m MUSICMANAGERSFORUM

MMF-US - E-NEWSLETTER (March 2010] - Extra MMF-US FEATURE

MEMBER/MANAGER ANNOUNCEMENTS



MUSICMANAGERSFORUM

REMINDER TO RSVP NOW for TONIGHT's

Music Managers Forum & Women In Music (WIM) Joint Networking Event in New York City

The Music Managers Forum (MMF-US) and Women In Music (WIM) re-scheduled Joint Networking Event for managers, MMF and WIM members will take place on Thursday, March 4, 2010 (7:00 PM – 9:00 PM) – TONIGHT! at Arlo & Esme 42 East 1st Street (between 1st and 2nd Ave) New York City (cash bar)

RSVP NOW at: www.tinyurl.com/WIMMMF

Everyone attending must RSVP to be put on the list to be admitted. You may list yourself as MMF, otherwise you will be asked to join at the door. MMF-US wants the our entire NYC area membership and potential managers joining our organization to attend the networking event, so please feel free to forward this to a fellow manager. We look forward to seeing everyone tonight at 7PM.

www.mmfus.com



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Music Manager Forum-US presents:

SXSW Managers Peer Meeting Saturday, March 20, 2010 at 12:30pm Room 13B, Austin Convention Center (*SXSW Conference badge required to attend*)

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Music Manager Forum-US coordinates with SXSW to present:

SXSW's '*Meet the U.S. Managers*' for the International Speed Dating Session on Friday, March 19, 2010 from 3:30 PM to 4:30 PM in the SXSW Media & Music Conference Trade Show Floor at the Austin Convention Center

Detail of the Session: SXSW offers registrants the opportunity to meet with potential business partners from around the world.

SXSW will be providing, for the third year in row, a dedicated speed dating area within the SXSW Music Trade Show. This will consist of one long table and 20 chairs. On one side of the table, we will have seats for ten delegates representing multiple music professions from one country, and on the other side, ten seats for registrants wishing to meet these delegates. The concept behind Speed Dating is that registrants have the opportunity to meet 10 other potential business contacts for 5 minutes each to briefly pitch their businesses to each other.

If both parties then feel that they have more business to discuss, they can schedule another meeting at a later time. If, however, after 5 minutes, it is clear that there is no business to discuss then each of the two parties simply move on to the next meeting. Therefore, it is technically possible within each hour slot, for ten people to have a total of ten meetings. Very fast, very efficient.

Proposed sessions include registrants from the countries of:

Brazil, Australia, Germany, Ireland, The Netherlands, U.K. Managers, Spain, Canada and U.S. Managers.

Moderated by Jack Bookbinder for MMF-US

Delegates from the MMF-US Executive Board include: *Steven Scharf / Steven Scharf Entertainment & Carlin America *Stephen Bond Garvan / Garvan Management

If you are registered and have a badge for the SXSW Media & Music Conference and with to participate in this session,

please contact Jack Bookbinder at <u>funpalace@walrus.com</u> as soon as possible and we'll try to accommodate your request.

No doubt you've been hearing the recent ads on the radio against the Performance Rights Act. Below is a letter from the musicFIRST Coalition (including Music Managers Forum-US) that was sent on February 22, 2010 to every Member of Congress, which sets the record straight on the PRA.



We write you today to set the record straight about the bipartisan Performance Rights Act that passed out of the Judiciary Committees in both chambers last year.

Where We Stand

After reporting the bills from committee in both Houses, the Committee chairs and Leadership asked the parties to work in good faith to reach a resolution that would allow both radio and creators to grow together, and to act as partners. Music creators have always been willing to come to a resolution that is good for listeners and fair to both sides, and we remain eagerly engaged in the process requested by Congress. We are optimistic that broadcasters will continue to participate in these discussions, even as they use their power over the public airwaves to disseminate false and misleading messages designed to influence Members and listeners.

You've no doubt noticed the blizzard of advertising from the National Association of Broadcasters. They clearly don't like the bill. Of course, this is not the first time there's been a policy dispute in Congress that's been played out over the airwaves (though, notably, one side of this debate conveniently controls those airwaves). What is unique this time, however, is the volume and astonishing distortion of the broadcaster media campaign. More on their distortions in just a bit.

We don't control the airwaves. We don't have free access to spectrum. And we have far less money to wage our campaign. But we're consoled in this mismatch of resources that the whole Congress, like the committees of jurisdiction, is smart and disciplined enough to examine this issue beyond the fallacies that one side can throw into a thirty or sixty second ad. Many of you have faced outlandish attacks in your own campaigns, so we are confident that seeing through the fog of misinformation and getting the policy right is still the mission.

If policy is determined by which side can win the prize for the most audacious nonsense, we won't win. Give that medal to the broadcasters. What we seek instead is the serious, thoughtful, deliberative process that should be the hallmark of lawmaking in any event.

The Issue

In the United States economy, there is only one property that a business can use to make money without compensating the owner and creator of that property. That property is a sound recording of our music. Imagine: broadcasters can freely use the creativity of a brilliant sound recording, but we don't get paid, and we can't stop them by saying no.

We want to be paid for our work. It's that simple. The broadcasters call that payment a "tax." Now we all know why they say that – the politics is clear. But to call a payment from one private party for the use of the property of another private party a "tax" is ludicrous. Payment for property is not a "tax"; on the contrary, using property without payment is a taking. In fact, a tax is what U.S. citizens have paid for decades to provide their airwaves to the commercial broadcasters for free.

The broadcasters like to say that this is a new issue. Hardly. Artists have asked the Congress to fix this inequity since at least the 20's and 30's when Bing Crosby organized artists to obtain this right. Frank Sinatra carried on that campaign in the 80's. Performers' unions have fought for the right for decades. In the 70's, after a meticulous Congressionally-mandated multi-year review, the U.S. Copyright Office called for the passage of a performance right. The Congress itself passed laws in the mid 90's to provide royalties for sound recordings broadcast on Internet and satellite radio. Administrations of both parties have supported the performance right for terrestrial radio as well – making the observation that there is no policy or legal rationale for this taking to occur, and that payment for property – in this case, creativity – results in more of it. For fans, that's literally music to their ears.

Broadcasters' Tactics

The broadcasters like to say that artists and musicians and rights owners get the full value of their property compensated in the form of promotion. That argument is flawed too. First, in the digital age, as consumption of music moves from acquisition of units to listening models, sales have fallen by more than half (2/3 in physical) in just the last decade. Second, to the extent promotion is relevant, it should not be imposed on the creator but rather be a point of negotiation. And, third, promotional value does not negate the need for compensation in any other broadcasting platform (simulcast, Internet, satellite radio) or in any parallel circumstance. NFL and MLB games are broadcast on radio. That's promotional, but converting a book into a screenplay requires payment. When NAB members own content such as TV programs, they insist upon payment from cable operators, but when someone else owns the content, such as music, NAB members refuse to pay for it (ironic, huh). That's some double-standard.

The broadcasters also like to engage in xenophobic wedge rhetoric. They try to make this about foreignowned companies; it's not. It's about American jobs and American creativity. They allege that artists and musicians won't be paid. Absurd. Under statute, just as is the case with the performance royalties music now receives from satellite, cable and the web, 50% of the payment goes to the performers and 50% goes to the copyright owners. And since artists sometimes own their master recordings, more than half of the payments will go directly to the creators themselves.

And the broadcasters like to trash the rich (never mind the multi-billion dollar, overly-consolidated corporate entities that dominate the radio industry). This isn't about superstars making a little more money. Instead, this goes to the heart of new creativity, supporting thousands including the independent artists who create new music and the independent music labels across the country who are investing in that creativity. Will there be money to invest in new artists seeking professional support? And will the less-celebrated but vital working musicians have a chance to earn a fair living from their craft? For a healthy music sector, and to sustain investment in new art, the sound recording must be compensated.

The Simple Ask

In the end, this policy question is straightforward. No amount of paid distortions – all designed to make this look complicated – changes this basic fact. The question is this: Is there any legitimate reason why broadcasters should be able to build a business using our music without our being paid or at least having the right to say no thanks?

The answer, of course, is no.

By passing the performance rights bill, the Congress will give meaning to real property rights, will stimulate the remarkable creativity that is uniquely American, will liberate as much as \$100 million a year to come back to our country that is now locked away because we don't have this right in the U.S., and will allow lots of families who derive their living from music a fair chance to support themselves. Please do the right thing by American creators. Support the Performance Rights Act and decline to sign the Broadcasters' Resolution (cleverly titled the Local Radio Freedom Act).

Many thanks for your thoughtful consideration.

Neil Portnow President/CEO The Recording Academy Thomas F. Lee International President American Federation of Musicians of the United States and Canada

Mitch Bainwol Chairman and CEO Recording Industry Association of America

Kim Roberts Hedgpeth National Executive Director American Federation of Television and Radio Artists, AFL-CIO

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Special thanks for contributions by: Barry Bergman, Perry Resnick, Steve Scharf, Steve Garvan, and compiler/editor Jack Bookbinder.

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