



December 6, 2019

Via email at [regans@copyright.gov](mailto:regans@copyright.gov) and [achau@copyright.gov](mailto:achau@copyright.gov)

Regan A. Smith  
General Counsel and Associate Register of Copyrights  
Anna Chauvet  
Assistant General Counsel  
U.S. Copyright Office  
Library of Congress  
101 Independence Ave. SE  
Washington, DC 20559-6000

RE: Summary of the December 4, 2019 Ex Parte Meeting regarding the Music Modernization Act  
Implementing Regulations for the Blanket License for Digital Uses and Mechanical Licensing  
Collective, Docket No. 2019-5

---

Dear Ms. Smith and Ms. Chauvet,

On December 4, 2019, the following individuals from Universal Music Group (“UMG”) and the Recording Industry Association of America, Inc. (“RIAA”) participated in a meeting with Regan Smith, Anna Chauvet, Jason Sloan, John Riley, Holland Gormley and Cassandra Sciortino of the Copyright Office concerning the above referenced matter: Amy Isbell and Kim Beauchamp of UMG; and Ken Doroshow, Susan Chertkof and David Hughes of RIAA. The meeting focused exclusively on issues related to sound recording data.

1. History of the Digital Supply Chain. Ms. Beauchamp described her background and experience in the industry, her current position and responsibilities, the shift from paper-based to digital records and the effort that went into developing the digital supply chain. She described how DMPs take a siloed approach to record company catalogs, which avoids the need to dedupe their data. As a result, when catalogs change hands record companies must manually remove the catalog from the old company’s “account” and add it to the new company’s “account.”
2. Purpose of the Database. We reminded the Office that the MLC database is not meant to be an authoritative sound recording database. The sound recording data is there solely to help identify the musical work embedded in the sound recordings streamed by DMPs, so that the MLC can pay

the relevant writers and publishers. For this reason and because of the various concerns about the sound recording data discussed at the meeting, we highlighted the need for a strong disclaimer.

3. Data Quality. We discussed a number of marketplace realities that affect the quality of the sound recording data that is available to the MLC.
  - a. Data is most accurate when it is obtained as close to the source as possible. We discussed the new RIN (i.e., Recording Information Notification) message from DDEX, which captures data in the studio and is the ultimate tool for capturing data at the source. We discussed the fact that the quality of data can vary among different genres of music, and that artists or performers sometimes do not want their names to appear in credits or to be listed in a publicly available database (e.g., when an established artist sits in to help a newer artist).
  - b. We reiterated the suggestion in our Initial Comments that the MLC be required to obtain its sound recording data from a single authoritative source, such as SoundExchange.
  - c. We explained that SoundExchange gets the same data feeds as the DMPs (for purposes of distributing statutory licensing royalties) but then it dedupes and deconflicts the data. SoundExchange receives data from approximately 3400 labels, including certain independent distributors (e.g., CdBaby). If the MLC does not get its data from a single authoritative source, such as SoundExchange, it will be faced with the burden of reconciling data conflicts that have been ignored for years because of the way the DMPs silo their label data. SoundExchange has already reconciled most of those conflicts.
  - d. We gave examples of how and why the DMPs alter and augment the metadata they receive from the labels and noted that any data provided by the DMPs to the MLC must be submitted in unaltered form.
  - e. We stressed that the database should not be populated from usage reports because those are subject to typographical and other human errors; instead, it should be populated from a single authoritative source. Once the database is populated, DMPs should ping the database to derive the information needed to populate their reports of use. Where a track is not already in the MLC database, the DMP should include it in its report of use but when that data appears in the database it should be flagged as unverified or from a non-authoritative source.
4. Sound Recording Copyright Owner Data. We explained the difference between the data in the digital supply chain, where actual copyright ownership is irrelevant, and the record companies' copyright registration and royalty databases, which the record companies use for litigation purposes and to know who to pay for various recordings. DMPs only need to know who to pay and, maybe, who to call if issues arise. We discussed how data labelling the supply chain data as "sound recording copyright owner" could mislead the public and could be upsetting to the actual copyright owners, who are sometimes artists or their heirs, who may mistakenly think the distributing label is trying to claim ownership of their recordings. Conversely, artists who are the actual copyright owners likely do not want their names listed in a publicly accessible database. We noted that the SoundExchange's ISRC look up database does not include owner information and it is not currently available for bulk download by the public. We also highlighted that making ISRCs publicly available in bulk could also raise piracy concerns.

We discussed different deal structures between record companies and artists/smaller labels including “P&D” deals, where the record company is merely a conduit to the digital supply chain, and exclusive licensing deals, where the record company stands in the shoes of the owner. We explained that many smaller labels don’t have their own digital supply chain so they use a bigger label to digitally distribute their product. Those distributed labels often change distributors after their catalog is in the digital supply chain, making some of the metadata wrong until it is updated. We mentioned other potentially relevant fields in the ERN message such as imprint label and party ID. The Copyright Office team asked us to send them a copy of the ERN specification, which we intend to do. They also asked whether there are any other fields in the specification that are typically populated in a way that would not be obvious to the uninformed. We talked about possibly renaming the field or naming the field in the alternative (e.g., “sound recording copyright owner or its designee” or “sound recording administrator”). The Office asked whether it might be better to populate the sound recording copyright owner field with the p-line data in an ERN message and we pointed out that there is no p-line for pre-72 recordings.

5. Unique Identifier. We discussed the importance of all reports of use including a unique numerical identifier, i.e., ISRC, to help distinguish situations where, for example, different artists record different songs by the same name.
6. Value of Sound Recording Metadata. We discussed the large sums of money that UMG has invested to create and maintain its digital supply chain data and the fact that UMG currently licenses that data to third parties for substantial sums of money. If members of the public and third parties were able to access the MLC database in bulk for a minimal fee, that would decimate the commercial value of UMG’s metadata.
7. Public Education. We discussed the Office’s role under the statute in educating the public about the new law and stressed the importance of educating young, up and coming musicians about the importance of ISRCs and other numerical identifiers if they want to be paid in a digital economy. Ms. Beauchamp offered to assist the Office in its efforts to educate the public.

We appreciated the ability to meet with the Copyright Office on these matters.

Sincerely,

A handwritten signature in cursive script that reads "Susan Chertkof". The signature is written in dark ink and is positioned above the typed name and title.

Susan Chertkof  
Senior Vice President, Legal and Regulatory Affairs  
Recording Industry Association of America