The Role of Music Aggregator Distribution Toward Music Performers in View of the Three Pillars of the Copyright System

Zeehan Fuad Attamimi
Faculty of Law, Universitas Muhammadiyah Purwokerto, Indonesia

Amalina Ahmad Tajudin
Faculty of Shariah and Law, Universiti Sains Islam Malaysia, Malaysia

Fadhil Umar
Faculty of Economics and Business, Universitas Diponegoro, Semarang, Indonesia

✉ corresponding email: zeehanfuadattamimi@ump.ac.id

Abstract
One of the works of art that is closely related to human life and economic value is music. The existence of music and songs include the scope of intellectual property copyright section. Copyright arises automatically to get protection and has economic value for its creator. Music actors, in this case the creator, can publish the results of their creativity more quickly to the general public through Music Aggregator. This becomes a commercial digital service provider in the form of a
digital streaming platform by distributing music that can be accessed anywhere and by anyone. This approach seeks to review the role of Music Aggregators in carrying out the distribution of music to the music performers in terms of the three pillars of the copyright system, namely by reviewing legislation number 28 of 2014 concerning copyright. In this case, as government support in making regulations that guarantee the rights of creators and legal protection of the works produced, it has been fulfilled but not fully because there is no specifically regulated copyright protection on digital platforms (Regulation). Infringement of musical copyright works on digital streaming platforms needs to be addressed through effective and efficient law enforcement, employing both litigation and non-litigation processes (Law Enforcement). The National Collective Management Institute, authorized to oversee the commercialized management of musical copyright works by Music Aggregators, play an important role in optimizing the function of royalty management. This involves facilitating the relationship between Music Actors as copyright holders and Music Aggregators as copyright users (Management).

Keywords
Copyright, Music Performers, Music Aggregators, Digital Streaming Platforms

Introduction
Music is a creative work in the form of sound that has tone and rhythm in harmony. Art being a part of human creativity has unique and specific characteristics, so that it can be enjoyed by others. Nowadays, music is needed in everyday life, particularly in various entertainment activities, for self-expression, economic and business reasons, ceremonies and rituals, to calm the heart, for mediation, and so on.¹ Entering the era of the industrial revolution 4.0, technological

advances provide easy access to information and telecommunications.\(^2\) One part of the industrial revolution 4.0 in the music industry has developed with the presence of an innovative music streaming technology product.\(^3\) Music streaming, as a digital platform-based media service, can be accessed easily to a wide audience, making it more popular than traditional physical media. Utilizing music streaming platform as a form of music digitization in product marketing is also a more straightforward approach in product making.\(^4\) Developments in the music industry in Indonesia has led to the emergence of several music and video streaming service providers.\(^5\) There are several music streaming service platforms, namely Spotify, Joox and YouTube music. Music Aggregators will also be connected to those various social media, artist websites, and smartphone applications.\(^6\)

As a media service business, Music Aggregator distributes music from the creations of musicians into a platform through streaming services. The music aggregator acts as an intermediary with a distribution pattern that is carried out by starting from receiving authorization from the copyright holder, collecting in a digital platform container, circulating to the music-loving public, and having the authority to duplicate, then giving royalties as a responsibility to the musician as the copyright holder.\(^7\) Music distribution is carried out on


\(^{3}\) Rissa Amanda, “Music Streaming dalam Industri Musik Era Industri 4.0,” Jurnal Studi Komunikasi (Indonesian Journal of Communications Studies) 6, no. 1 (2022): 358–82.


an agreement made by the parties between the Aggregator and the copyright holder. This agreement is established based on the agreement of the involved parties, while still ensuring the fulfillment of the rights of copyright holders.

Copyright protection is automatically granted upon the publication of a copyrighted work. The duration of copyright protection is contingent upon the nature of the copyrighted works. For works, such as books, songs/music, paintings, dance, drama, maps, art motifs, and similar creations, copyright protection extends throughout the creator's lifetime plus an additional 70 years after their death. In the case of works such as photography, cinematography, computer programs, translation/adaptation/modification of other copyrighted works, the protection lasts for 50 years from the first publication. Additionally, works of applied art receive copyright protection for 25 years from their initial publication. Copyright protection of musical works contained in the regulation of legislation Number 28 of 2014 on Copyright ensures the fulfillment of the rights of the creator.

As copyright holder, music creators are granted economic rights in the form of royalties by the Music Aggregator as it plays a role in the distribution of music. Giving royalties to music creators is a form of appreciation for the works that have been produced. The amount of royalty payments is based on the agreement contained in the agreement that has been made. This agreement is called a license agreement even though it is made based on an agreement without specific standards governing copyright protection on digital platforms. It still needs to pay attention to conformity with legislation Number 28 of 2014 as a music copyright regulation. With the regulation of music copyright, it does not rule out the possibility of infringement of copyrighted works of music, especially has not been strictly regulated countermeasures that occur on digital streaming platforms. Therefore, it is necessary to optimize the National Collective Management Institute (LMKN) as an

---

institution authorized to carry out management of copyrighted works of music.

Furthermore, the method in writing this article used doctrinal legal research methods with qualitative studies that examined several aspects of theory, structure, and legal explanations in the form of descriptive analytical narrative descriptions. This type of research emphasized the conception that law can be seen as a set of laws and regulations arranged systematically based on a certain order. This order must have a certain character, namely the existence of harmonization and synchronization both vertically and horizontally.9 Thus, this research examined and explained precisely the regulations through a statutory approach. The writing of this scientific journal is expected to elaborate all normative realities regarding the Role of Music Aggregator Distribution towards Music Performers in Review of the Three Pillars of the Copyright System: Regulation, Management, and Law Enforcement.10

**Distribution of Copyrighted Works Through Music Aggregators in the Era of Digitalization**

The current digital era has led to the existence of several digital platforms. This digital platform provides facilities for a work to be more easily accessed by the wider community. Music aggregator is a company that provides innovation by distributing a copyrighted work of music and songs into a streaming platform. Music distribution in the current digital era has transformed music distribution, bringing notable changes to the music industry. The public now has easier and faster access to music through the emergence of various streaming platforms. This is in contrast to the conventional era of music distribution, where the process of spreading music took a longer duration. The way of distribution in this digital era is only by uploading music recording data to the platform and the public can immediately use it. This condition is different from

---


the conventional era with the physical form of CD (Compact Disc) and DVD (Digital Versatile Disc) that used CD ROM tools.

In this distribution, the music aggregator as a music distribution company with music performers is carried out based on an electronic agreement. It is carried out through the interaction of the parties in the electronic system. The principle of this agreement is made based on an agreement in general, in which the parties must obey and fulfill their respective rights and obligations that have been determined as stated in Article 1 point (17) of the Electronic Information Technology (ITE) Law. Based on the agreement that has been made, the music aggregator is obliged to manage and distribute music into streaming platforms to provide royalties to the music performers. Royalties are provided for the rights of music performers as copyright holders. Music aggregators provide royalties as a result of charging people who use the service features on the music platform and take a share of the costs for services on the music aggregator.¹¹

Music that has been created in the form of data recordings called music labels, music producers, recording studios, and indie musicians.¹² The creation of recorded music data allows the copyright holder, who is the creator, the authority to grant or deny permission for other parties to use their work. If a creator can give permission, then other parties can take advantage of the work by using, announcing, and duplicating through the power given to the other party, in this case the Music Aggregator.¹³ Therefore, it becomes the role of the aggregator as an intermediary between the creator who provides recorded music data to the streaming platform. Music Aggregator as an intermediary is inseparable from the moral responsibility of a copyrighted work. These

---


are obliged to protect copyrighted works that have been authorized to distribute to provide losses for violations that occur.\(^\text{14}\)

The dissemination of this musical work through a digital platform has several feature facilities that can be used by Music Performers/Artists, namely algorithm. It can show musical activity on the platform and then get profits as an appreciation for their music copyrights. However, there are some shortcomings in the platform that need to be addressed in including credit for session players, profits that still need to be based on the size of the algorithm, and there is no feature to interact with listeners.\(^\text{15}\)

**Distribution of Copyrighted Works through Music Aggregators in the Digitalization Era**

1. **Aspect of Regulation**

   Regulations or Rules, produced by government, serve as supportive frameworks for the creative works, ensuring protection for the rights of the creator and offering legal protection. The government has made laws and regulations related to Intellectual Property Rights in Indonesia, including Law Number 20 of 2016 concerning Trademarks, Law Number 13 of 2016 concerning Patents, Law Number 28 of 2014 concerning Copyright, Law Number 31 of 2000 concerning Industrial Design, Law Number 32 of 2000 concerning Trade Secrets and Integrated Circuit Layout Design. The government makes policies by making laws and regulations in the field of IPR (Intellectual Property Rights) as a form of support for the protection of IPR. Implementation of a legislation on intellectual property is a measure of the success of IPR protection carried out by the government.\(^\text{16}\)

---


Intellectual Property Rights under the auspices of the Ministry of Justice and Human Rights of the Republic of Indonesia is an institution that has the authority to manage IPR in Indonesia. In addition, the Directorate of Information Technology under the Directorate General of Intellectual Property Rights was also formed specifically to manage IPR information.

The following are the types of intellectual property rights as follows:17
a) Copyright, is a right granted to the creator of the company's literary and artistic works, the purpose is of course to provide protection of the company's copyright and to encourage, support, and reward the creativity that is expressed (Law Number 24 of 2014).
b) Patents are exclusive rights granted by the state to inventors for their inventions in the field of technology for a certain period of time to carry out their own inventions or give their consent to other parties (Law Number 14 of 2001).
c) Trademark, is a sign in the form of a picture, name, word, letter, number, colour arrangement, or a combination of these elements that has a distinguishing mark that is usually used in the trading activities of goods or services (Law Number 15 of 2001).
d) Industrial design is the creation of shapes, configurations or compositions of lines or colours, or lines and colours or a combination in the form of three dimensions or two dimensions that give an aesthetic impression and can be used to produce a product, goods, industrial commodities, or handicrafts (Law Number 31 of 2000).
e) An integrated circuit refers to a finalized or partially finished product that contains various elements, with at least one of these elements is an active element. These elements are intricately interconnected and integrated, either partially or completely, within a semiconductor material to produce electronic functions (Law Number 32 of 2000).
f) Trade Secret is information that is unknown by the public in the field of business technology. It has economic value that is useful for

---


business activities, and its confidentiality is maintained by the owner of the trade secret.

Law Number 28 of 2014 regarding Copyright regulates various aspects related to artistic, literary, and scientific works, including songs and music. Article 1, point 3 of this law defines a creation as 'any copyrighted work in the fields of science, art, and literature produced by inspiration, ability, thought, imagination, dexterity, skill, or expertise expressed in tangible form.' According to the explanation provided in Article 40, letter d of Law Number 28 of 2014 regarding Copyright, songs and/or music, whether with or without lyrics, are considered as complete copyrighted works. Law Number 28 of 2014 concerning Copyright generally regulates the following matters:

a) Copyright protection is carried out with a longer time in line with the implementation of rules in various countries so that the duration of Copyright protection in certain fields extends for the lifetime of the creator and an additional 70 years following the creator’s death.

b) Better protection of the economic rights of creators and/or owners of related rights, including limiting the transfer of economic rights in the form of a sold flat.

c) Effective dispute resolution is through mediation, arbitration or court processes, as well as the implementation of the offense of complaint for criminal charges.

d) The manager of the trading place is responsible for the place of sale and/or infringement of Copyright and/or Related Rights in the shopping center managed.

e) Copyright as an intangible movable object can be used as an object of fiduciary security.

f) The Minister is authorized to delete a registered Creation if the Creation violates religious norms, moral norms, public order, national defense and security, as well as the provisions of laws and regulations.

---

g) Creators, Copyright Holders, owners of Related Rights become members of the Collective Management Institution in order to be able to collect rewards or Royalties.

h) The creator and/or the owner of the Related Rights shall receive a royalty for the creation or product of the Related Rights made in the course of official relations and used commercially.

i) Collective Management Institutions that function to collect and manage the economic rights of Creators and owners of Related Rights must apply for an operational license to the Minister.

j) The use of copyright and related rights in multimedia tools to respond to technological developments.

Protection for works in the domains of art, literature, science, including songs and music, is acquired without the need for a registration process. Protection automatically takes effect upon the initial realization of the work in tangible form and its subsequent publication. According to the elucidation of Article 58, paragraph (1), letter d of Law Number 28 of 2014 regarding Copyright, the duration of copyright for songs and music, with or without lyrics, spans the lifetime of the creator and persists for 70 years after the creator’s death, commencing on January 1 of the subsequent year. The management of royalties for music and song copyrights is also regulated in Government Regulation Number 56 of 2021. This regulation regulates the management of economic rights granted to the owners of Related Rights and also regulates everyone who makes commercial use of songs and/or music in order to provide protection and certainty.¹⁹

Malaysia Copyright is protected by the Copyright Act 1987. In this law states, Copyright is an exclusive right granted to the copyright owner within a certain period of time. Protection is obtained automatically without the need for previous registration, provided that the copyrighted work meets the following conditions. The work is the original work of the right owner that has been realized in a form that includes the scope of copyright. The work was first published in Malaysia, including literary works, musical works, artistic works, films, sound recordings, broadcasts, and works in the form of embodiment.

Works that can be protected are works that have been realized in a form that is the scope of Copyright, so it is not an idea. In Malaysia, copyright owners are individuals or entities responsible for producing the work. In cases where a work is created by an employee as part of their duties and responsibilities within their employment, the copyright ownership belongs to the employer.20

2. Aspect of Management

The management of rights associated with the commercialization of copyrighted works must be supported by appropriate and professional management to be effective. Commercialization of copyrighted works of songs and/or music carried out by the role of music aggregator. The role of music aggregator performs distribution on several music streaming applications, such as Spotify, Joox, and YouTube music. The role of distribution as a form of commercialization of music and aggregators as an intermediary between streaming music and the creator has an obligation to pay economic rights in the form of royalties with an agreed amount of royalties to the creator for the license agreement that has been made. Royalties will be paid by the streaming application with an intermediary music distributor, then distributed back to the creator.21

Government Regulation Number 56 of 2021 regulates the management of royalties for music and song copyrights. Royalty management is carried out by the Collective Management Institution (LMKN) by withdrawing, collecting, and distributing royalties.22 This institution has a role to facilitate the creators of song and/or music works in monitoring their copyright in regulating royalty management. In this

Government Regulation, the management of music and song copyright royalties does not explain the presence of digital platforms as a form of public place. However, music aggregators in the digital music distribution business do not replace the role of the Collective Management Institution (LMK) in the music sector entirely. Each digital streaming platform has a policy in the management of a copyrighted work of music and songs, including music actors as copyright holders that are required to have a label or publisher that cooperate between license agreements and music aggregators then carry out distribution on digital streaming platforms.23

The process of uploading music to the streaming platform can be done through a collaboration with a record label or distributor. Music Actors who are affiliated with a record label possess the capability to directly upload their content. Conversely, for independent Music Actors who lack associations with established distributors or labels, streaming platforms offer a curated list of companies specializing in music licensing and distribution. These selected entities manage the dissemination of the music and ensure that the artist receive due royalties for each instance of their music being played by listeners on the streaming platform. If the musician is still working on the song, the streaming platform also offers a list of professional producers, sound engineers, singers, and songwriters who are part of the streaming platform facilities.24

The development of technology, particularly with the advent of digital streaming platforms, is currently still relatively small. Consequently, musicians still need to do Direct marketing strategies by not relying on the digital realm. This entails adhering to conventional methods, such as holding music concerts, selling merchandise, and album releases in physical form (CD Album) with the aim of maximizing profitability.25

---

23 Akbar and Fajar ND, “Mekanisme Pembayaran Royalti Lagu dan Musik dalam Aplikasi Streaming Musik.”
The government established a special institution for the management of IPR in Indonesia, namely the Directorate General of Intellectual Property Rights under the assistance of the Ministry of Justice and Human Rights of the Republic of Indonesia. There is also an institution of the Directorate of Information Technology under the Directorate General of Intellectual Property Rights, specifically to manage IPR information.\textsuperscript{26} The Act also explains the existence of LMK that must have a license from the minister to be able to officially apply as an institution that assists creators in obtaining royalties from users of copyrighted works, who use the creator's works commercially. This is in accordance with the Minister of Law and Human Rights Regulation Number 36 of 2018 concerning Procedures for Application and Issuance of Operational Licenses and Evaluation of Collective Management Institutions. Indonesia already has an LMK as an institution tasked with collecting and distributing royalties from creators, copyright holders and or owners of related rights. These institutions include the Indonesian Copyright Works Foundation (YKCI), Wahana Musik Indonesia (WAMI), and other LMKs. The above LMKs are legally registered and represent the interests of creators, copyright holders, and or owners of related rights.

3. Aspect of Law Enforcement

Copyright infringement is still often found, especially in songs and music. In Indonesia, the appreciation of intellectual property rights is still low, leading to a prevailing perception that such rights are dispensable. In fact, intellectual property rights are useful to protect the creator from the possibility of using his rights without permission.\textsuperscript{27} This is in line with the development of technology in addition to providing convenience as a positive impact. It also provides a potential form of infringement as a negative impact that can easily do the reproduction (duplication) of copyrighted works without the permission of the creator, violation of economic rights and moral rights,


and still difficult to track violators of copyright piracy on the internet. Creator is a person or several people, driven by inspiration, conceive and bring forth a creation. This process is grounded in the faculties of thought, imagination, manual dexterity, skill, and expertise, which collectively contribute to the manifestation of a distinctive and personally infused form. The Copyright Holder is the Creator as the Copyright Owner, or the party who receives such rights from the Creator, or other parties who receive further rights from the party who receives such rights.

The creator has exclusive rights, encompassing both moral rights and economic rights. As stipulated by Article 5 paragraph (1) of the Copyright Law is "the right that is eternally attached to the Creator to continue to include or not include his name, use his alias or pseudonym; change his Creation; change the title and subtitle of the Creation; and defend his rights in the event of distortion of the Creation, mutilation of the Creation, modification of the Creation, or things that are detrimental to his personal honor or reputation". Some violations of moral rights are by changing the title to the content of the work without the authorization of the Creator or without including the name of the Creator.

The economic rights of the creator, as delineated Article 9 paragraph (1) of the Copyright Act encompass the authority of the creator or copyright holder to engage in various activities. These activities include publishing the work, duplicating the work in all its forms, translating the work, adapting, arranging, or transforming the work, distributing the work or its copies, performing the work, announcing the work, communicating the work, and renting the work. Paragraph 2 and Paragraph 3 of the Copyright Law states "Everyone who exercises economic rights over a Creation is obligated to obtain the permission of the Creator or Copyright Holder. Unauthorized reproduction and/or commercial utilization of the creation is strictly prohibited without the express consent of the creator or copyright holder". Some violations of economic rights are as mentioned in the explanation of the article above utilizing a Creation without the permission of the Creator or Copyright Holder. Permission to use the
creation by others as the Creator is entitled to royalties for the use of his creation for others.28

There are several factors that cause copyright infringement committed by the people are as follows: 29

a) Economic Factors. "The economy is one of the driving factors and includes the main factors related to the emergence of copyright infringement, such as theft of a digital image through the internet media. The prevalence of low and comparatively insufficient income, with a fairly high unemployment rate, creates an environment where people may do anything to increase their income. Despite the advent of contemporary digital media, the lack of awareness or understanding of the regulations pertaining to these matters does not serve as a justification for non-compliance with the existing laws."

b) Social and Cultural Factors. "In terms of social and culture, most Indonesians have not been able to appreciate a person's creation, regardless of the form of the creation coupled with no attraction to spend money in buying a work or creation that actually has value and should be appreciated then coupled with the habits of Indonesians who in buying a product only oriented or concerned with the price of goods without seeing the quality of the goods. Therefore, it will arise a pirated works that will make losses for the original creators."

c) Education factor. "So far, the community has not received socialization related to intellectual property rights and the laws that regulate it. The impact of public ignorance of the existing rules makes most people unable to distinguish between original works created by the owner and those that are imitated, as well as in understanding what is included or categorized into a work or creation resulting from intellectual property."

d) Lack of strict law enforcement against copyright infringers is one of the causes of the theft and plagiarism of a copyrighted work due to the weakness of the legal apparatus in dealing with violations that

---


occur. This situation is used as an excuse to legalize all activities in the form of theft, imitation, and marketing of a creation.

Addressing the infringement of copyrighted works necessitates a streamlined approach to law enforcement. The formulation and implementation of laws and regulations governing intellectual property rights in Indonesia, particularly in the domain of copyrighted songs and music, play an important role in providing both preventive and repressive protection. These legal frameworks serve as a comprehensive strategy to safeguard the rights of creators and ensure the effective and efficient enforcement of copyright laws. According to Hadjon, legal protection can be divided into 2 (two), namely preventive protection and repressive protection. Preventive protection is a form of protection to file an objection before a government decree or government decision. Meanwhile, repressive protection is carried out after the applicable legal rules have been violated or if they violate someone's rights.  

In Articles 66 to 67 of the Copyright Act states that "every work of creation related to songs and music can be recorded." This is a preventive measure as an effort to prevent possible violations of copyrighted works of songs and music that will occur later. The recording provides authentic evidence that a copyrighted work has been registered and received certainty of legal protection in the event of a dispute or in the event of piracy. Although basically copyrighted works in the form of music and songs include objects that are automatically (Automatic Protection or Automatically Protection System) has been protected since its creation without registration as previously explained. 

In contrast to preventive protection, which focuses as a prevention effort, repressive protection is an effort to protect copyrighted works that have occurred an offense. This protection provides an effort to resolve copyright disputes. Copyright infringement provides material losses related to the violation of economic rights and immaterial losses related to the violation of moral rights for the creator. Such violations must be resolved and sanctions and also fines for what is done to the

30 Akbar and Fajar ND, “Mekanisme Pembayaran Royalti Lagu dan Musik dalam Aplikasi Streaming Musik.”
copyrighted work. Act No. 28 Year 2014 on Copyright as the legal basis of preventive protection against copyright infringement of songs and/or music. As preventive and repressive protection efforts, the Creator is given the right to announce his work to the public or called Performing Right. It is an activity of reading, broadcasting, exhibition, sale, distribution or dissemination of a work by using any medium, including by using the internet so that a work of creation can be read, seen, and listened by the public, so that copyright violations that occur can be immediately known and reported. The role of Music Aggregator is very important because not only as a facilitator of music distribution into digital streaming platforms, but it can provide full protection of copyrighted works of music to guarantee the rights of the creator.

**Conclusion**

As a commercial digital service provider operating as a digital streaming platform, Music Aggregator introduces innovation by distributing copyrighted music works and songs through its streaming service. The role of music aggregators in facilitating the distribution of music to artists is examined within the framework of the copyright system, as outlined in Legislation Number 28 of 2014 concerning copyright. While the government has taken steps to support regulations safeguarding creators’ rights and providing legal protection for their works, there remains room for improvement, particularly in addressing gaps in copyright protection within digital platforms. Effective solutions require a combination of preventive and punitive measures in law enforcement. The National Collective Management Agency (LMKN) assumes a crucial role in this context by managing commercialized musical copyrighted works distributed by Music Aggregators. The LMKN is empowered to oversee royalty management between music performers (copyright holders) and Music Aggregators (copyright users) through license agreements, thereby optimizing the protection and management of copyrighted works on digital streaming platforms. By employing this multifaceted approach, comprehensive management and protection within the digital landscape are ensured.
References


Amanda, Rissa. “Music Streaming dalam Industri Musik Era Industri 4.0,” Jurnal Studi Komunikasi (Indonesian Journal of Communications Studies) 6, no. 1 (2022): 358–82.


Pangestu, Aryo Dwi. “Tinjauan Hukum Tentang Pembayaran Royalti Terhadap Karya Lagu dalam Aplikasi Streaming Musik (Spotify


Acknowledgment
This article is the result of collaboration from Universitas Muhammadiyah Purwokerto, Universiti Sains Islam Malaysia, and Universitas Diponegoro. The author would like to thank all those who have helped and supported this work, the author hopes that this work can become a useful resource for many people.

Funding Information
This work was supported fully funded by Universitas Muhammadiyah Purwokerto.

Conflicting Interest Statement
There is no conflict of interest in the publication of this article.

Publishing Ethical and Originality Statement
All authors declared that this work is original and has never been published in any form and in any media, nor is it under consideration for publication in any journal, and all sources cited in this work refer to the basic standards of scientific citation.