



The Honorable Loretta E. Lynch  
Attorney General of the United States  
U.S. Department of Justice  
950 Pennsylvania Avenue, NW Washington, DC 20530

Dear Attorney General Lynch:

We understand that the Department of Justice is ending its review of the ASCAP and BMI consent decrees with a conclusion that no modification to the decrees is appropriate at this time. Further, we understand that the Department will clarify that under the decrees, ASCAP and BMI must offer 100-percent licenses and that this has always been the standard.

We congratulate you on the Department's work and your decision to preserve the decrees as currently written. The decrees guarantee the fair and efficient licensing of public performance rights for musical works. Collective music licensing, with appropriate controls under the consent decree system, protects licensees acting in good faith from the threat of copyright infringement liability and significant statutory damages, lets music be played legally and helps creators be compensated for their work. As the Antitrust Division's review concluded, the protections provided by the consent decrees protect licensees from the massive market power of a few collectives over vast catalogs of non-substitutable musical works. The consent decrees are important to all stakeholders involved, including: consumers, music platforms, live music venues, and individual songwriters who benefit from the efficient marketplace that collective licensing ensures under the consent decrees.

In addition, we concur with the Department's conclusion that 100 percent licensing is necessary for a functioning music marketplace. The current blanket licenses, consistent with the license terms and affiliate agreements of ASCAP and BMI, do not limit the rights granted to licensees to "fractional" interests in compositions in the ASCAP/BMI repertoires; rather, they grant licensees the right to perform the compositions in the ASCAP/BMI repertoires as a "whole" (whether the compositions are owned entirely by members of the same PRO or by co-owners affiliated with different PROs). Modifying the consent decrees to allow fractional licensing would gridlock the licensed music market and introduce a structure that amplifies the market power of fractional co-owners and all but guarantees widespread collusion among competitors. That would not be good for consumers, songwriters or artists, nor would it satisfy the public interest.

The M.I.C. Coalition thanks you and the Department for reaffirming and strengthening the important safeguards provided by the consent decrees, and for promoting a competitive, stable and transparent marketplace for musical works.

Sincerely,

The M.I.C. Coalition