

**From:** Asa Reese [REDACTED] >  
**Sent:** Friday, August 9, 2019 3:08 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 Asa Reese, Grinder House Coffee Shop LLC, Owner  
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 Coffee Shop owner from Crossville, Tennessee, that licenses music to support artists and make the customer experience 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 Owner 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 sunseting 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. Yes we have been threatened by both ASCAP and BMI to be sued for not paying them fees for the live music in our shop.

When expressed we would only provide original music as a songwriter show we were told that we must have a license regardless. We provide free live music once a week for our guest. This is a showcase for local and regional artist. We had to make a hard decision about continuing our music. Without the decrees in place, the harassment from ASCAP and BMI will only get worse. Early in our operations we did stop providing live music, however this did not stop ASCAP nor BMI from demanding fees for licenses. Because we felt pressured regardless we brought live music back. And accepted we must pay ASCAP and BMI.

The once a week free live music show we provide is a showcase for local and regional artist. 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. I have been

harassed by ASCAP and BMI and often times it's impossible to know which licenses I need. 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 We are a small coffee shop in a rural area of Tennessee. We provide exceptional exposure to all types of artist musically and of the fine arts. We want to share and promote the arts of all genre however it is impossible to structure expenses and cost. It is impossible to understand how are licenses work or what we can do such as charge a cover or not. We have even been told by the PRO's no one can dance or there is a different license for that. It is impossible to know what we can do or not we dear every show someone will get up and dance and a ASCAP rep is in the audience..

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.