

## **United States Copyright Office**

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Re: Docket No. 2020-5

Music Modernization Act Reports of Usage – Server Fixation Date and Termination

## **Dear Commenters:**

Thank you for your participation in the Copyright Office's ongoing rulemaking proceeding to implement the Music Modernization Act. Following the receipt of comments in response to the Office's notice of proposed rulemaking ("NPRM"), the Office is providing you with the opportunity to participate in a joint *ex parte* teleconference concerning the reporting of server fixation dates and their relationship to copyright termination under 17 U.S.C. 203 and 304(c).

The Office issued its NPRM following a notification of inquiry that revealed disagreement between the mechanical licensing collective ("MLC") and digital licensee coordinator ("DLC") regarding the MLC's request to require digital music providers ("DMPs") to report the date on which each sound recording is first reproduced by the DMP on its server. The MLC contended that the server date is necessary for determining who to pay royalties to, where there has been a statutory termination because of the application of the derivative works exception contained in 17 U.S.C. 203(b)(1) and 304(c)(6)(A). The DLC questioned the merits of the MLC's reasoning, and asserted that not all DMPs store the server date.

While the NPRM neither endorsed nor rejected the MLC's legal interpretation, the Office noted that, at least in certain situations, it seemed reasonable for the MLC to want to know the relevant license date.<sup>3</sup> At that time, the Office had not received any comments from publishers or songwriters (or representative organizations) addressing this topic. In response to the NPRM, the Office has now received comments from such groups that comment upon or question the MLC's proposed approach and applicability of termination issues to the current proceeding.<sup>4</sup>

To progress this rulemaking, the Office invites commenters who addressed this topic to a joint *ex parte* teleconference concerning the issues raised by the comments with respect to this aspect of the rulemaking. Participants will be required to submit a letter summarizing their substantive participation in the call, in conformance with the Office's *ex parte* guidelines.

<sup>&</sup>lt;sup>1</sup> 85 Fed. Reg. 22,518 (Apr. 22, 2020).

<sup>&</sup>lt;sup>2</sup> See id. at 22,532–33.

<sup>&</sup>lt;sup>3</sup> See id. at 22,532–33 & n.210 (while observing that the MLC's interpretation "seems at least colorable," "[t]he Office does not foreclose the possibility of other interpretations" and "does not find it prudent to itself elaborate upon or offer an interpretation of the scope of the derivative works exception in this particular rulemaking proceeding, which is not primarily focused on termination issues").

<sup>&</sup>lt;sup>4</sup> See SONA & MAC Comments at 8–12; Recording Academy Comments at 3.

Please email me at regans@copyright.gov and Jason Sloan at jslo@copyright.gov by **no later than June 15, 2020, at 11:59 p.m. Eastern Time** with your availability to participate in a teleconference on this issue on June 19 or 22, 2020. The Office will be in touch to confirm a time that is most amenable to the commenters.

Sincerely,

Regan A. Smith,

General Counsel and

Rogen Sny

Associate Register of Copyrights

U.S. Copyright Office