

Comments on Music Licensing

A little bit makes a big difference. That's the whole concept behind performance royalties. It all adds up. But that works both ways, especially at a small Non-Commercial/Educational community radio station.

Pala Rez Radio is owned and operated by a Southern California Indian tribe with about 650 members. While the community includes many non-tribal members, it's still only about 2,000 people. We maintain a live stream for the benefit of tribal members living off the reservation since our FM signal only travels about five miles. We have an annual budget of just over \$100k and just one full time paid employee. At this level of service and music licensing, we're small potatoes to ASCAP, BMI, SESAC and Sound Exchange. Yet every increase in fees, no matter how small, has a significant impact on our budget. But more importantly, complications in reporting have a devastating effect on work load. Every additional few minutes involved in music and stream reporting takes time away from producing original news and cultural content, brand building, and fundraising.

At a time when upcoming generations of both consumers and producers are abandoning traditional broadcast radio for performer career-building and the dissemination of music, it seems strange that there's even discussion of increasing royalties, when market forces indicate a decrease is in order. Just because revenue has always flowed from one source doesn't mean it always will, nor should that source have to bear the burden of supporting a royalty collection bureaucracy. Forward-thinking music makers believe their future is in live performance, not the collection of royalties. Some even espouse the idea of free dissemination of recordings in favor of making their living on the resulting demand for live performances.

Aside from this "big picture" paradigm shift, we, as a small community broadcaster cannot be expected to shoulder ever-increasing fees and burdensome reporting. To continue the level of community service required of this tribal radio station, we would seriously look at discontinuing playing any licensed music rather than pay more in fees or spend more time accounting for recorded performances and stream listeners.

We at Pala Rez Radio call for a rollback or elimination of music performance fees and extreme simplification of reporting, if not for all stations, then at least for the smallest ones who can least afford the fees and hours involved in compliance.

Sincerely,

John Fox

Station Manager of KOPA, Pala