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Press release

Designation of the US Mechanical Licensing Collective (MLC)

On 22 April 2019, the US Copyright Office's consultation on the designation of a Mechanical Licensing Collective (MLC) came to an end. The Music Modernization Act ("MMA"), enacted on 21 October 2018, calls for establishing such a collective to manage a new blanket licensing system governing licensed uses of musical works by digital music providers.

Together with many of its members, the European Composer and Songwriter Alliance (ECSA), which represents over 50,000 professional composers and songwriters in 26 European countries, supports the American Music Licensing Collective (AMLC)'s proposal and considers that it is the sole collective capable to meet the challenges of adequately identifying and remunerating all songwriters for their works in full independence.

First of all, the AMLC has excellent administrative and technological capabilities, notably regarding ownership identification, matching and claiming process as well as a well-functioning database of musical works. In comparison with the National Music Publishers Association (NMPA)'s Proposal, the AMLC's proposal is also the most independent and best placed entity to collect and distribute royalties, including unclaimed accrued royalties.

In conjunction with the certain MMA provisions (that supersede State Property Laws), entrusting the NMPA as the collective would de facto lead to a major conflict of interest since major publishers would have no interest in duly identifying songwriters and distributing the "black box" royalties to them since they would profit from unclaimed increased royalties (distributed according to market shares only). As a result, entrusting the NMPA with the MLC can only lead to further concentration and a lack of diversity in the music sector, leaving the international independent songwriters and their huge repertory behind.

In contrast, the AMLC, supported by the global author's community would serve the interests of thousands of self-published, independent songwriters who are not represented by the major music publishers, but deserve to be duly identified and paid. It is worth recalling that the MMA provides that "*all copyright owners shall have their royalties distributed fairly and no copyright owner may receive special treatment as a result of their position on the Board, its committees, or for any other reason without a reasonable basis.*"

In addition, the AMLC's Proposal foresees foreign representation of international songwriters and their associations on its Board, whilst being completely neglected in the NMPA driven proposal.

In our view, there is no reason to justify the non-representation of foreign music creators from an entity that will also govern all foreign repertoire, in a context where European repertoire accounts for a up to 25% of the Top 100 songs played on US radio stations.

Furthermore, in comparison with most continental Collective Rights Management Organizations (CMOs) in the EU - which are both exercising performance and mechanical rights, where songwriters hold approximately a two third majority on the boards, the MMA establishes that the MLC Board shall consist of 10 representatives of music publishers and 4 professional songwriters. Such an imbalance is already detrimental to all music creators. Designating the NMPA Proposal as the future MLC could only further exacerbate those concerns as well as the representation of US right holders in the EU.

For all those reasons, ECSA believes that the US authorities shall support the AMLC as the only non-conflicted, trustworthy organization with the proper checks and balances to ensure every songwriter one is paid what he deserves and that international songwriters are adequately represented in the decision-making process.

About ECSA

The European Composer and Songwriter Alliance (ECSA) represents over 50,000 professional composers and songwriters in 27 European countries. With 57 member organizations across Europe, the Alliance speaks for the interests of music creators of art & classical music (contemporary), film & audiovisual music, as well as popular music.

Web: <http://composeralliance.org> - EU Transparency Register ID: 71423433087-91