is blaming piracy for the R14-million drop in sales of CDs and DVDs of local artists.

Figures released yesterday by the Recording Industry of South Africa showed that, despite a growth of 2.4percent in the industry's total physical sales — from R996- million in 2006 to about R1-billion last year — there was a decrease in sales of CDs by local musicians.

This was the first time in the past 10 years that local artists' sales have dropped year-on- year.

In contrast, the overall sales of music by international artists rose from R460- million in 2006 to R499-million in 2007.

CD sales by local artists dropped from R339-million to R336-million over the corresponding period, while cassette sales dropped by R12-million.

Ivor Haarburger, chairman of Risa, said the drop could be attributed to piracy and rising costs of production.

He said organised criminal syndicates knew that many consumers viewed music piracy as “a victimless crime”.

However, Haarburger remained optimistic about the future of the industry.

Optimistic

“With the South African Music Awards just around the corner and the great product that is coming out of studios this year, we are confident this sector of the market will gain in strength during 2008,” he said.

Adriaan Lackay, representative for the SA Revenue Service, said: “Music piracy is definitely a problem and leads to loss of revenue to both artists and the government, but the loss to artists is more serious.”

Lackay said that in the 2006- 2007 financial years, customs officials confiscated pirated CDs and DVDs worth about R18.4-million.

Lance Stehr, CEO of Ghetto Ruff Records, said the slowing economy also contributed to the drop in sales.

He said, "Getting music to the right people for distribution in the right areas is another problem we have in the industry, and that is where pirates beat us."

Stehr said the increase in the sale of music by international artists was partly the result of better radio airplay.

"The government needs to get the 50/50% quota play on local and international music into effect. It should apply to Highveld, Radio 5FM and other stations, and not just to Ukhozi. This would help improve local sales."

Last year, artists including Mzwakhe Mbuli and Richard Siluma took the battle against piracy to the streets, raiding shops and factories producing pirated music and confiscating millions of rands worth of counterfeit products.

Source: *The Times*

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