Spain isn’t different for iTunes
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Beyond the expectation aroused, Apple’s secrets in Europe are not really so very different from the rest of its legal competitors: the possibility of downloading a single song, reproducing it in up to five different computers and recording it on an unlimited number of CDs for personal use. Add to this the prospect of listening to the songs in MP3 in Apple’s iPod. With these weapons, Steve Jobs’s online store must win users’ acceptance.

But the acceptance of the users will not be the only factor that will have a bearing on the future of iTunes. The success of this service in Spain will also depend on its catalogue of songs and the answer of other record labels, and on the progress in legislation on the distribution of online digital music.

In the first place, Apple’s catalogue is based on the repertoire of the five major players in the music industry (BMG, EMI, Sony, Universal and Warner). In Great Britain, for example, Apple has still not reached an agreement with AIM, the Association of Independent Music, which represents a full 25% of the British music industry. However, OD2, Apple’s pan-European rival, has got the backing of AIM.

In Spain, where the service will be available in October, ignoring the independent music companies would mean, among other things, not availing of the Vale Music label offer, which promotes such top selling singers as David Bisbal. In fact, 38% of all CDs sold in Spain belong to national artists, many of whom are promoted by independent companies. If these music labels decided to sign agreements with the competitors of iTunes, or even to sell their songs independently, they would deal a strong blow to the Apple service.

In any case, Spanish legislation is not too clear about the distribution of online music. If iTunes does not look after the legal side of online sales and copyright, which includes signing an agreement with the SGAE (Sociedad General de Autores y Editores), it could find itself immersed in a court battle something like the one Weblisten, the online music service, has found itself in over the last few years. This Spanish company, a
pioneer in the downloading of “legal” online music, has been involved in a continuous flow of lawsuits and court cases with different copyright agencies due to the difficulty created by the non existence of a clear legal framework on a national and international level. It must be remembered that for Alan Dixon, the CEO of the International Federation of the Phonographic Industry, the only reason Weblisten is still operating is because of the slowness of Spanish justice.

In spite of all that, iTunes probably means a major boost for the online music distribution sector in Spain, still in the making. The seed – the thousands of Spanish users that usually download songs from the Internet – is sown. We will have to wait and see if the plant gives fruit.