

When the Music Creators are not properly compensated, revenue is left unrealized. This occurs as a result of Music Creators having to negotiate with Broadcasters on a "Direct License" basis, competing with their own Performing Rights Organization, with no basis for "Fair Market Value".

The current state of affairs pertaining to the Performing Rights Organizations and the DOJ Consent Decrees make the relationship between Music Creators and Music Users very difficult. In the past the Broadcasters had blanket Performance Licenses and Music Creators were paid by their respective PROs on the basis of Usage Type, Time and Rates applied. Recently (post 1994) Broadcasters often opt to "Direct License" with the Music Creators forcing them to compete with their very own PRO to negotiate rates and most often, buy outs with literally no basis for "Fair Market Value". Now the Broadcasters who once complained of the PROs being monopolies and taking advantage, are now the ones taking advantage of the individual Music Creators who had originally been represented by the PRO.

Additionally, Music Creators more and more provide music for projects when they are small and starting up with hopes and intents of these projects growing. At the outset the Music Creators are expected to provide "Platform Agnostic" clearances for future unknown usage up front. With the blanket system of the past, this was not a problem because the Broadcasters had blanket licenses. With no ability to negotiate on a basis of "Fair Market Value" commerce is impeded under the current system.

In addition, the members of the Board of Directors for our Performing Rights Society, BMI, are 100% Broadcasters. What kind of Antitrust are we talking about when our PRO is mainly governed by the very people who sought relief in the first place. The playing field is not level.

In the long run the Consent Decrees are destroying the basis of Compensation for intellectual Property.