From: Amanda McBride < Sector Sent: Friday, July 19, 2019 1:04 PM To: ATR-LitIII-Information (ATR) < ATR.LitIII.Information@ATR.USDOJ.gov> Subject: ASCAP and BMI Consent Decrees Continue to Serve Small Business Owners

Dear Assistant Attorney General Makan Delrahim,

COMMENTS OF Amanda McBride, Gordon Estate, Direct to Consumer Manager Submitted in Response to the U.S. Department of Justice Antitrust Division's June 5, 2019, Solicitation of Public Comments Regarding the Pro-Competitive Benefits of the ASCAP and BMI Consent Decrees

I respectfully submit these comments as a Tasting Room and Winery owner from Pasco, Washington, that licenses music to make my customer's experience fun and enjoyable. I write today to urge the Department of Justice to preserve and protect the pro-consumer consent decrees governing the American Society of Composers, Authors and Publishers (ASCAP) and Broadcast Music, Inc. (BMI).

Together, ASCAP and BMI control nearly ninety percent of the music licensing business, and these decrees serve the public interest by providing essential protections from anti-competitive behaviors. The consent decrees, in particular, prohibit ASCAP and BMI from discriminating against similarly-situated music users; ensure reasonable royalty rates; and require that every business—no matter how large or small—can get a license upon request.

While far from perfect, ASCAP and BMI provide an efficient way for Direct to Consumer Manager to play music while ensuring we compensate the songwriters and copyright holders who create it. Their blanket licenses, made possible by the decrees, underpin the music licensing system. Terminating or sunsetting the decrees would lead to chaos for the entire marketplace, jeopardizing the licensing system as we know it.

This disruption would make it impossible to pay for the music played for our patrons' enjoyment. I have only received one phone call so far, but we are opening a new Tasting Room in 2020 so I expect them to start harassing me very soon. Without the decrees in place, the harassment from ASCAP and BMI will only get worse. No In order to keep paying artists, it is vital that these decrees are not eliminated or sunset.

Many businesses that regularly play and license music already face ongoing challenges when working with ASCAP and BMI. The outcome of terminating the consent decrees would further exacerbate these burdens.

As it stands today, business owners lack access to essential, reliable information about what each performance rights license entails and, as a result, cannot make an informed decision when seeking to license music from any one of the ever-increasing number of music licensing collectives. It is impossible to tailor my licenses based on the needs of my business. I should be able to license with only one licensing organization rather than all of them. Given this long-standing lack of transparency and ASCAP and BMI's reliance on heavy-handed tactics and take-it-or-leave-it demands, many businesses have dropped music altogether. Without the consent decrees, many more businesses would discontinue music, resulting in fewer places across our communities for musicians to perform and decreased songwriter compensation.

In considering the future of the ASCAP and BMI consent decrees, I would like the Justice Department to know that the consent decrees are important because Musicians should get paid for their music, but there is no way of us knowing that the money we are paying is in fact going to the musicians that have wrote/performed the music that we play in our place of business. ASACAP and BMI do not pay independent musicians, or those that are not a part of their organization. A list of songs/musicians that we are not allowed to play in our place of business would be helpful, so we can avoid those. Playing music is not the business that we are in, it is a background ambiance that we provide to our patrons so the environment is not stagnant, we don't directly profit from music being played, we profit from selling our wine. It does not seem fair that we have to pay so much in licensing fees to provide background music..

Just as the Department of Justice concluded less than three years ago and after a two-year review, the ASCAP and BMI consent decrees continue to be relevant and necessary today and in the future. We ask the Department of Justice to protect our ability to play music, host new and upcoming artists, and ensure these pro-consumer decrees are protected.