




RAAP JUDGEMENT

A US PERSPECTIVE

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VP INTERNATIONAL
SOUNDEXCHANGE



WHO IS SOUNDEXCHANGE?

- The only organization designated to administer the Section 114 sound recording license in the US.
 - Collect and distribute digital performance royalties on behalf of more than **650,000** creators from more than **3,200** digital service providers
 - Pay monthly, Distributing **90%** of royalties within **45 days of receipt**
 - Maintain and match against a database of **160+ million** unique sound recordings
- 
- An abstract sculpture made of polished, reflective metal, shaped like a sound wave or a stylized 'S' curve. It is mounted on a dark, rectangular base. The sculpture's surface is highly reflective, showing bright highlights and dark shadows that emphasize its three-dimensional form.

REPRESENTING OVER 3,200 SERVICES

**SATELLITE
RADIO**

**INTERNET
RADIO**

**CABLE TV
RADIO**

COVERED

for non-interactive transmissions



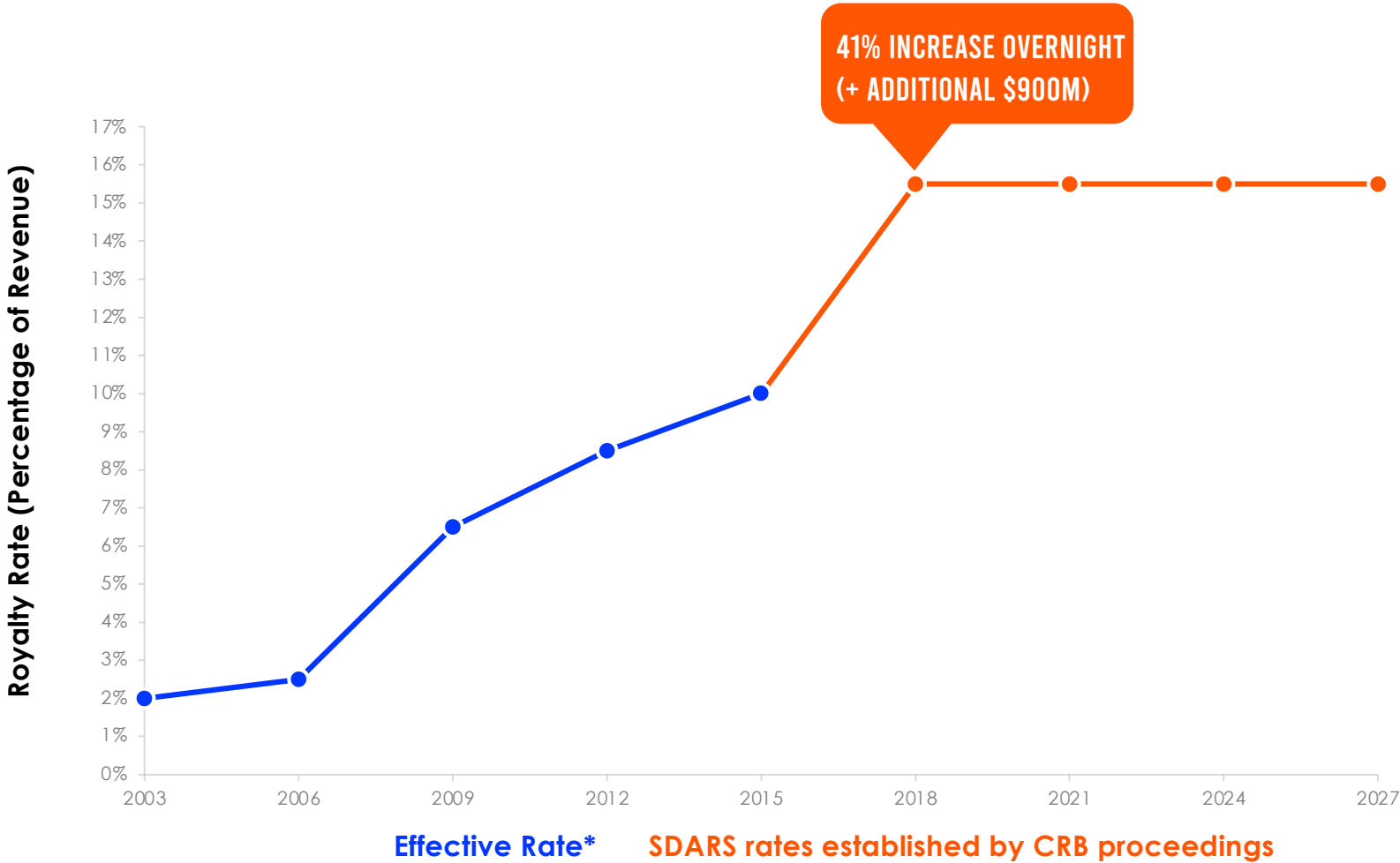


INCREASING THE VALUE OF MUSIC

COPYRIGHT ROYALTY BOARD

Trusted advocate for royalty
rate proceedings and
increases

SATELLITE RADIO RATES 2003–2007



*Satellite services did not pay royalties based on a percentage of revenue in 2003-2007. This chart reflects the effective rate, calculated by dividing the combined royalty collections of Sirius and XM Radio by the combined revenues of Sirius and XM Radio.



STATUS QUO



SONGWRITERS
&
COMPOSERS



ARTISTS
&
LABELS

SATELLITE



CABLE



INTERNET



AM/FM

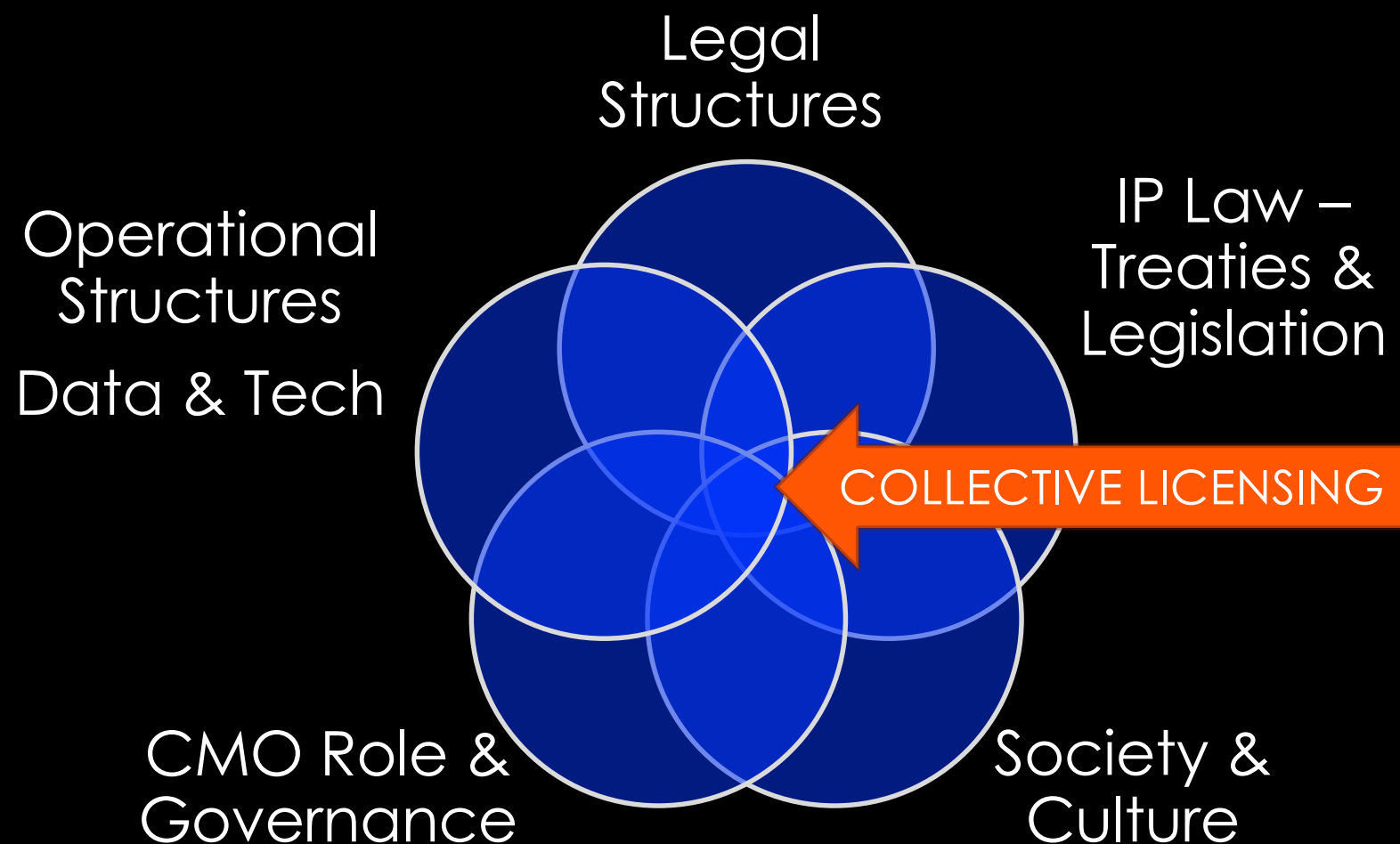




INTERNATIONAL



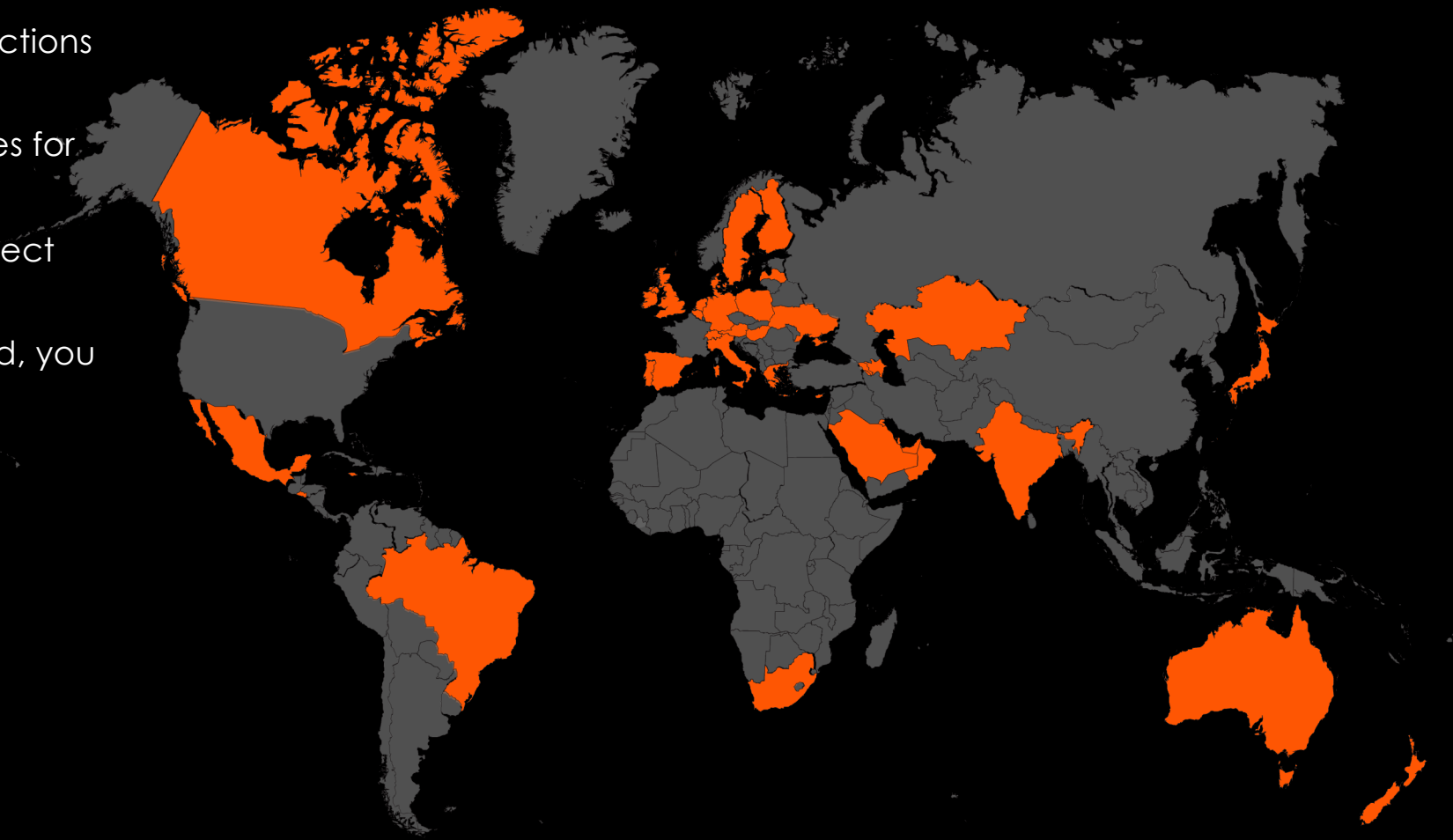
COLLECTING & DISTRIBUTING INTERNATIONAL ROYALTIES





INTERNATIONAL ROYALTIES

- Covering 88% of the available global collections market through 65+ agreements
- Administer complex global data exchanges for creators and register repertoire
- We pay out substantially more than we collect from international rights owners
- We don't discriminate – if your music is used, you get paid
- THE CHALLENGE
 - Lack of protection for US rights owners





MAKING PROGRESS FOR CREATORS - INTERNATIONALLY

- RAAP Verdict - Importantly, copyright is treated as a property right protected by the EU Charter on Fundamental Human Rights
- EU Commission
 - Stated no conclusion on the need for “any form of regulatory intervention” , and reviewing the EU 2006 directive on equitable remuneration would not be considered under the 2019-2024 mandate.
 - Reciprocity legislation is also unlikely in 2025, as the upcoming EC (scheduled to start on December 1st) will focus on generative AI.
- KWANTUM CASE
 - CJEU ruled material reciprocity may not be granted where a work originates in a third country – in line with RAAP decision
 - Case dealt with Berne Convention and applied art – not WPPT or sound recordings – but another ruling by CJEU in favor of NT
 - CJEU's decision makes material reciprocity legislation unlikely and brings EU one step closer to implementing NT

MAKING PROGRESS FOR CREATORS - INTERNATIONALLY



GLOBAL PROGRESS

- Netherlands
- Denmark
- More recent progress in implementing
 - Ireland
 - Sweden
 - Finland
- Canada
- Mexico
- South Africa



AMERICAN MUSIC FAIRNESS ACT

- **Would require AM/FM radio** to fairly compensate artists, session musicians, and vocalists when they play their songs on terrestrial radio

	SATELLITE	CABLE	INTERNET	AM/FM
 SONGWRITERS & COMPOSERS	\$	\$	\$	\$
 ARTISTS & LABELS	\$	\$	\$	X





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THANK YOU