

Universal Music Group is pulling its catalog from TikTok

Article

The news: Universal Music Group (UMG) has [pulled all its music](#) from TikTok after the two companies reached a stalemate in negotiating a new licensing deal. The app has lost access to songs from some of the world's most popular musicians, including **Taylor Swift** and **Bad Bunny**.

- The music label said TikTok did not offer satisfactory compensation for artists, saying it proposed a “fraction of the rate” that comparable platforms pay. In response, TikTok claimed that UMG’s threat showed that it’s prioritizing “greed” over “the interests of artists and songwriters.”
- UMG also took a jab at some of TikTok’s controversies, claiming part of its decision was fueled by a lack of protection against “the harmful effects of AI” and the “tidal wave of hate speech, bigotry, bullying, and harassment on the platform.”

Line in the sand: Despite its relatively short lifespan so far, TikTok has become a pivotal fixture of the music industry as a hit generator that’s an important part of music labels’ publicity efforts.

- But UMG’s statement shows that the music industry powerhouse believes itself to be the more powerful party since it owns the rights to popular music that users want to toy with.
- Approximately 60% of TikTok videos use music, per CNBC; the app won’t exactly stop in its tracks because popular music is made unavailable. Users may be upset by the change and could miss popular tracks, but it’s unlikely to stop their regular use of the app.
- UMG isn’t likely to be backed up by its music industry cohorts. Last summer, **Warner Music signed a multiyear contract** giving TikTok access to its music library.

Conflict points: The primary disagreement between UMG and TikTok appears to be over licensing fees, but other moves from the social media company may have stirred the pot.

- TikTok is testing an **AI-powered music generator** allowing users to create their own songs and lyrics via a prompt (a feature initially launched by YouTube).
- UMG, on the other hand, has put up fierce opposition to artificial intelligence. The company **criticized music platforms** for failing to protect artists from AI last spring and recently sued Amazon-backed AI firm **Anthropic** for **allegedly infringing on its copyright** by including song lyrics in its large language model.
- Other complaints against TikTok, like bullying and harassment, make for tidy additions to UMG’s stance against the company. TikTok is currently facing potential bans in several states amid growing concern about the app’s ties to China and impact on teen mental health.

Our take: UMG’s move is unlikely to hurt usage of TikTok, but it’s a sign that the music industry is trying to use its leverage to negotiate more favorable deals as well as put up roadblocks to

AI features that it believes are a risk to its business and intellectual properties.

**Weekly Usage of TikTok, YouTube, and Instagram
by US Teens, 2022 & 2023**

% of respondents

	2022	2023
TikTok	69%	68%
YouTube	69%	66%
Instagram Reels	19%	30%
YouTube Shorts	9%	15%

Note: ages 12-17
Source: Forrester Research, "Youth Survey, 2023," Nov 2, 2023