



Bridge View Center

641-684-7000

102 Church St Ottumwa, IA 52501

August 9, 2019

The Honorable Makan Delrahim
Assistant Attorney General
U.S. Department of Justice Antitrust Division
950 Pennsylvania Avenue, NW
Washington, D.C. 20530

Assistant Attorney General Delrahim:

I am writing to urge the DOJ Antitrust Division to preserve the consent decrees governing the American Society of Composers, Authors and Publishers (ASCAP) and Broadcast Music, Inc. (BMI). Our venue is owned by the City of Ottumwa, Iowa and ultimately the citizens and taxpayers of Ottumwa, Iowa, and termination of the consent decrees would jeopardize the licensing system that makes it possible for us to bring the performing arts and popular entertainment to this small, rural community in SE Iowa.

The consent decrees were first enacted in 1941. Over the past 78 years there has been extraordinary innovation in how Americans experience music, especially with the Internet and streaming of music, allowing more American consumers than ever having access to more and more music. As a result, songwriters, lyricists and composers are collecting record-high revenues. This has been possible because of the competition, non-discrimination and fairness built into those consent decrees. To terminate these consent decrees would inflict an awful disruption on the music industry by allowing anticompetitive collective licensing practices to return to the American music scene without any judicial or DOJ oversight. It would also allow ASCAP, BMI, and other Performing Rights Organizations (PROs) to charge different fees to similar presenters. This would give the PROs the ability to decline licenses, in effect giving the PROs control over which acts are available to specific communities nationwide. This seems contrary to a free market society and very un-American.

I support the right of creators and artists to be compensated for their work and the performance of their work, but it must be reasonable. I also concede there are some problems with music licensing as it exists in the US today. However, for the DOJ to discard the decrees without first developing a new set of licensing rules would cause enormous harm. And new licensing rules should only be developed with the involvement of all stakeholders – composers, lyricists, and songwriters working with representatives from the American entertainment and hospitality industries and Congress to create a better system for the 21st century.

BMI is in the Rate Court right now requesting additions to their licensing fees of ancillary incomes from hospitality and other services that have nothing whatsoever to do with the creation or performance of music and art. Although we do not know how the Rate Court will decide this issue, without judicial oversight under the Consent Decrees, it will be much easier for BMI and the other PROs to pursue these claims.

Therefore, on behalf of the 25,000 plus citizens of Ottumwa, Iowa and the over 160,000 patrons who attended events at Bridge View Center last year, I respectfully request and urge the Department of Justice to leave the consent decrees in place. Thank You!

Sincerely,

Scott Hallgren, Executive Director
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