



September 29, 2020

VIA EMAIL

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Regan A. Smith, Esq.
General Counsel and Associate Register of Copyrights
United States Copyright Office
101 Independence Avenue, SE
Washington, DC 20559-6000

Re: September 25, 2020 Copyright Office Virtual Meeting

Dear Ms. Smith,

This is to summarize our discussion during the *ex parte* meeting held online between Music Reports, Inc. (“Music Reports”), and the Copyright Office (the “Office”) on September 25, 2020. Attendees from the Office included Regan Smith, Anna Chauvet, John Riley, and Jason Sloan; attendees from Music Reports included Dhruv Prasad, Bill Colitre, Robert Shepard, Mike Shanley, and Yoram Namir.

Music Reports’ intent in requesting the meeting was solely to correct and inform certain statements reported in the *Ex Parte* Letter of the Digital Licensee Coordinator (“DLC”) dated August 27, 2020 regarding its *ex parte* meeting with the Office on August 25, 2020 (the “DLC’s Letter”).

Specifically, in discussing digital music providers’ challenges with respect to the transfer and reporting of royalties to the MLC during the transition period, the DLC reported that “Vendors that have managed [royalty administration] processes pose additional challenges, both because of claims of confidentiality over necessary information, and because some DMPs have contracted with different vendors and different times....”¹

With respect to the first of these two points, the DLC’s Letter went on to assert that “...certain vendors will not release information about partially matched works to the MLC, because those vendors regard the information about partial ownership or control as highly

¹ DLC’s Letter at 2.

confidential in nature.”² To the extent this comment refers to Music Reports, it is inaccurate. Music Reports has never said it will not release information about partially matched works—only that such data has independent commercial value given the twenty-five years of effort the company has invested in curating that data.

In fact, the public record in this proceeding shows that since November of 2019, Music Reports has not only been willing to provide its proprietary share-level information, but has suggested that such data be incorporated in monthly reports of use, e.g., to identify ownership shares licensed under voluntary licenses for purposes of proactive administration and rapid conflict resolution where conflicts might arise.³ We are currently working with our clients to understand and support their needs, on commercially reasonable terms, with respect to these needs and the full range of other tasks they will have to address in order to manage their businesses, ensure they are able to meet the important reporting obligations of the MLC, and preserve the limitation of liability conferred by Section 115 of the Copyright Act.

With respect to the DLC’s concern about digital music providers’ contracting with “different vendors at different times,” Music Reports is aware of only two such instances, neither of which appears likely to raise difficulties in managing the delivery of transitional cumulative statements of account. In each case, the DMP in question should simply work with each of its two vendors to independently produce the files required for the period during which the applicable vendor was managing the process.

Finally, we wanted to correct the DLC’s Letter at Footnote 6, which states that “[t]he vendors who maintain [historical records of use] are also unlikely to be familiar with DDEX.” To the extent this comment refers to Music Reports, it is also inaccurate. To be clear, Music Reports is a full member of the DDEX organization and one of the leading vendors of DDEX data transformation services globally.

Moreover, we are in communication with the MLC at senior levels and are already working with them on the DDEX integration and testing process to ensure both sides are ready to exchange the necessary files. It appears to Music Reports that the time available for this task is adequate, and that commencement of operations on (or, where applicable, before) the License Availability Date is reasonably on track to occur.

During our meeting, Music Reports observed that the MLC has, in fact, published both a DDEX DSRF format for monthly reports of usage, as well as a simplified “SURF” format for use by less sophisticated DMPs, as required by the regulations. That said, all of Music Reports’ current clients are certainly capable of reporting to the MLC in DDEX format, because Music Reports has stored their historical records of use and is capable of transcoding these into the MLC’s required DSRF format when necessary.

² *Id.*

³ See Initial Comment of Music Reports, Inc., Docket No. 2019-5, November 8, 2019, attaching draft regulation 210.33(c)(3)(iii).

Music Reports thanks the Copyright Office for the opportunity to discuss the progress being made toward the roll out of the blanket mechanical license, and to clear up any misconceptions about our company's positions and capabilities.

Sincerely,

MUSIC REPORTS, INC.

A handwritten signature in black ink, appearing to read "W.B. Colitre". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

William B. Colitre
Vice President & General Counsel