

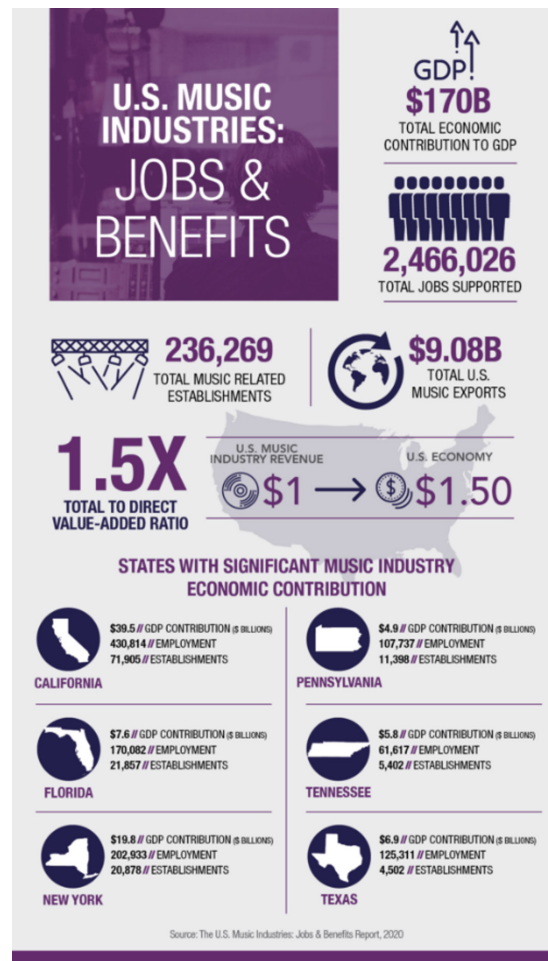
HOW THE MUSIC INDUSTRY IS REDUCING ITS FOOTPRINT

HARMONIZING WITH NATURE: THE MUSIC INDUSTRY'S GREEN REVOLUTION

By Tessa Schaal

The music industry is truly massive in its scope, impact, and economic influence. As an industry, in total, it generates more than \$170 billion, increasing every year. This is built on more than \$28.8 billion in revenues from recorded music. In fact, retail sales of merchandise is an industry unto itself, generating nearly \$9 billion in revenue in 2021. With an expected 1.5x return on investments in the music-based industry and the biggest three companies controlling nearly 40 percent of the music business, the multi-faceted and far-ranging industry is attractive to many investors.

The cultural impact of music is difficult to quantify. Music has been at the forefront of compete paradigm shifts with major historical implications, from the civil rights movement to the fall of the Soviet Union. Musicians have changed norms and driven political and social change. Songs represent lovers, are a centerpiece of marriages, and bring back memories of young love. Lyrics promote mental health and have cemented a place in modern poetry as the next iteration of the keepers of humanity's long oral history. Festivals have raised money and driven goodwill. Just recently, the attack on a music festival in Israel is a powerful symbol of authoritarian terrorism striking out against freedom.



Everything comes at a cost, though. Music is not only a powerful influence of culture and society; it is a significant source of environmental impact. Each year, the industry is directly responsible for approximately 540,000 tons of carbon emissions. This doesn't count emissions from product production as well as emissions from travel for musicians and fans going to live shows. Streaming is not a huge source of electricity expenditure on a minute-by-minute basis, but the number of songs streamed each year is truly staggering, estimated at 2.74 trillion (with a t) in 2021.

Beyond greenhouse gas (GHG) emissions, live music, merchandise, and physical music sources (i.e., vinyl records and CDs) create waste, are water intensive, and can even damage fragile ecosystems where they are staged. But the industry is responding, coming together to find ways to continue to deliver in a sustainable way, looking at all the potentially troublesome outcomes it creates and seeking a creative solution.

The music industry, a powerful influencer of culture and society, has been increasingly recognizing the significance of Environmental, Social, and Governance (ESG) principles. In fact, it's making strides towards a greener future, pledging to reduce greenhouse gas emissions (GHG) to net zero by 2050 and achieve a 50 percent reduction by 2030. Moreover, a group of leading music companies have signed the Music Climate Pact in response to the UN Climate Change Conference (COP26) and the crucial call for collective action to combat the climate crisis.

Launched through a partnership between the U.K.'s Association of Independent Music (AIM) and the BPI (which represents U.K. record labels) the Music Climate Pact has been endorsed by a diverse range of entities within the music industry.

CHALLENGES THE MUSIC INDUSTRY FACES AND HOW THEY ARE RESPONDING

VINYL

Vinyl, a type of plastic, raises environmental concerns given its composition and non-recyclability. Records are crafted from PVC (polyvinyl chloride) pellets and derived from fossil fuels, particularly crude oil. These pellets are extremely difficult to recycle, with a single record taking up to 1,000 years to fully decompose in a landfill.

Moreover, the vinyl manufacturing process demands significant energy for steaming and cooling. Traditionally, it employs ozone-depleting, solvent-based ink to print cover art. Despite these challenges, the vinyl resurgence continues, with 41.3 million sold globally last year.

Ninja Tune, a leading independent label in the U.K., has emphasized environmental sustainability by redirecting investments and pensions away from fossil fuels and adopting renewable energy systems at its London headquarters. The label also actively encourages their vinyl suppliers to transition to green energy, while their LA-based vinyl pressing plant uses soy-based inks, recycled boards, ethically made products, and 100 percent energy wind.

A group of eight Dutch companies known as Green Vinyl Records has also made significant strides in energy efficiency, achieving over 60 percent energy savings due to their environmentally friendly production process that's based on the injection molding principle rather than pressing. Other ventures like Deep Grooves Vinyl Pressing Plant in the Netherlands operate entirely on green energy, and RPM Records offers different biodegradable, recycled, and wood-free paper alternatives.

FESTIVALS

Music festivals, once a realm of nature-loving enthusiasts, underwent commercialization, evolving into a multibillion-dollar industry with waste emerging as a pressing concern. In the U.K., festival attendees alone use 10 million plastic bottles annually. Notable U.S. festivals like Coachella and Desert Trip produce about 100 tons of solid waste daily, with U.K. festivals generating an estimated 23,500 tons of waste each year.

However, there's a positive shift towards sustainability in the festival landscape. U.K.'s Shambala, known for elaborate costumes, has embraced sustainability by eliminating meat and fish from its on-site catering and transitioned to renewable energy. Norway's Øya festival stands out with its sustainable practices—serving food and drinks in 100 percent compostable, plastic-free packaging.

Italy's Terraforma focuses on land restoration, promoting an 'experimental and sustainable' ethos while Green Man encourages attendees to donate unwanted food and camping gear to help refugees. Glastonbury, with one of the largest solar panels in the country, engages 1,300 recycling volunteers.

TOURING

Musicians heavily rely on tours for revenue generation; however, the environmental impact is extensive, spans travel, merchandise, catering, and more. Fortunately, efforts are being made to make touring more sustainable.

While Coldplay's 2022 eco-friendly world tour involved electricity-producing dance floors, Olivia Rodrigo's recent Sour merch is sustainably dyed, made in the U.S., and crafted from 100 percent organic cotton. The 1975 delved into the world of sustainable fashion by repurposing old, unsold tees and printing new logos on them.

2021 marked the 'European Year of Rail,' with more DJs having chosen trains over flights for a reduced carbon footprint. For instance, Berlin-based DJ Gwenan cut back on flights as much as possible and discovered that many places were accessible by train. Nonetheless, while routing sometimes makes it impossible, artists are increasingly opting for flight alternatives whenever possible.

It's no question that the music industry is committed to sustainability. The Music Climate Pact highlights this commitment, with signatories pledging to measure and reduce emissions, fostering transparency for a greener music market.

Artists like Coldplay, Adele, and Radiohead lead the way with eco-friendly tours and environmental advocacy while non-profits like REVERB play a crucial role in driving eco-friendly practices, emphasizing the importance of reducing plastic use. Despite challenges in vinyl production and at festivals, the music business is actively transitioning towards greener practices.