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Jamendo adopts Independent Management Entity status

Pivotal to the transformation of the music industry, a new asset to accelerate growth

AudioValley (ISIN code: BE0974334667/ticker: ALAVY) is adopting Independent Management Entity (IME¹) status in Luxembourg for its music platform Jamendo, with the aim of having a presence throughout the European Union. With this status, Jamendo will have a new asset to accelerate growth that is pivotal to the transformation of the music industry. Jamendo's teams will now be able to widen their focus when it comes to managing and monetising rights on behalf of the more than 40,000 artists on the platform. This status will also be a new means of attracting future talents looking for new channels to derive more value from their musical works.

Significant potential to derive more value from the catalogue of 220,000 titles under licence

Established in Luxembourg in 2005, Jamendo offers an alternative to independent professionals working in the music industry (composers, performers, producers) who want to get their musical works known, commercialise them and manage music rights under Creative Commons licences.

In April 2018, Directive 2014/26/EU² was transposed into Luxembourg law. IME status now allows rights holders to entrust the management of their music rights to these commercial entities, which differ from national collective management bodies (such as SACEM, SGAE, GEMA, SIAE, etc.). Unlike these bodies, an IME has to be a privately owned for-profit company which is neither held nor controlled by the rights holders. IMEs are also subject to obligations regarding management and transparency, particularly with regard to the financial aspects of exploiting rights.

The market opening up is considerable. More than 250 collective management bodies within the European Union manage around €6 billion of revenue annually³. In the era of digital audio, this wider focus could enable Jamendo to derive more value from its catalogue (220,000 titles under licence) and offer a real alternative to existing national bodies.

Alexandre Saboundjian, Managing Director and Founder of AudioValley, says: " *This could be one of the most important steps in Jamendo's history. We see IME status as validation of Jamendo's commercial*

¹ Independent Management Entity (IME)

² <https://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX:32014L0026&from=FR>

³ European Commission memorandum, Directive on collective management of copyright and related rights and multi-territorial licensing – frequently asked questions, 4 February 2014, [http://europa.eu/rapid/press-release MEMO-14-79_en.htm?locale=en](http://europa.eu/rapid/press-release_MEMO-14-79_en.htm?locale=en)

Press release

www.audiovalley.com



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model. We are proud to offer rights holders increased opportunities to distribute their music and generate revenue, at the same time as maintaining our existing attributes: equal treatment of all rights holders and transparency in monetising works and the royalties generated. The music industry is experiencing rapid change, and IME status will speed up this process. "

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