On the Hill & In the Know

SoundExchange Tells Congress: Fair Pay for All Music Creators, Across All Platforms

On June 25, SoundExchange President and CEO Michael Huppe testified on music licensing at the House Committee on the Judiciary Subcommittee on Courts, Intellectual Property and the Internet. This was the second hearing the Subcommittee has held on the topic of music licensing this month. Joining Michael were singer-songwriter Rosanne Cash, ASCAP President and Chairman Paul Williams, Secretly Group co-founder and SoundExchange Board Member Darius Van Arman, RIAA Chairman and CEO and SoundExchange Board Member Cary Sherman, and executives from Pandora, SiriusXM, and the National Association of Broadcasters. The hearing explored a range of topics important to SoundExchange and its members. This marked
the second time Michael has testified before the Subcommittee on music licensing issues (the first was a hearing in November 2012 that contributed significantly to the defeat of the Internet Radio Fairness Act — an intentionally misnamed piece of legislation that would have resulted in major cuts to digital radio royalties).

Michael’s testimony focused on the dramatic changes in the music industry in the decade since SoundExchange was born and the central role that SoundExchange plays in administering the Congressionally-created statutory license for sound recordings. This statutory framework is responsible for supporting the explosion of digital streaming and SoundExchange’s work representing more than 100,000 artist and label accounts. Michael set the tone for the discussion by laying out an important principle he believes should guide the committee’s consideration going forward: “All creators should receive fair pay, on all platforms, whenever their music is used. Period. Everyone who has a hand in the creation of music deserves fair market value for their work — and I mean everyone: songwriters and publishers, studio producers and engineers, the artists who give compositions life and record companies who help artists fulfill their creative vision.”

This is the same principle that guides all of SoundExchange’s advocacy efforts. As Congress pursues a comprehensive review of the Copyright Act, SoundExchange is leading the effort to strengthen and improve the music licensing framework for all artists and copyright holders. Michael stressed the urgent need to pass the “RESPECT” Act (H.R. 4722) to ensure that legacy artists receive compensation from digital radio services that use their work. Right now, and as was reported in the May edition of SoundByte, certain digital radio services are refusing to pay artists for sound recordings made before 1972, and SoundExchange’s campaign, Project72, is focused on getting a solution to this injustice enacted into law.

Michael also stressed the need to end the decades-long giveaway that allows FM radio to pay nothing for the sound recordings that fuel its $17 billion industry as well as promoting rate standard parity so satellite and cable services pay artists and copyright owners a fair market rate for their work. He stated simply the need to eliminate “the ancient and unfair loophole that allows the $17 billion AM/FM radio industry to pay nothing for the source of its lifeblood.”
SoundExchange is leading a robust and aggressive effort to fight for artists and rights holders in Washington, and the hearing on June 25 was another big step forward as Members of Congress on both sides of the aisle expressed support for the policies SoundExchange believes will result in fair treatment for all music creators.

To watch the full hearing, click here. And to read Michael’s full written testimony, click here.

**SoundExchange Takes New York for New Music Seminar**

From June 8-10, SoundExchange headed to New York City to participate in New Music Seminar (NMS) featuring the SoundExchange Summit. NMS is an annual event bringing together some of the best up-and-coming artists and labels in the industry. It’s a destination where artists, industry executives and companies are provided the knowledge, tools and connections they need to succeed in today’s new music business.

SoundExchange President and CEO Michael Huppe once again helped to kick off the conference with a keynote speech that detailed why FM radio needs recording artists more than recording artists need FM radio. The speech was well received and set a strong tone for the days to follow.

*Colin Rushing (left) appears on a key NMS panel with SiriusXM Senior Vice President of Music Licensing George White (right)*

*The Chevin rocks a packed house at The Cutting Room*
SoundExchange Senior Vice President and General Counsel, Colin Rushing also appeared on an engaging panel that talked about different ways companies can adapt and continue to grow despite near constant changes in technology.

In addition, SoundExchange held a reception at The Cutting Room to honor the recipients of its inaugural SoundExchange PULSE Award. They included: Lorde, The Neighbourhood, Macklemore & Ryan Lewis, CHVRCHES, and Lindsey Stirling. The reception was packed with artists and representatives from labels and featured a fantastic performance from the up and coming band, The Chevin.

**Going Direct — SoundExchange Launches Artist and Label Portal**

Nowadays, streaming services are the preferred method of listening to music. With more than 2,500 digital radio providers relying on the statutory license, the digital royalties that music is earning are quickly adding up. So, SoundExchange built and launched tools for artist, labels and their representatives to help them navigate their digital performance royalties. SoundExchange Direct went “live” this month and will allow registrants to enjoy the convenience and control of 24/7 access to their account.

Artists and labels registered with SoundExchange who received payments in the Q2 distribution can begin enjoying this new feature today.

“With more than 2,500 digital radio providers relying on the statutory license, the digital royalties that music is earning are quickly adding up.”
SoundExchange Direct allows users to:

- Access their statements, both in summary and in track-level detail
- Download 3 years of statement history
- Edit their contact, payment or bank information
- Manage multiple SoundExchange accounts from one place, and add guest users
- Upload repertoire

Who can access SoundExchange Direct?

SoundExchange payees have either already been invited or will be invited to the site, where they can access detailed information about their royalties and self-manage elements of their account.

“If you have not received an invite yet, don’t be discouraged. SoundExchange Direct will be inviting new registrants on a rolling basis during quarterly distributions. Your royalty balance must reach the minimum payment threshold for a quarterly distribution before you will receive an invitation.”

Questions? The SoundExchange Customer Service team is available at 1-800-961-2091 or accounts@soundexchange.com.

Q1 2014 Digital Radio Report

June 2014 marks the debut of SoundExchange’s Digital Radio Report. The report will be released every quarter and will detail the cumulative royalty payouts to our recording artists and rights holders of the previous quarter.

In addition, the report will share insights about the state of music industry and relay relevant news stories that focus on the digital streaming industry. The close of Q2 2014 is right around the corner; be on the lookout for our second quarter report in July. We hope to expand the information we share each quarter making this a resource for anyone looking to learn more about SoundExchange or our part of the music industry.
SoundExchange a Finalist for LIBBY Award

SoundExchange is a long-term advocate for independent artists and record labels working their way through the music industry. In recognition of that service, SoundExchange was recently nominated for a Libera Award given by A2IM (The LIBBYs). SoundExchange was among the finalists for the Independent Ally of the Year along with Merlin, NPR Music, PledgeMusic, Record Store Day, Sirius XM Radio, and Spotify. The winners were announced on June 19, 2014 and though SoundExchange did not win, the nomination is a testament to the continued work they do with independent artists and record labels.

For more on everything SoundExchange does for independent artists and the independent music community as a whole, click here.

“Live Your Life in Animal Years”

If someone told you to “live your life in animal years,” would you have any idea what that means? If the answer is no, you wouldn’t be alone. But it’s not quite as odd a concept as it might initially sound. In fact, it’s a philosophy of thinking and living from Mike McFadden, the lead singer of the Brooklyn based band Animal Years (more on that below). The emerging quartet is made up McFadden on vocals, banjo, and guitar, Anthony Saladino on bass, Anthony Spinnato on drums, and Matthew Indelicatti on guitar.

SoundByte sat down with McFadden to chat about the band, their origin, what’s on the horizon, and a unique fan encounter for the indie band. And be sure to check out an exclusive performance from the band presented by SoundExchange from the Gibson Showroom in Washington, D.C. below (click on the image on the next page).

SoundByte (SB): How did the group come together? Where did the band’s name come from?

Mike McFadden (MM): I wrote and recorded [Sun Will Rise] when I was living in Baltimore a couple of years ago. After the album was recorded, I moved up to Brooklyn after some prodding from Anthony Saladino (bass), who helped me put together the remainder of the band. The actual name is inspired by a Josh Ritter album called The Animal Years. It’s [the band’s] take on what the name means to us. I’ve made some major sacrifices in order to pursue my love of music and in return have found a
deeper appreciation for what a lot of us take for granted every day. Do what you love and don't take your basic rights, freedoms, and commodities for granted. We can all take notes from our pets and other animals who never make things too complicated. Live your life in Animal Years.

SB: Are there any musicians in particular that influence you as a performer?  
MM: I'm heavily influenced by singer/songwriters (including): Donovan, AA Bondy, Tallest Man On Earth, Josh Ritter, Ray Lamontagne, Martin Sexton, Jackie Greene, and Loudon Wainwright III among others.

SB: How important are revenue streams from organizations like SoundExchange? Do you find it helpful to have a one stop shop for all royalties from the 2,500+ service providers streaming music?  
MM: It's very important! Without SoundExchange we wouldn’t have an advocate for something we are otherwise powerless against. We don’t have the ability to check up on every digital streamer and lobby Congress on behalf of artist’s rights without an organization like SoundExchange.

SB: Does anyone in the band have any unique fan encounters?  
MM: A girl cried after meeting Anthony Saladino (bass) on the streets of Brooklyn. I don’t think anyone is ready to believe that actually happened. But it did.

SB: Is there anything new on the horizon for the band? Upcoming tours, events, albums?  
MM: Yeah! We just released a really fun 70's themed music video for our single ‘Forget What They’re Telling You.’ [The video] features Bailey Noble, one of the actresses on the HBO show True Blood. And after selling out Rockwood Music Hall in NYC we are looking to book an even bigger venue for a huge late summer NYC show!

For more on Animal Years, click here.
Events & Special Offers

Events
Latin American Music Conference
New York City
July 8-12, 2014
Panel (July 12, 2-3:15pm): “Every Centavo Counts: Making Sense of Streaming and the New Digital Economy” featuring SoundExchange Vice President of Industry Relations, Barry LeVine

DMW Music
New York City
September 9, 2014
Discount Code (15% off): SOUND15
Panel: “Rights, Licenses & Royalties: What Does It All Mean for the Business of Music?” featuring SoundExchange Director of Claims, Scott Berenson

Special Offers
SoundExchange is rolling out a brand new set of special offers throughout the year. SoundByte will be your go to place to find the latest on what the organization is offering.

SoundExchange registrants and members now have access to an exclusive 3-month promotional free trial of Bandzoogle covering all Standard Plan Bandzoogle features, and a 15% discount on all membership plans.

Bandzoogle is a platform where musicians and companies can build their own websites. The easy to use website and all of its features are included. Bandzoogle also includes tools to manage emails and mailing lists, and powerful direct-to-fan commerce options (Bandzoogle takes no commission on sales). Plans after the SoundExchange Member Benefit trial period start at $9.95 / month and include a domain name, hosting, dozens of themes, online support and more.

Discount amount: 3 months / all website features
Soundexchange discount code: sx