

Politics

Opinion

Businessweek

YouTube's Support for Musicians Comes With Requirements To Become Google's Bitch

By Lucas Shaw

- Artists are said to be asked to sign non-disparagement clauses
- Google-owned site has been working to improve relations

YouTube has asked musicians to agree not to disparage the streaming-video service in exchange for promotional support, according to people familiar with the matter, a way to quell persistent criticism by artists.

In recent months, YouTube has given a handful of musicians a couple hundred thousand dollars to produce videos and promoted their work on billboards, part of a larger campaign to improve the site's relationship with the music industry.

Yet such support comes with a catch, with some musicians required to promise they won't say negative things about YouTube, said the people, who asked not to be identified discussing private business transactions. Non-disparagement agreements are common in business, but YouTube's biggest direct competitors in music don't require them, the people said.

YouTube's non-disparagement agreements go beyond a requirement not to criticize the video site, one of the people said, without going into detail. YouTube requires many partners to agree to such conditions, including creators who make original series for its paid service, the person said.

YouTube has taken extra precautions in recent deals due to an incident with director Morgan Spurlock. Spurlock caught YouTube off-guard when headmitted in December to sexual misconduct just three months after the company acquired the rights to release his latest film, a sequel to the Oscar-nominated documentary "Super Size Me."

YouTube has more reason to worry about artists' public comments than most companies. Songwriters and artists have assailed the site for what they view as meager revenue-sharing and poor protections against

piracy. Dozens of musicians signed a [petition](#) in 2016 rebuking free music services and pushing for Congress to make YouTube more responsible for policing copyright violations.

Senior executives at YouTube fumed about the letter, and privately insisted artists and managers supported the company. Musicians like Paul McCartney and Taylor Swift only signed the letter at the behest of record labels seeking better deal terms in negotiations, people familiar with the matter said at the time. The company has also countered criticism by saying it has paid more than \$1 billion to the music industry, and bolstered its policing of material infringing copyrights.

Artists including rapper G-Eazy and Puerto Rican reggaeton artist Ozuna have worked with YouTube to promote their music, appearing on billboards, behind-the-scenes videos and [documentaries](#). Perry performed at a YouTube event last year and made a high-profile live-streaming [video](#) with the company.

In December 2016, the video site, owned by [Alphabet Inc.](#)'s Google, hired record executive Lyor Cohen to improve its relationship with the music business. Cohen was a [divisive](#) pick, but YouTube mended fences enough to sign long-term deals in the past few months with the world's three largest music companies.

The agreements gave YouTube the rights needed for a paid music service it plans to introduce later this year. The company hopes the new offering will mute record labels' complaints about its payments to the industry. If the service fails to lure subscribers, those labels are unlikely to remain silent -- whether their artists can speak up or not.