

**Before the  
UNITED STATES COPYRIGHT OFFICE  
Washington, D.C.**

In the Matter of:

Technological Upgrades to Registration and  
Recordation Functions

Docket No. 2013-2

**COMMENTS OF MUSIC REPORTS, INC.**

Music Reports, Inc. (“Music Reports”) hereby submits these Comments in response to the Copyright Office’s Notice of Inquiry dated March 18, 2013 in the above-captioned proceeding.

**I. Music Reports and its Interest in this Matter**

**A. Music Reports™**

Music Reports is a music rights administration firm which has been providing high-volume music licensing and royalty accounting services to copyright owners and users for almost 20 years. The company performs these services as a private enterprise, which requires that it be innovative, efficient, and competitive. In addition to representing broadcasters, major record companies, consumer products companies, and mobile carriers, among others, Music Reports represents the majority of “interactive” digital music services in the United States which rely on high-volume administration of the §115 statutory mechanical reproduction license (the “Statutory License”).

Music Reports has provided high-volume Statutory License administration services since 2001. During that time we have obtained mechanical licenses for and account regularly on the use of over forty two million recordings on behalf of the majority of the leading digital music

services operating in the US today. As such, without question, the company has more first-hand experience in day-to-day use of the Statutory License than any other entity.

## **B. The Statutory License In Modern Usage**

Although originally intended for use by companies manufacturing piano rolls or other physical media incorporating mechanical reproductions of musical compositions, the Statutory License is now used most frequently by interactive digital music services. While a sufficient number of sound recording copyrights can be licensed by the digital music services from a relatively finite number of sound recording copyright owners and aggregators, licensing a similar range of musical composition copyrights would be impossible without the Statutory License. A service would need to obtain negotiated licenses from the over one hundred thousand music publishers operating in the United States alone, and would consequently incur enormous transaction costs.

The Statutory License is critical for these services, and it is serving the needs of the digital music industry well in its current form. These comments are intended only to suggest certain technological upgrades to the Office's online services which might optimize use of the Statutory License.

## **II. Music Reports' Use of the Office's Current Online Offerings**

The law and regulation behind the Statutory License contemplates search of the Copyright Office records. Currently, however, Music Reports' use of the records of the Office is extremely limited. We occasionally use the records of the Office to establish dates of registration, or as a secondary resource to cross reference other information. But in terms of administering the Statutory License, the Office's records are of very limited utility. Meanwhile,

other sources of publishing ownership information, including our own Songdex® database, are more readily available and reliable.

#### **A. Problems Searching Copyright Office Records**

Our experience has been that online searches of the Office's records are not returned for up to thirty seconds, a commercially unreasonable amount of time. The Office should seek to improve the performance of its search processing.

When search results are returned by the Office's system, they tend to include numerous irrelevant results. Specifically, the publicly searchable records of the Office outside of the Office itself do not permit a researcher to filter the results by subject matter type. Therefore, searching for a composition title often results in a large number of results for various sound recordings of the target composition, through which a researcher must hunt for information about the underlying composition itself. We understand from conversations with the Office staff that internally at the Office it is possible to search specifically for 'musical compositions', excluding sound recording registration results. Implementing search filtering by work type would be a useful improvement to the Office's public-facing search capabilities.

Additionally, the Office's electronically-searchable records do not include recordations of transfers, which have never been captured electronically, let alone made available in a searchable format. Given this fact, even if a search successfully returns a result indicating the original registered owner of a composition, there is no way to be sure that such party is the current owner of the composition.

#### **B. How Music Reports Would Like to Interact with the Office**

Ideally, Music Reports would be able to rely on the publicly and electronically available records of the Office to establish definitively the current ownership of a musical composition and sufficient information about that owner (e.g., name and current mailing address) to be able to

send them an effective Notice of Intent to Obtain a Compulsory License (“NOI”) pursuant to 37 CFR §201.18. Moreover, we would like to be able to rely in the alternative on the absence of such information as a sufficient basis on which to file an NOI on the Office itself for a given composition.

Since the foregoing goals are unrealistic in the medium term, we would be encouraged in the short term if the Office were to provide the public with the ability to:

- receive search results quickly (e.g., in less than one second);
- search by title, composer, or copyright owner, or any combination of those;
- filter search results to receive only hits related to musical compositions, as opposed to sound recordings or other forms of copyrightable subject matter, notwithstanding that the composition may have been registered together with a given sound recording (e.g., on a form SR);
- search the queue of pending registration applications in order to find information about the claimants of new compositions which may not yet appear on the Office’s registration records;
- file NOIs in bulk on the Office itself where the records of the Office do not show the current name and address of the copyright owner of the noticed compositions.

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**III. Conclusion**

In view of the foregoing, Music Reports respectfully requests that the Office bear in mind the challenges inherent in using the Office's publicly-available electronic systems in connection with administration of the Statutory License, and adopt the suggestions indicated above.

Dated: May 21, 2013

Respectfully submitted,



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