

For Immediate Release

UNDERSTANDING COPYRIGHT IS ESSENTIAL
FOR BUSINESS OWNERS PLAYING MUSIC

A BMI licensing executive entered a modish suburban restaurant one recent mid-afternoon. The business appealed to a young clientele, serving mostly sandwiches during the day, attracting an evening crowd with lively music and libation.

"I'm here to talk to you about BMI and a music performance agreement," the licensing executive said to the owner of the establishment.

"I don't need any BMI music," the proprietor replied. "I buy CDs at a record store. We hire local musicians, and we don't spend much on entertainment."

The BMI representative explained that more than half the songs performed in America are licensed by BMI, and it's difficult to play CDs or live music without playing BMI songs.

"Copyright law says you must get permission in advance from songwriters to play their music, or you can purchase a blanket license from BMI," the salesman said. "Your options are limited if you're playing BMI music without a license -- and it sounds like you are."

The businessman stared with disbelief. "You've got to be joking!" he said. "I never heard of BMI before I opened this restaurant. I pay good money for the CDs I play. Record companies are supposed to pay songwriters. That's not my problem."

The business owner previously had been mailed several letters and educational brochures about music licensing, but either hadn't read or hadn't believed them. He also cut short or avoided several phone calls from the BMI staff. He may have felt harassed when BMI continued to contact him.

Similar scenes are played out daily between business owners and the BMI licensing staff. BMI sells most of its licenses by telephone and mail. Occasionally, communication begins only when people come face to face. In a few cases each year, attorneys talk it out before a federal judge in copyright infringement suits.

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"Our work requires patience with people who don't know what we do and why," said Tom Annastas, BMI VP, General Licensing. "We know that educating our customers is an important part of our work."

Annastas said misunderstandings often can be attributed to the public's lack of knowledge about copyright laws and how songwriters are compensated for their creations. "These laws cover nearly all types of intellectual property, and were originated in the U.S. Constitution," he said. "Through the years, Congress has amended various copyright laws for new uses of intellectual property, including music, movies, books, and software. The law gives songwriters the exclusive right to publicly perform or authorize performances of their works."

Annastas said BMI strives to sell customers on the value of music and BMI's role in providing business owners legal access to millions of songs with a single music licensing agreement. "We know that businesses can negotiate with every songwriter to obtain copyright clearance, but we offer an easier, more cost effective means of complying with the law," Annastas said. "What we are really selling is reasonably priced, legal access to the majority of America's best music. One way or the other, however, a business doesn't have the option of ignoring the legal rights of songwriters."

A group of business owners founded BMI in 1939 as a better alternative to the existing performing rights organization, Annastas said. BMI grew rapidly, and currently represents more than 6.5 million musical works -- more than half the music played in America -- from more than 350,000 songwriters and music publishers. Operating as a non-profit company, BMI has a board of directors chosen from businesses that purchase a license to use music.

"If BMI and all other performing rights organizations vanished tomorrow, business owners would be in a difficult predicament," he said.

"If BMI closed its doors, music wouldn't be free. Many of these businesses would beg us to return and offer the very service some of them try to avoid today. That's why BMI has flourished during the last 65 years, and that's why we continue to grow," Annastas said.

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