



Minutes of the Officers & Board of Directors Meeting  
Thursday, November 3, 2011 at the Offices of ASCAP

Brittain Ashford (Administrator)	Present
Katie Baron (Legal Counsel)	Present
Bryndon Bay	Present
Marco Berrocal	Present
Bryan Bradley	Present
Eugene Caprioglio	Present
Steve Culbertson	Absent
Daniel Dorff	Present
Kathy Fernandes	Absent
Sean Flahaven	Present
Lauren Keiser (President)	Present
Jim Kendrick. (Legal Counsel)	Absent
Sonya Kim	Present
Kristin Lancino	Present
Kathleen Marsh	Present
Zizi Mueller	Present
Norman Ryan	Absent
Jeff Schroedl	Present
John Shorney	Present
Todd Vunderink	Absent

**Call to order and announcements (Keiser) – 10:05 AM.**

**Approval of Minutes** – the Board approved minutes as submitted.

**Treasurer's Report** – Brittain reported that there were no major expenditures since the Board met in September. She stated that she would start soliciting dues, pending the Board's approval of a new dues schedule. She also pointed out the new format of the Treasurer's report, making it easier to read. The report was approved as submitted.

**Old Business:**

**MPA/NMPA Internet Piracy Effort:** Kathleen Marsh presented information in support of a \$50,000 contribution from the MPA to the NMPA. After our November meeting it was evident that there needed to be additional study done to determine the actual loss the industry was incurring due to illegal activity. Kathleen reported that while impossible to put a firm number on this activity, the Piracy Committee (Kathleen, Bryan and Jeff) calculated a figure based on information they gathered from their company's sales and traffic. They compiled this information to determine if an investment of \$50,000 would make sense.

The Committee collected traffic data from live US and foreign based websites offering sheet music and tab. Using only US traffic the Committee determined that if these were legal sites up to 5% of visitors might purchase a product with an average sale of \$10. This figure was a median estimate of the average sale of both shipped printed books and also digital downloads. Based on these assumptions the US sheet music industry is experiencing a monthly revenue loss of \$2.8 million per month from US customers *alone*. It won't be possible to stop it completely, but the outlined goal is to affect some of the larger sites and keep new sites from adding to the problem. Kathleen stated that our contribution is justifiable. Jeff stated that he had researched all sorts of sites and that *everything is available* for people to find and that the traffic is large. Kathleen pointed out that larger file sharing sites were not added to the calculation of site traffic. If we were to add those in, the monthly loss would be much larger. They were not added to the calculation because sheet music is only a subset of their offerings.

Sean Flahaven asked where the 5% figure came from. Kathleen stated that the figure was realistic. Bryan Bradley stated that even if it were 1% purchase rate we would still be looking at a large hit.

Daniel Dorff inquired as to how we project that the \$50,000 investment will help lower the greater loss. Lauren stated that he had spoken to Danielle Aguirre of the NMPA and attorney Ken Anderson. Attorney Ross Charap will be giving us a report as to what he has accomplished by the end of November. Ken stated that there would be a formal "battle plan" by December 1. This plan will encompass both "moral-suasion" and legal pressure to the websites, their money changers and advertisers.

Lauren mentioned a recent report created by the NMPA to determine how much the intellectual property industry employs in the United States. They found that IP industries outsized the airline industry and dwarfs all other exports. He stated that no industry has ever had these numbers before. The House of Representatives Rogue Bill, which duplicated the Senate's, gives us "teeth" in our fight. Lauren stated that the NMPA has already committed \$150,000 to this anti-piracy campaign.

Kathleen added that traditional instrumental notation is likely to go the way of guitar tablature. More traditional music notation of all genres is appearing on websites.

Zizi Mueller asked about action taken against certain sites that have not been shut down. The Board discussed the proposed IP legislation and Lauren reported that the legislation vote was due in 2012. Lauren reported that the NMPA was contributing toward the lobbying effort to pass the legislation. Zizi brought up the idea of contributing a smaller sum to see how effective the new legal team is before investing the entire amount, given last year's history of success regarding takedowns. It was discussed that the goal of the proposal is to convert these sites to legitimate sites to generate revenue for publishers. Bryan briefly discussed Ultimate Guitar, a site that the old team went after which is now generating substantial revenue for Alfred. He noted that it is important to not look at the takedown of a site as success, but rather work toward legitimizing those sites.

Jeff mentioned that potentially we would need more "muscle" to go after some of the larger sites, but that it is very realistic to go after many of the sites to get them to legitimize their sites in the United States.

Kristin Lancino asked where the list we were examining came from. The large list was compiled from our running list of illegal sites from Jeff Schroedl, as well as various other Board members, and a larger list from MPA/UK. Brittain compiled the various lists and reported on traffic.

It was asked if after a site is legitimized through this process if it were possible that the MPA could realize revenue and recover expenses from a website that licensed its content. Katie Baron stated that this is not possible, as the copyright holder would be the one to technically take action.

Kristin stated that she was still a little uncomfortable with how much money the MPA was putting in and what programs we were not supporting in order to fund the effort. Jeff stated if the MPA doesn't do something now the larger issue will linger on. He stated that we have to make an attempt now. "What else is threatening our business more than this? Nothing... This is the crux of what the Board is about." He added that while it is important to support other endeavors, and we will still do that, now is the time to do *this*.

Lauren pointed out that last year was an exceptional year for grants given. While we are running a deficit for the present year, we do have a chance right now to attack these illegal sites. For the last 24 years we have donated *less* than one-third of what we gave out last year alone. Sonya Kim asked when we would expect to know what Kopinor would be for the coming year. Brittain stated that we generally find out in the late spring. Lauren stated that other MPAs do the same thing we do with Kopinor money. They fight piracy and strengthen membership.

The Board discussed the size of the contribution at length. Sean Flahaven stated that the only way to bring more money in is to raise dues. He said the only way to realistically raise dues is to show that we are doing something tangible.

**Proposed New Dues Schedule:** Sean prepared a chart for a potential new dues structure, looking at what member dues have been historically, both current and prior to our decrease in 2008.

If membership remained static, this would bring an increase of about \$10,000 to our budget. Sean noted that the proposed increased dues are still less than they were in 2008. Lauren asked if there was anyone on the Board who represents a company that a dues change would be an issue. All Board members agreed with the proposed schedule.

Sonya asked if we were spending too much on the Annual Meeting. The Board discussed the idea of shortening the day and raising the registration price. Daniel Dorff mentioned that the last year was really great and would be well worth a fee of \$150. Brittain let the Board know about certain expenditures associated with the day. Bryan mentioned that many people are looking to get out of the city following the afternoon sessions. John and Sean brought up the idea of finding sponsors for the day to cover our expenses. Kathleen mentioned that the Digital Summit conference in Nashville was entirely sponsored, but it didn't detract from the event. Lauren stated that there has been an unwritten rule that we have never allowed vendors to our Annual Meeting, but that we could open it up to them and allow them to sponsor a particular portion of the day. Kathleen presented the idea of associate membership and the benefits. Brittain mentioned that new, smaller members come to the Annual meeting to

network and that having services available for them to explore could be appealing to them. Sean will work with Lauren to develop an associate membership category. We will discuss this at the January meeting.

The Board approved changes to the 2011-2012 dues schedule, effective immediately for the 2011-2012 dues drive.

**Budget:** The Board examined the proposed budget for 2011-2012 line by line. It was noted that with the dues increase, our dues income would increase \$10,000. Kopinor money is already in the bank. Daniel Dorff asked if travel to Committee meetings would fall under Board travel. Lauren stated that this would be a Committee expense and not Board travel. Daniel requested a \$150 allowance for each member of the Joint Committee; this would be an annual expense of about \$950. This was added to the budget for the year.

The Board discussed the scholarship. It was pointed out that we cut funding from \$15,000 to \$10,000. Sonya asked about ASCAP and BMI funds. Lauren stated that ASCAP funds had already been disbursed and the BMI figure matched the ASCAP contribution.

With the extra \$10,000 from dues and any excess funds from potential Annual Meeting sponsorship Lauren reported that our debt would not exceed 25% of our total assets. The proposed budget was put to a vote and was approved.

The Board discussed ways to distribute the \$10,000 for the scholarship. The Board decided on three prizes. The MPA will give out three scholarships in the amounts of \$5,000, \$3,000 and \$2,000.

**Lifetime Achievement Award:** Lauren nominated Frank J. Hackinson for the award, pointing out that FJH is a member and that Frank has been involved within the industry as a leader for a long time. Lauren asked if there were any other suggestions. Jay Morgenstern was brought up, but the Board decided that Frank was the best choice for this year.

**Arnold Broido Award for Copyright Advocacy:** The Board discussed winners from previous years. It was stated that we should give the award to someone who would show up to the meeting. David Israelite's name came up, but Daniel pointed out that the award is historically given to people whose livelihood is not based on the protection of IP, but rather something in their moral character. Sean Flahaven mentioned Robert Levine, who was one of the panelists at the last Annual Meeting. The Board did not vote on the matter and will discuss come January.

## **Committee Reports**

**Annual Meeting:** Lauren and Brittain will be looking at a different room for our lunch session at the Harvard Club, as the Biddle Room was not available for this year's meeting. Brittain will investigate options at the Princeton Club.

**Contribution:** no report.

**Copyright and Licensing:** no report.

**Digital Piracy:** no report.

**Curriculum Project/MENC Scholarship:** see report above in “old business”.

**International Contacts:** no report.

**Engraving and Production:** no report.

**Membership:** no report.

**MLA/MOLA Joint Committee:** Daniel Dorff attended a meeting in DC the previous week. The meeting primarily focused around concerns regarding PDFs and how, “immediate availability is more important than cost.” Daniel mentioned that the primary concern of the librarians was that people want to have everything as soon as they think of it. They appreciate publishers and they understand our importance. MLA and MOLA didn’t have too much to talk about. Lauren asked if the Board had any comments regarding PDF distribution. Daniel brought up a concept brought to him by Elizabeth Davis of the Columbia Music Library: they aren’t looking for freebies, but simply the convenience of a PDF being available and the ability to have some sort of universal license for a particular piece for use in the library and classroom.

**Paul Revere Awards:** no report.

**Performance Committee:** no report.

**Press/Publicity:** no report.

**Research/Development/New Technology:** no report.

**CMPA:** John reported on the CMPA Action Fund, a committee that deals with copyright issues and the music industry outside the CMPA. Elwyn Raymer is the President and CEO and Geoff Lorenz is that Chair of the Board. They went to DC with Dale Matthews, meeting with several senators, an effort set up through the Copyright Alliance to represent church music publishers so that the CMPA could express their support for the Protect IP Act and the Rogue Sites Act. John also reported on the article Elwyn had in the Hill the week prior. This is linked on our Facebook and Twitter.

**The meeting was adjourned at 11:40 AM.**

Respectfully submitted,  
Kathleen Marsh, Secretary

Supplemental materials included in 11.03.11 packet:

<US target list>

<international internet watcher>

<2011-2012 approved budget>

<proposed dues chart>

<history of grants given>