

From: Hyland, CFP, John <joh[REDACTED]>
Sent: Friday, August 9, 2019 3:32 PM
To: ATR-LitIII-Information (ATR) <ATR.LitIII.Information@ATR.USDOJ.gov>
Subject: Opinion

We want to make you aware of an issue regarding the Performing Rights Organizations (PRO) BMI and ASCAP that could have a significant impact on the non-profit concert industry.

The U.S. Department of Justice is considering ending the Antitrust Consent Decrees which have regulated both BMI and ASCAP since the early 1940s. These Consent Decrees require, among other things, that both organizations provide licenses to anyone who requests a license and to apply standardized fees for the performance of works by similarly situated licensees.

The termination of the Consent Decrees would allow these PROs to significantly increase rates without any of the judicial or DOJ oversight required under the Consent Decrees, allow differing fees between presenters, and give them the ability to decline licenses, potentially giving the PROs the ability to control which acts presenters may hire. This could also create significant uncertainty in how venues and promoters would license performance rights for events going forward.

BMI is in the Rate Court right now requesting licensing fees that include percentages of additional revenue earned from secondary markets, sponsorships, VIP packages, ticket fees and other relevant streams of income. 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 the PROs to pursue these additional revenue streams.

Thank you for your consideration of this matter.

-John Hyland

Get [Outlook for iOS](#)