



The Pack Music Co-operative
Local Government Benefits Package

WE'RE NOT BUILDING A STREAMING SERVICE... WE'RE BUILDING A COMMUNITY SERVICE



The average song play on a major music streaming service nets an artist less than 0.005 cents.



One million streams generates between \$700 and \$7000.



Streaming has rendered physical product and digital downloads obsolete, decimating key recording revenue streams.



65% of Australian musicians and music industry workers suffer depression or anxiety.



25% of musicians and over 50% of industry workers have attempted or considered suicide.



The average unsigned Australian musician earns less than \$8,000 a year from their arts practice.



We're fighting tech with tech to change the business model of music streaming, and take back the value of our creative content.

THE PACK FOR LOCAL GOVERNMENT

The Pack Music
Co-operative
2021

EXECUTIVE SUMMARY

The Pack Music Co-operative is seeking to partner with local governments in a powerful patronage relationship, to co-create with musicians, businesses, local listeners and local governments a streaming system that builds sustainability across the ecosystem, rather than directing Australian digital music revenues offshore to international shareholders, major labels, and billionaire CEOs.

Our project will help artists reclaim the value of their content by using a tested technology (streaming), but subverting the current, inequitable business model, creating direct 'creator-consumer' transactional relationships via our co-op membership model and blockchain based system economy, which is vastly different to the blunt, pro-rata model of the major global music streaming services (MSS).

Listeners, governments and businesses will subscribe as members or patrons within a platform co-operative model, underpinned by blockchain technologies. The project will hyper-localise and connect local streaming communities, developing co-operative, trust-based local economies and focusing on creator-consumer relationships – not just on exploitative 'creator as commodity' transactions.

The Pack will enable connected music precincts - musicians / listeners / business / government - to take a proactive advocacy role in the health and sustainability of their local music scene through location based technologies.

Driven by our commitment to sustainable and equitable creative and community economies, The Pack will redirect Australia's streaming dollar from multinational corporations to Australian musicians.

The Pack's powerful, patron-funded co-operative combines community exposure with fair pay for Aussie artists, local arts economy activation and access to valuable, localised cultural data for governments at all levels.

The patronage of local governments will support the development and local marketing of this novel streaming and sharing marketplace for local, original unsigned music, providing a sustainable scaffolding for artists before they enter the noisy, crowded global streaming space.

OUR 'WHY'

By 2024, Australian digital music spend is projected to reach \$1.4+ billion; however this investment in music streaming largely goes offshore. Australian musicians earn less than 0.005 cents from the average streamed track, and unsigned artists earn less than \$8000pa from their music practice. This financial insecurity, coupled with the massive impacts of COVID-19 on the arts industry is having a severe impact on the mental health of our music community.

The Pack wants to change these statistics, generating sustainable economic benefits for musicians, creating employment in the arts and innovation ecology and delivering co-benefits to the Australian business community and the music industry.

THE TECHNICAL SOLUTION

The Pack is partnering with Ninja Software to develop a geo-fenced music streaming service that dynamically responds to listener's playlist preferences, pairing them with local artists and local businesses. The Pack is also collaborating with blockchain developer, Intrinsic Global, to implement an equitable and transparent blockchain based payment system that complements the member-owned co-operative business model.

The platform co-operative streaming model will improve financial flows to demonstrate that music streaming, if designed around democracy, equity and co-benefits for all members, can provide the music industry with a viable and consistent income from creative labours, independent of the more vulnerable live music sector.

This project will enable musicians, bands and ensembles to stream their original music content within this direct creator-consumer transactional model, with 40% of co-op revenues going directly to artists. This financial security will support innovation, gigs and touring, resulting in local economic benefits to hospitality, retail and music venues.



HOW WILL IT WORK?

Australia is the 6th largest music market in the world by revenue, worth 16+ billion in total. 12.7 million people streamed music in Australia in 2020. Of this market the independent music sector accounts for 30%.

This project is more than a 'streaming service' - it's a community service. We will work locally, creating precinct scale living labs, involving stakeholders in interactive research activities with the objective of co-creating and prototyping concepts and testing them in the real-life environment of end-users - local governments, and businesses.

We will install the streaming prototype in business premises in patron local governments, sharing the music content of local musicians with local listeners. Businesses will be able to access site-sensitive curated playlists consisting entirely of Western Australian independent music, and become local music patrons.

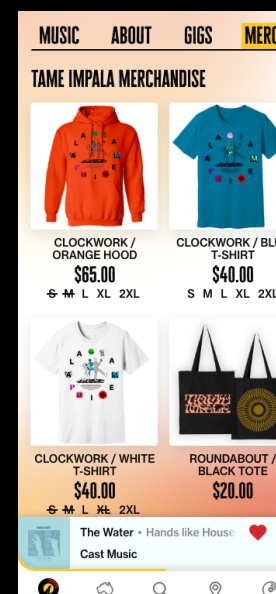
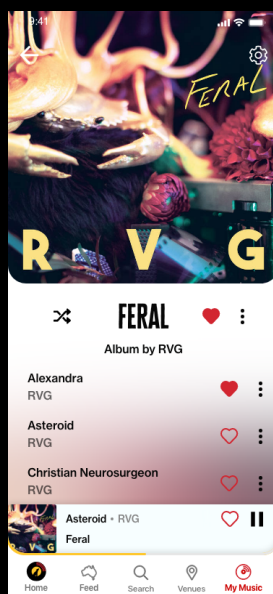
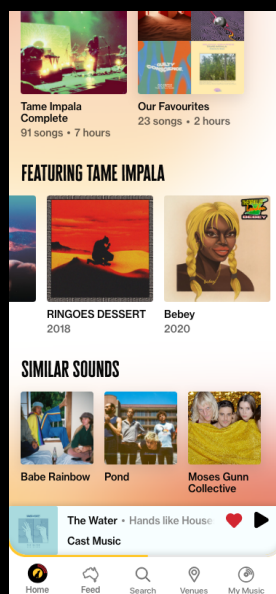
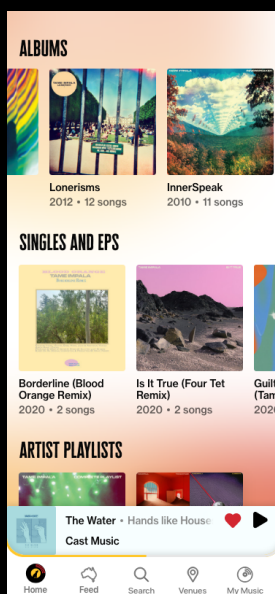
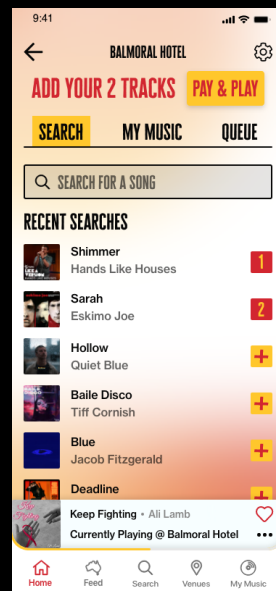
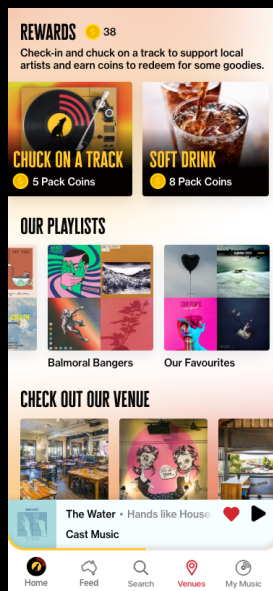
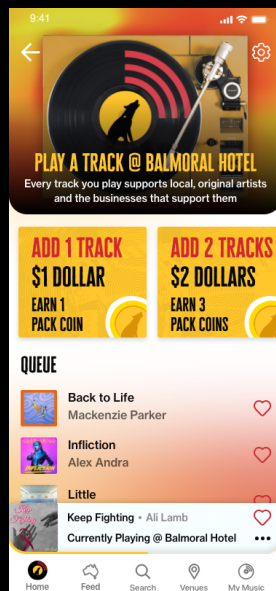
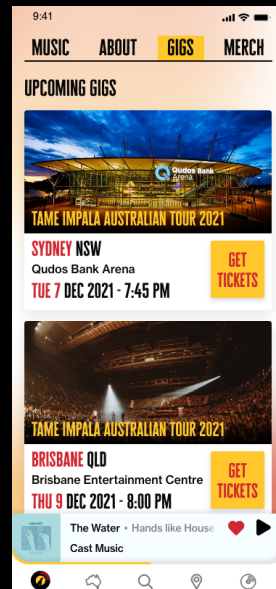
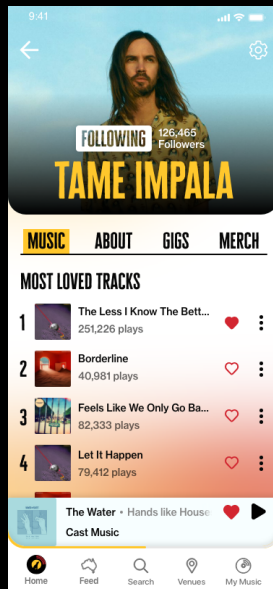
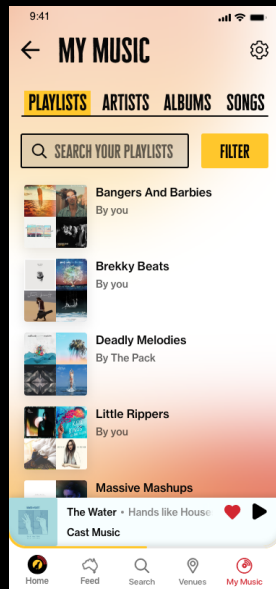
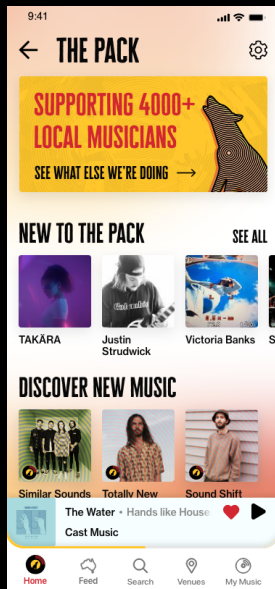
We will analyse the resulting data to assess the efficacy of the business model; co-design system improvements with our members; and, disseminate outcomes through academic and professional literature, training and development opportunities and stakeholder presentations.

Our sales plan is a blockchain based, patron subscriber model. We will operate on a membership platform, with subscriptions (monthly or annual) across our four major customer groups; with advertising, an in-venue rewards-based system and merchandise as additional revenue streams.

As a digital platform, operating in a digital industry, our relevant points of reach are online. Focusing on peak and industry bodies, advocacy organisations, government departments and licensing bodies we will create specific and targeted digital marketing campaigns for individual target markets.

Our conservative aim is to reach 15000+ individual listener customers in our first operating year - and 75000+ within four, in accordance with our national expansion plan.

We intend to base our operations in WA, and to develop and launch offices in other States and Territories over the next five years, expanding to New Zealand and then internationally between 2027 and 2030. These offices will support music industry employment, including curators and music technicians, technology partners, music marketers / advocates and administrative staff across Australia and beyond.



METHODS & BENEFITS

With our industry and research partners, we will co-design a campaign to ascertain community behaviours, mitigate barriers to change, and influence music consumption behaviours. We will work with local government partners to engage industry and community via Economic Development, Community Development and Arts / Cultural channels. Local governments will have access to their local cultural data through:

1. Real-time data generated through platform analytics:
 - a. Financial data.
 - b. Exposure data.
 - c. Location / spatial data
2. Surveys
 - a. To monitor the evolving state survey of attitudes, health & wellbeing, and income in the music industry.
 - b. To monitor member experiences across the whole ecosystem (music / business / listener / local government).
3. Interviews, workshops / events & focus groups
 - a. Qualitative / anecdotal data including health, wellbeing and financial.

OBJECTIVES / OUTCOMES

Our primary project outcome is to develop a culturally impactful, localised music streaming service that will strengthen local music economies and mitigate both the impacts of global digital disruption on the recorded music sector, and of major economic shocks to the live music sector, across the independent music industry.

Alongside this goal there are six key socio-cultural and economic objectives that this project will focus on, namely:

1. To identify and model the social and economic impacts of a localised streaming platform co-operative (The Pack) on musicians, businesses and music consumers in Australia.
2. To model the impact of The Pack on the financial resilience of musicians, businesses and other key actors in Australian local music ecologies.
3. To model and track the health and wellbeing impacts on musicians, businesses and other key actors in Australian local music ecologies of improved financial potential and creative fulfillment.
4. To model the potential impacts on artist income of giving performers rights agencies (OneMusic et al) access to real-time data and accurate per play information and advocating for transparent and equitable royalties to musicians.
5. To model and share the cultural and economic impacts of localised music promotion and availability through businesses and venues at precinct / hyperlocal scale.
6. To identify key leverage points to create the system change necessary to support a local streaming service taking a platform co-operative approach.

TIERED MEMBERSHIP FOR LOCAL GOVERNMENTS

The Pack understands that local governments are not all the same. In fact, one of The Pack's Founders is a long-term local government sustainability professional, having worked at four WA local governments, and WALGA.

The Pack is offering a tiered, per capita patron membership model to local governments, to ensure that all local governments, no matter how large or small, can support and grow their local music industry and arts economy.

Per annum patron membership (based on population size)

Membership	Local Government Size - per capita	Patron Fee - per annum
Membership 1	Under 5,000	\$1000
Membership 2	5,001 - 10,000	\$2500
Membership 3	10, 001 - 20,000	\$5000
Membership 4	20,001 - 30,000	\$7500
Membership 5	30,001 – 40,000	\$10,000
Membership 6	40,001 – 75,000	\$15,000
Membership 7	75,001 – 100,000	\$20,000
Membership 8	100,001 - 150,000	\$25,000
Membership 9	150,001 - 200,000	\$30,000
Membership 10	200,001+	\$35,000

As part of their membership, local governments are asked to actively promote The Pack throughout their business, arts and local communities, and will receive a content marketing collateral pack and support from The Pack's marketing team to enable this.

De-identified location specific data will be available to local governments, to support effective cultural investment and arts / tourism and local economic growth.

CONTACTS AND MORE INFORMATION

The Pack has volumes of research, data and further information should you wish to read more before getting involved! You can find our [White Paper](#) on our [website](#), as well as more information about The Pack, and our business and membership model.

Or, if you'd like to chat to us in person, we'd love to meet with you. Please contact Melanie Bainbridge, Co-Founder / Director and Chief Impact Officer on thepackoz@iinet.net.au or 0488 222 286.

Many thanks for your kind consideration.

Melanie Bainbridge & Harry Deluxe