

From: Richard Stumpf [mailto:Richard.Stumpf@redacted.com] **Redacted**
Sent: Monday, November 09, 2015 5:59 PM
To: ATR-LT3-ASCAP-BMI-Decree-Review
Subject: Comments on the pending ASCAP / BMI Consent Decree Revision

Thank you for the opportunity to comment on this very important issue. I will keep my thoughts short and to the point.

No Need To Artificially Depress Rates:

The manner in which people consume music is vastly different from when the consent decree was imposed. Rules that were put in place to prevent any potential withholding of music from the public airways in an era when sales of physical goods dominated how writers and we as an industry earned money are not at all relevant in an era where streaming (which is effectively either an on demand or passive performance) has replaced physical goods. There is no collective licensing body that is motivated to insist on rates whereby songs may not make it to the streaming services. They are our point of sales now, not simply a point of promotion. Without market rates that fairly compensate writers and recording artists, as well as allow the streaming companies to operate profitably, there simply is no more music consumption business. A market approach will result in an adopted "willing buyer willing seller" rate that will be applied across the board. But we need to lift the consent decree to be able to get there.

We Need To Be Able To Choose Our Bulk Licensing Reps:

The idea of allowing a licensee to pull a 100% license from a rights clearance agency that only controls a portion is troubling. Simply put, the licensee will just go to the company that may have the lowest negotiated rate, or worse, go direct to a small writer who may self represent, where the odds on any pay through are slim to none. Not to mention, we are then waiting an extra accounting cycle for our payments and the PROS will need to set up payment accounts for writers they don't even have info on. It will get ugly fast.

We Need To Keep This Easy and not have a Two Class System:

I do not think publishers should be able to pull subsets of rights otherwise granted to PRO's out to negotiate direct deals. None of us want that, as it defeats the entire purpose of enlisting bulk licensing agents so we can reduce our own red tape and focus on creativity. If the consent decree is lifted, pulling subsets of rights will not be necessary as the bulk reps we all choose will be able to negotiate proper rates. Licensees should pay one "willing buyer, willing seller" rate as determined by real negotiations with bulk licensees for all songs regardless if those songs are controlled by a Major or Indie. To wind up in a world where the value of songs is based on the company a writer is signed to makes no sense. I represent a whole bunch of hits and the idea that a co-writer on the same hit may be paid more than my writer is absurd and will put indies out of business and therefore remove the creative pulse of our industry.

In sum, there should be no consent decree in today's music business. Happy to discuss further.

Regards,

Rich



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