

# Sound recording and music publishing, 2013

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The sound recording and music publishing industry generated total operating revenue of \$799.7 million in 2013. Total operating expenses were reported at \$714.1 million, resulting in an operating profit margin of 10.7%.

The largest industry group, record production and integrated record production and distribution, accounted for 59.5% of total operating revenue, followed by music publishers (24.0%), sound recording studios (14.3%) and other sound recording industries (2.2%).

## Record production and integrated record production and distribution

In 2013, the record production and integrated record production and distribution industry group had total operating revenue of \$476.1 million. Ontario accounted for 78.3% of this operating revenue, followed by Quebec (17.2%).

The total operating revenue for this industry group, in conjunction with total operating expenses of \$443.0 million, resulted in an operating profit margin of 7.0%.

Cost of goods sold was the largest operating expense at 28.4%, followed closely by royalties, franchise fees and memberships at 27.7%.

In 2013, total sales of recordings for this industry group were \$334.1 million. Businesses generated \$164.6 million from the sale of musical compact discs and \$154.8 million from the sale of digital musical recordings. Other musical recordings, such as vinyl records generated \$14.8 million in sales.

Canadian-controlled businesses garnered 22.0% of total sales, of which 60.7% were from Canadian artists. In contrast, foreign-controlled companies in Canada generated 78.0% of the industry's total sales, of which 7.6% were from Canadian artists.

Sales of recordings by music category were dominated by the popular music / rock genre with 77.6%, followed by country and folk music at 6.2%.

## Music publishers

Music publishers posted \$192.2 million in total operating revenue and \$163.2 million in total operating expenses, resulting in an operating profit margin of 15.1%.

Performing rights, the licensing of rights to such mediums as radio, television and live events accounted for 38.7% of the \$165.4 million in royalty and licensing rights revenue, while the licensing of rights to stream sound recordings online accounted for 3.3%.

## Sound recording studios

Businesses in the sound recording studio industry primarily engage in providing the facilities and technical expertise for recording musical performances as well as providing audio production and postproduction services for film, television and video productions. Services such as recording, mixing and mastering generated \$114.2 million in total operating revenue and \$97.9 million in total operating expenses. This resulted in an operating profit margin of 14.3%.



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### Note to readers

Changes to the methodology were made to the biennial Survey of Service Industries: Sound Recording and Music Publishing. Users should, therefore, exercise caution when comparing 2013 data with historical datasets. For more information on the methodology changes, consult the document [Integrated Business Statistics Program](#) in the Behind the data feature of our website.

Beginning with this release, the estimates are based on the 2012 North American Industry Classification System.

The publication *Sound Recording and Music Publishing* (87F0008X) is no longer available. Data from the biennial Survey of Service Industries: Sound Recording and Music Publishing will now be released in CANSIM.

With this release, CANSIM tables 361-0034 and 361-0035 are replacing CANSIM tables 361-0005 and 361-0024, which have now been terminated.

**Available in CANSIM: tables [361-0034](#), [361-0035](#) and [361-0061 to 361-0065](#).**

**Definitions, data sources and methods: survey number [3115](#).**

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; [infostats@statcan.gc.ca](mailto:infostats@statcan.gc.ca)) or Media Relations (613-951-4636; [mediahotline@statcan.gc.ca](mailto:mediahotline@statcan.gc.ca)).