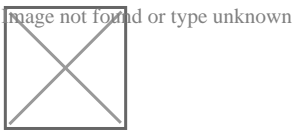


From Sting selling his song catalog to the majors generating \$20bn last year: It's MBW's Weekly Round-Up

Welcome to *Music Business Worldwide* [157 articles]">*Music Business Worldwide's* weekly round-up – where we make sure you caught the five biggest stories to hit our headlines over the past seven days. MBW's round-up is supported by Centtrip, which helps over 500 of the world's best-selling artists maximise their income and reduce their touring costs.



Sting song name puns abounded online this week as we learned that the British artist became the latest superstar to sell his publishing rights.

Acquired by Universal Music Group [2,567 articles]">Universal Music Publishing Group, the catalog features the entirety of both Sting's solo works, as well as those with The Police, including mega hits like *Roxanne* and *Every Breath You Take*.

Sting's deal with UMPG sees him unite his song catalog with his recorded music catalog under Universal Music Group [2,567 articles]">Universal Music Group, having called UMG his label home for his entire career (through A&M, Interscope and Cherrytree Records).

The news marks the latest mega deal in an increasingly frenzied rights market, and continues a trend of the majors snapping up catalogs of superstars, which UMPG started in December 2020 with the acquisition of Bob Dylan's publishing.

UMPG didn't disclose the price of the Sting deal, but, according MBW's expert industry source, the final acquisition fee reached north of \$300 million.

Several other significant stories hit MBW's headlines this week from the world of music industry acquisitions.

Firstly, New York-based Reservoir [156 articles]">Reservoir Media's Founder and Chief Executive Officer

Golnar Khosrowshahi [34 articles]">Golnar Khosrowshahi revealed on Tuesday (February 8) that the firm has a "\$3 billion pipeline of potential deals that we are actively exploring".

Khosrowshahi also stated that the company, which floated on the NASDAQ last July via a merger with a SPAC, expects "to deploy over \$200 million in strategic M&A during our first year as a public company".

Meanwhile, MBW reported that investment giant KKR [64 articles]">KKR, which, via its new Chord Music venture acquired a large portfolio of rights from Kobalt for \$1.1 billion in October, is now securitizing that catalog into bonds, and it's also seeking a nice rating for them.

The development comes three months after MBW predicted that a large entity in the financial world would acquire a sizeable catalog of rights, then split that catalog up into bonds, and then proceed to sell those bonds on to investors.

Also this week, we confirmed that the majors jointly generated \$20 billion last year, while Sony [1,515 articles]">Sony Music's \$430 million buyout of AWAL [221 articles]">AWAL was provisionally cleared by the UK's competition watchdog.

Here's what happened this week...

1) CONFIRMED: THE 3 MAJOR MUSIC COMPANIES JOINTLY GENERATED OVER \$20BN LAST YEAR (THAT'S OVER \$2M PER HOUR)

Want to know how big last year was for the three major music companies? Gargantuan.

Last summer, MBW predicted that Universal Music Group [2,568 articles]">Universal Music Group, Sony Music Group [176 articles]">Sony Music Group(including Sony's music interests in Japan) and Warner Music Group [1,965 articles]">Warner Music Group would – combined – generate more than \$20 billion in annual revenues in 2021.

We can now confirm, via a lot of number-crunching, that this was indeed the case. (\$20 billion in a year, stat fans, is the equivalent of turning over around \$2.3 million every hour.)...

2) STING SELLS SONG CATALOG TO UNIVERSAL FOR \$300M+

Legendary artist and songwriter Sting has sold his entire song catalog to Universal Music Publishing Group (UMPG).

The catalog features the entirety of both Sting's solo works, as well as those with The Police, including mega hits like Roxanne, Every Breath You Take, Shape Of My Heart, If I Ever Lose My Faith In You,

Fields Of Gold, Desert Rose, Message in a Bottle, Englishman in New York and Every Little Thing She Does Is Magic.

The price of the deal wasn't disclosed by UMPG, but one expert industry source tells MBW the final acquisition fee reached north of \$300 million...

3) RESERVOIR HAS \$3BN WORTH OF DEALS IN 'PIPELINE' AND EXPECTS TO SPEND \$200M+ ON M&A DURING FIRST YEAR AS PUBLIC FIRM

This week, New York-based Reservoir Media published the financial results for its fiscal Q3 2022 (calendar Q4 2021), ended December 31, 2021.

Within Reservoir's latest earnings release, Founder and Chief Executive Officer Golnar Khosrowshahi stated that the firm expects "to deploy over \$200 million in strategic M&A during our first year as a public company".

Additionally, Khosrowshahi revealed that the firm has "\$3 billion worth of deals in the pipeline".

Commenting further on this multi-billion dollar sum during the firm's earnings call, Khosrowshahi noted that, "We have a \$3 billion pipeline of potential deals that we are actively exploring..."

4) KKR BOUGHT A MUSIC CATALOG FROM KOBALT FOR \$1.1BN. NOW IT'S TURNING IT INTO BONDS

"Mark my words, we're going to see a large financial entity buy a massive catalog of rights, then they're going to split that catalog up into loads of bonds, and sell those bonds on to investors – and crucially, they're going to be able to get a good rating for them."

That's what MBW told you in the first half of October last year. And that's precisely what's just played out.

In the second half of October, KKR – via its new Chord Music venture – acquired a large portfolio of rights from Kobalt for \$1.1 billion.

Now, KKR is indeed securitizing that catalog into bonds, and seeking a nice rating for them..

5) SONY MUSIC'S \$430M BUYOUT OF AWAL PROVISIONALLY CLEARED BY UK COMPETITION WATCHDOG

Sony Music Entertainment [1,126 articles]”>Sony Music Entertainment couldn’t have asked for a better start to the weekend.

Today (February 11), the UK’s Competition and Markets Authority (CMA) has confirmed its provisional decision over Sony’s \$430 million buyout of AWAL – and it’s given the deal the green light.

The approval concludes a months-long investigation into SME’s acquisition of AWAL from Kobalt Music Group [553 articles]”>Kobalt Music Group in early 2021...

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Source: [From Sting selling his song catalog to the majors generating \\$20bn last year: It’s MBW’s Weekly Round-Up](#)