

U.S. Senate Al Insight Forum Transparency, Explainability, Intellectual Property, and Copyright

Written Statement of Ziad Sultan
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Thank you Leader Schumer, Senator Young, Senator Heinrich, and Senator Rounds for your leadership in holding this series of forums on artificial intelligence. Spotify is grateful for the opportunity to lend our insights to your initiative to educate Senators and staff on the promises and potential challenges of generative Al.

My name is Ziad Sultan and I am the Vice President of Personalization at Spotify. Spotify's mission is to unlock the potential of human creativity by giving a million creative artists the opportunity to live off their art and billions of fans the opportunity to enjoy and be inspired by it. Our founder and CEO, Daniel Ek, created Spotify at a time when piracy was ravaging the music industry. Today, we are proud to have played a significant role in revitalizing the industry.

According to the RIAA, music streaming now accounts for 84 percent of recorded music revenue, powering an all-time high of first-half revenues in 2023 of \$8.4 billion¹. As of 2022, Spotify's all-time payouts to music rightsholders are approaching \$40 billion². In short, we are deeply invested in the copyright system and work closely with our rightsholder partners to ensure that Spotify remains an engine of growth for the music industry.

We believe that technology like generative AI can help further our mission and has the potential to offer real benefits to both the music industry and the audio industry more broadly. It is very early days for an incredibly fast-moving and developing technology. Handled in a responsible and thoughtful manner, Spotify expects that generative AI can meaningfully augment the creative journey and open up music creation to a whole new set of artists.

We're not new to this space. For years, our investment in AI and in particular, machine learning, has made Spotify what it is today: a personalized experience for each and every user and one that drives discovery and connection between listeners and creators through the power of recommendations. This ambition continues to guide our work through the development of innovative experiences like the Spotify Home feed, Discover Weekly, Blend and Made for You Mixes which millions of listeners worldwide engage with every day.

¹ RIAA Mid-Year 2023 Revenue Report,

² https://loudandclear.byspotify.com/

In fact, when we ask our listeners what they like most about us, more than 81% cite our personalization. At the same time, we take seriously our need to be responsible and thoughtful with this technology, including by ensuring that our personalization experiences employ a team dedicated to algorithmic responsibility.

Most recently, with the rise of generative AI, we've been experimenting with new ways to continue cultivating discovery and connection. One of the most exciting examples of this is DJ: a personalized AI guide that knows our listeners' music taste so well that it can choose what to play for them alongside commentary about the artist or track we recommend. We're proud that DJ was named one of Time's best inventions of 2023³.

DJ is another tool to help artists cultivate new listeners with the opportunity to build connections to new and lasting fans. It also involves human beings, including a "writers room" of music and culture experts, data curators, and scriptwriters to help arm DJ with knowledge and expertise. We're excited to continue working closely with artists and labels to ensure the experience with DJ expands their audiences.

Our efforts to bring this technology to bear are not limited to music creators. We have also explored tools that can benefit podcasters as well, particularly our pilot roll-out of a tool that enables English-language podcasters to translate their own voices into another language, such as Spanish. While we have only rolled this out with a select number of podcasters, this is an exciting use of Al technology.

Imagine reaching a new audience in a new language but maintaining all of the vocal characteristics that make you unique. Podcasters benefit from unlocking new audiences that may have been previously inaccessible, while listeners around the world are given the power to discover and be inspired by new podcasters in a more authentic way than ever before.

Spotify appreciates that this space is evolving rapidly, which is why we're actively exploring new and emerging technologies through research and development and have dedicated teams in place to review the risks and opportunities of a broad range of AI methodologies and tools. While we will proceed cautiously, we're hopeful about the opportunities for creative artists. We are in constant conversation with our partners and creators and want to strike a balance between allowing innovation and, of course, protecting artists and creators.

These are very complex issues. As Congress works toward developing Al legislation with an eye to protecting artists and creators, Spotify stands ready to lend its perspective and experience. We take the role of guardian and the support we provide for artists and creators very seriously. Our focus on our north star remains: To help creators connect with audiences, monetize their art and

³https://time.com/collection/best-inventions-2023/6326353/spotify-dj/#:~:text=Music%20streamer%20Spotify's%20new,Spotify's%20head%20of%20cultural%20partnerships.

build careers. We welcome the opportunity to be a part of this conversation and look forward to continuing to work with you going forward.

Thank you again for inviting me.

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