

Spotify Music Service Ready for Kickoff in Russia

By [The Moscow Times](#)

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International streaming music service Spotify is on the brink of launching operations in Russia, with a head for the new office already selected and negotiations underway with local partners.

Alexander Kubaneishvili has been hired to head the Russian office of Spotify, following posts in advertising at Google and online sales at Microsoft, two sources in the music distribution market told Vedomosti. The information was confirmed by an acquaintance of Kubaneishvili.

Kubaneishvili and Spotify declined to comment. The precise date of the music service's launch in Russia has yet to be announced.

Founded in 2006 and launched in 2008 by Swedish startup Spotify AB, Spotify now operates in 55 countries worldwide, offering listeners an extensive catalogue of music thanks to global contracts with leading recording labels Universal Music, Sony Music and Warner Music,

among others.

Users have two options: to listen for free but with advertising, or to pay a monthly subscription fee of \$10 in the U.S. and 10 euros (\$13.77) in Europe for ad-free listening.

Spotify plans to obtain music by Russian artists through agreements with digital distributors Orchard, Believe and Rights Communications, an employee in one of the companies said.

The sum library of these three distributors contains more than 90 percent of all domestic music to be found on Russian iTunes.

Among the challenges Spotify may face on entering the market are endemic piracy, a hot-button issue in the Russian music industry, and the presence of established streaming music providers.

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