

Good morning Chairman Coble [and Goodlatte], Ranking Member Nadler [and Conyers] and members of the Subcommittee.

My name is Paul Williams, and I am a songwriter. I also have the great pleasure of serving as President and Chairman of the Board of the American Society of Composers, Authors and Publishers, you know as ASCAP.

In 1914, a small, but visionary group of American songwriters had an idea. They believed they could protect their rights as music creators more effectively if they joined together, rather than going it alone. So they formed ASCAP.

Today, more than 500,000 songwriters, composers and music publishers trust and depend on ASCAP to negotiate licenses, monitor public performances and distribute royalties – all on a not-for-profit basis.

I am honored to appear before you today to speak on their behalf.

We are here today because technology is changing the world in wonderful ways. We're moving into a world where people no longer own the music they love, they stream it whenever and wherever they want.

At the same time, the federal regulations that govern how music is licensed – and thus, how songwriters, like me, are compensated for our work – don't reflect the way people listen to music today. Indeed, they are stuck in the distant past. And it's threatening the very future of American music.

ASCAP is governed by a consent decree created in 1941 and last updated in 2001 -- that's before the iPod even hit stores.

We all know the music marketplace has changed dramatically since then. And new music services are finding ways to take advantage of this outdated regulatory system.

Consider the fact that it takes one million streams on Pandora for a songwriter to earn 90 dollars. For some perspective, one of the most popular songs in 2011 was Lady Antebellum's hit "Need You Now." For 72 million streams on Pandora, the four songwriters earned less than fifteen hundred dollars a piece.

Meanwhile, record labels and artists often earn 12 to 14 times more than songwriters for the exact same stream.

Such an imbalance would not happen in a free market, where real competition exists and songwriters have more of a say over how our music is licensed.

But under the current consent decree, songwriter compensation reflects the true value of our work less and less, even as our music is performed more and more.

There is now a very real risk that major publishers may withdraw from ASCAP and BMI entirely. As a result, voluntary collective licensing could soon collapse, making the system even more complex, more inefficient, and more expensive for everyone, *including* music fans.

*Unless* we do something to fix it.

I sit here surrounded by representatives of multibillion dollar corporations that profit from our songs -- and I find it beyond perplexing that American songwriters like Roseanne and myself are the ones subject to the heaviest government regulation.

Be that as it may, I believe that all of us working together to modernize the music licensing system will allow songwriters and composers to thrive *alongside* businesses that revolve around our music.

To that end, we are proposing several updates to our Consent Decree with the Department of Justice. We believe these updates can *save* voluntary collective licensing from the serious risks facing it, to the benefit of music users, consumers, and creators alike...

First, we need a faster, less expensive process for settling rate disputes with businesses that use music -- one that considers independent agreements reached in the *free market* as benchmarks.

Second, songwriters need flexibility to manage our own rights. We should be allowed to grant ASCAP the right to license our music for *some* uses, while maintaining the right to license other uses directly ourselves. Doing so would foster greater competition in the market.

Finally, we can streamline the licensing process for thousands of music creators and users by giving ASCAP the ability to license all the composition rights a business needs to operate their service in *one* transaction.

Passage of the Songwriter Equity Act, introduced by Representatives Collins and Jeffries, is another crucial piece of this puzzle. It is a simple and reasonable fix, which will enable a court to consider *sound recording* royalty rates as evidence when establishing *songwriter* royalty rates.

Working together to make these changes, I am confident we can preserve the immense benefits of voluntary collective licensing. This will benefit businesses that license music and listeners who enjoy it, while ensuring that songwriters, composers and music publishers are compensated for the *true value* our music brings to the marketplace.

Thank you.