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## UPFRONT

### Words' Worth

#### Lyrics Websites Start To Pull In Some Extra Cash

When Microsoft added a new entertainment page to its Bing search engine last summer, the technology giant estimated that looking up song lyrics accounted for about 70% of all entertainment-related searches.

Even with that level of interest, revenue from lyrics will never match revenue from music. But publishers and online lyric service providers say they can establish a profitable, growing business through Internet lyric searches, now that illegitimate sites are on the run.

Every time the National Music Publishers' Assn. sends out cease-and-desist letters to websites that provide unlicensed lyrics or sues those that ignore such notices, "we get a flood of [licensing] inquiries from lyric sites," LyricFind CEO **Darryl Ballantyne** says. LyricFind and Gracenote are two lyric aggregators that have licensed lyrics from thousands of publishers and in turn make their database available to thousands of other websites. Some are pure lyric sites, but most are music-related sites that offer lyrics as one more form of content.

"When we built LyricFind, we did so off the idea that no end user will pull out a credit card and pay for lyrics," Ballantyne says. "It has to feel free to users [even if lyrics are bundled into a paid service plan]. The only difference between a licensed and unlicensed lyric site is the songwriter and publisher get paid and the users get better content."

#### Publishers Place

ED CHRISTMAN



‘When they come for the lyrics, we’re exposing them to other offerings.’

—ALAN JURISTOVSKI, METROLYRICS

LyricFind has a database of 1.5 million licensed songs and another 600,000 works that it still needs to clear. It licenses its database to clients that include free, ad-supported lyric sites; music subscription services; and mobile services.

In December, LyricFind launched its "Lyrics for Free" service, which enables websites to provide visitors with lyrics in exchange for giving LyricFind ad space that it can sell on their search results pages. LyricFind splits the revenue with the hosting website if certain traffic thresholds are met.

Whichever way LyricFind derives its revenue, publishers get 50% of those payments, as well as a detailed report by song and service of lyric usage, so publishers can properly pay songwriters.

MetroLyrics—which had 14 million unique visitors in the United States in December, up from 11.4 million a year earlier, according to comScore—says it derives revenue by selling ringtones and from ad-supported searches, according to MetroLyrics co-founder/CEO **Alan Juristovski**.

At its own website, MetroLyrics is attempting to increase traffic by offering additional content. "When they come for the lyrics, we're exposing them to other offerings" such as music news and

gossip, Juristovski says.

Moreover, Juristovski says partnerships with artists and labels would benefit all parties. "One would expect that artists would be very interested," he says. The company has recently hosted or scheduled after-party events with Universal Music Group and Interscope.

MetroLyrics rolled out a redesigned website and mobile site after the new year to make them easier to navigate. Juristovski sees mobile as a potential growth area—though he acknowledges that, on the smaller screen, there isn't much room for content beyond lyrics.

The company has also developed two new versions of its mobile apps for the iPhone, iPad and Android handsets, which are awaiting approval by iTunes and the Android Market. One is a free "lite" version without ads and the other is a free, ad-supported "pro" version with additional features, such as the ability to scroll lyrics to a song playing on your handset and a location-based element that allows mobile users to see what other people in their area are listening to. LyricFind, for its part, offers lyric-search apps for the iPhone and Android handsets.

The holy grail for publishers would be for lyrics to be included with all song downloads at iTunes and other digital retailers. While the per-download cut would be very small, across billions of transactions, it could add up.

"There are moments when it seems like it could happen," Sony/ATV Music Publishing executive VP of legal and business affairs **Peter Brodsky** says, "but then they [Apple] move on to something else."

For the time being, online lyric licensing is a modest business for publishers. But because it is revenue that didn't exist until recently, the proceeds are pure gravy.

"We are starting to see some revenue now," Brodsky says. "I don't see it being a huge business, but I think the revenue stream will increase."



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