



IAO
International Artists Organisation
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Commissioner Dombrovskis
Commissioner for Economy and Productivity, Commissioner for Implementation and Simplification
European Commission
Rue de la Loi 200
Brussels

Dear Commissioner Dombrovskis,

14 November 2025

Thank you for meeting last month with IAO (representing featured artists in the music sector since 2015), as part of a broader delegation raising concerns about UMG/Downtown.

I would like to follow up with an open letter in my role as president of IAO, as there has been a new UMG development in the market which has a huge impact on artists.

Allow me to start with a question which summarises this:

Should artists be worried about the world's biggest music company cooking up deals on AI while it's also trying to buy up rivals?

I say yes and I call on the EU to say stop!

As we move towards the close of 2025, I have been asking myself fundamental questions about the future of all artists. Many decisions have been taken that will have a huge impact on our future.

In the last few days the biggest music company UMG settled its copyright infringement case with AI company Udio.

This sounds impressive, but who will get their share of the settlement? Artists, distributed labels? And what of the new platform to be launched next year? Whose music will be used on that, are there are exclusive elements?

All this is happening at the same time as UMG is trying to clear its proposed acquisition of Downtown. We are very worried about these two things happening side by side.

We look to Europe to solve many issues and this is no exception. You were absolutely right to open a detailed investigation in the summer. I hope you will also be looking into the terms of this new AI deal. That could dwarf any streaming issues we have.

This debate is ultimately about choice, access and diversity both for artists and consequently for fans. The music industry is not one homogenous unit, it is a complex ecosystem of creators, services and companies that are interdependent on each other to create a broad, varied and culturally diverse world of music for billions of people across the globe.

That diversity is the result of choice. Without the ability for new artists, genres, approaches and scenes to emerge and new businesses to break into the market, niche music will disappear. That is why we have such deep concerns about this acquisition, as it will create a single monolith with so much power to yield that it can control the market.

It's worth noting that every globally successful genre of music began life as niche...

Artists require genuine freedom about the art they make and how they distribute it to fans.

One of the biggest concerns artists have is the prevailing imbalance of power, particularly when it comes to negotiating deals. If UMG is allowed to get bigger, it would increase the imbalance significantly.

If UMG are permitted to move forward with this acquisition, it would make it almost impossible for artists to get music to market without touching Universal's infrastructure, be that label services, distribution, royalty accounting, or the various rights and contractual agreements that they would control.

Digital is our most important source of revenue so it's a big shock to think that the market leader is trying to get even more power through FUGA, CD Baby, as well as Songtrust and Curve. Some of these names are not so well known, but it doesn't matter - they wouldn't be a target if they weren't extremely valuable.

Access to playlists would be more difficult and more revenue would be taken out of digital services to favour the model of UMG. If I think about what might happen to payment thresholds on streaming services, I am sure to wake up in a cold sweat. And that's before we get into AI deals, how they will be structured and how preferences will work in that world.

It's important to see Downtown for what it is, a big company holding the keys to many services making an impact, a major in the making. That's great if it's an independent but not if it's folded into the market leader.

Let's remember, UMG don't need what they already have unless they have big plans to control even more of the ecosystem.

For both emerging as well as established artists, the concerns are about who decides what our future streaming revenue is and how we will interact with AI, and who is going to get paid.

Fairness in the system is fundamental for all artists. Making UMG bigger would be a giant step back for "artistkind", so we look to Europe to take a stance and block the acquisition.

As the European Commission moves through its next steps, I thank you on behalf of our members in Europe and internationally for taking on this highly significant task – we have one request, please make sure you look at streaming and also these new AI deals being struck, that's the very essence of our future.

With kind regards,

Nacho García Vega

President of IAO, representing the rights and interests of featured artists in the music industry