A DREAM COME TRUE FOR **AMERICA'S MUSIC SCENE**

Music Makers Set Their Clocks for More Timely Royalty Payments \$



was created by the Music Modernization Act (MMA) to pay out royalties owed and identify usage rights. It's the only

What's The MLC?

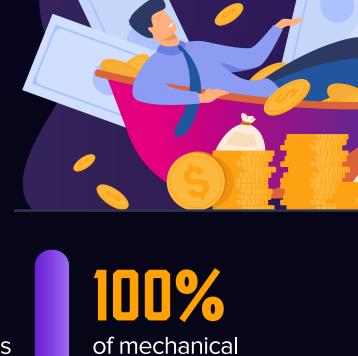
The nonprofit **Mechanical Licensing Collective (MLC)**

organization that can collect and distribute royalties paid pursuant to new blanket licenses to rightsholders. Membership is free to: Music Publishers
Administrators

The MLC's master database empowers music rightsholders to match and correct song rights data, securing accurate royalties and control.

Compensation Is

BI % of royalties reported to musical works registered in the database have been matched.



royalties collected

are distributed.

Digital "Black Box" Holds A Lot Of Green 20 05Ps have transferred

in unclaimed payments to the MLC

This comes mostly from: Apple Music - (\$163.3M)

Spotify - (\$152.2M) Amazon Music - (\$42.7M) Google Play Music/YouTube - (\$32.9M)

Nationwide Blanket **Mechanical Licenses**

DSPs secure new licenses to cover their use of every song on their platforms, provided they pay the

Does not include physical products (CDs, vinyl), video streams, downloads, or non-interactive streams (internet radio and satellite).

The MLC administers these licenses to DSPs in the U.S.

Includes digital audio mechanical rights for uses of musical works in the U.S.: Interactive streams

DSPs providing 5,000+

unique works on any given day in a given

month to U.S. consumers via interactive

streaming or downloads must, by law, report

usage data to the MLC.

Data Quality Initiative (DQI) enables music publishers, administrators, and ex-U.S. collective management organizations (CMOs) to compare their musical works' data with the MLC's data and receive reports highlighting

discrepancies for corrective action.

Vistex worked with the MLC as it

developed and launched the DQI.

\$62M Apple Music, SoundCloud, Spotify, YouTube, and other streaming services ZERO commission is taken from songwriters \$16.4M is currently pending distribution

musical works in database

DSPs Pay MLC's operating costs

budget funded by Amazon Music,

related to usage yet to be matched to

in matched royalties on legal hold

\$4.9M in matched royalties for which claims have yet to be submitted by a rightsholder

WATCH VIDEO

Ex-U.S. Collective Management Organizations Self-administered Songwriters Composers & Lyricists

Nightmare

No Longer A

The total royalty pool for all \$53M+ usage data reported when calculated at the applicable statutory rates.

mechanical royalties due for that usage. Royalty rates for issued blanket licenses are determined by the U.S. Copyright Royalty Board. Limited/tethered downloads Permanent downloads

\$11M

\$500K

Sources: Grammy.com, IPWatchdog.com, TheMLC.com, and Variety.com

Vistex® Now it all **adds up**' www.vistex.com | info@vistex.com

© Copyright 2021 Vistex, Inc. All rights reserved.