

August 9, 2022

Jason Sloan Assistant General Counsel, U.S. Copyright Office Library of Congress 101 Independence Avenue SE Washington, DC 20559-6000

Re: Summary of Comments of *Ex Parte* Meeting Regarding Request by Digital Services for an Indefinite Extension of Time to Adjust Royalty Reporting Following Decision in *Phonorecords III* Remand

Dear Mr. Sloan:

The Music Artists Coalition (MAC) would like to thank the Representatives of the Copyright Office for their time, courtesy and consideration in meeting with MAC on August 8. This letter serves as a summary of our comments stemming from the August 8 meeting.

The representatives who participated in the August 8 meeting on behalf of MAC were Jordan Bromley and Susan Genco, board members of MAC. The representatives participating on behalf of the Copyright Office were Jason Sloan and Shireen Nasir.

MAC requested the meeting to discuss with the Copyright Office MAC's recommendation to reject the recent request by the Digital Licensee Coordinator ("DLC") and its members for an *indefinite* extension of time (as opposed to the current six-month period) for the Digital Music Providers ("DMPs") to submit reports of adjustment following a decision in the *Phonorecords III* remand proceeding. *Phonorecords III* has already been unnecessarily prolonged by the DMPs' continuous efforts to avoid paying their fair share to songwriters as required by the law, and the Copyright Office must make a clear statement that attempting to continuously avoid the enforcement of a federal regulatory scheme is unacceptable.

MAC stressed that songwriters have waited far too long to find out both *how much* and *when* they will be paid under *Phonorecords III*, which sets the rates for 2018-2022. 2022

is quickly coming to an end. Songwriters still do not have an answer as to how much and when they will be paid for the last five years. Providing DMPs with an indefinite amount of time to submit their adjustment reports only adds insult to injury.

MAC further emphasized that the DMPs clearly have the ability to pay songwriters what they are owed, and to meet the six-month reporting deadline. For example, after the December 2018 rate determination in *Phonorecords III*, Spotify not only reported that it overpaid rightsholders; it immediately began to reconcile the overpayment as early as June 2019 by taking advantage of subscription bundle discounts. If Spotify was able to meet the six-month deadline in 2019, then it, along with the other DMPs, should be able to do so now. The DMPs have not presented any viable justifications as to why the deadline must be extended indefinitely.

This unnecessary delay in paying songwriters the compensation that they are <u>legally owed</u> is unconscionable, and would be unheard of in any other industry. Any DMP that cannot meet the current six-month deadline should face the repercussions of the law without any further delay. As such, MAC strongly recommends that the DLC's request for an extension be rejected.

MAC appreciates the time and attention of the Copyright Office regarding this matter. Please do not hesitate to contact us should you require further assistance as needed.

With gratitude,

Jordan Bromley

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Jordan Bromley

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Board Members, Music Artists Coalition