



American Association
of Independent Music

August 20, 2014

VIA EMAIL (robinbew@eiu.com; steve.crocker@icann.org; fadi.chehade@icann.org; cherine.chalaby@icann.org; akram.attallah@icann.org; christine.willett@icann.org; heather.dryden@ic.gc.ca; cyrus.namazi@icann.org; and john.jeffrey@icann.org)

Robin Bew, Managing Director, Economist Intelligence Unit
Dr. Steve Crocker, Chairman of the ICANN Board;
Fadi Chehadé, ICANN President & CEO;
Akram Attallah, ICANN President of Generic Domains Division;
Christine Willett, ICANN Vice-President of gTLD Operations;
Cherine Chalaby, ICANN Chair of the New gTLD Committee;
Heather Dryden, ICANN Chair of Government Advisory Committee;
Cyrus Namazi, ICANN Vice-President of DNS Engagement; and
John Jeffrey, ICANN General Counsel

RE: Support for DotMusic Limited's community-based Application for .music with ID 1-1115-14110

I am writing on behalf of the International Independent music label community and the entities that represent the substantial majority of the global Independent music label community as represented by the following music label trade organizations and their members:

The Association of Independent Music ("[AIM](#)") based in the United Kingdom
The American Association of Independent Music ("[A2IM](#)") based in the U.S.
The Independent Music Associations Company ("[Impala](#)") based in Brussels representing 4,000 members in 20 countries in the European Community
The Worldwide Independent Music Network ("[WIN](#)") based in the U.K. and representing the Independent music label community trade organizations in over 25 countries

I also have the support of [Merlin](#), a global rights agency for the independent sector based in The Netherlands, whose membership comprises companies representing over 20,000 music labels in 39 countries.

The purpose of this letter is to note our additional music community support for DotMusic Limited (commonly-known as [.MUSIC](#) with Community Application ID 1-1115-14110) to operate the .music community-based top-level domain under a multi-stakeholder governance model with enhanced safeguards to protect intellectual property serving the interests of the global creator community.

I am writing on behalf of my Independent colleagues as the president of U.S.-based A2IM, the not-for-profit 501(c)(6) organization representing over 340 members of the U.S. Independent music label community. Our membership also includes associate members, such as DotMusic Limited ("[.MUSIC](#)").

The U.S. Independent music sector is made up of small and medium size enterprises which are the growth engine of the U.S. economy, via increased exports, improving the U.S. balance of trade and creating commerce abroad and creating jobs at home. The U.S. Independent music sector employs 80% of the industry's workforce and accounts for well over 80% of all new commercial music releases. Independent music record companies act as investors in creativity and culture, searching out individual talent and giving them the starting point to build a sustainable career in the creative industries. They perform a vital role both economically and culturally in meeting consumer needs and providing musical diversity. Every new musical genre and trend in music has been kick-started by the Independent sector. Based upon copyright ownership collectively the Independent music label community is the

American Association of Independent Music – 132 Delancey Street, 2nd Floor, NY, NY 10002 – Ph 646-692-4877 – www.a2im.org

largest music label industry segment. According to [Billboard Magazine](#), Independent labels altogether were 34.6% of the overall U.S. recorded music market in 2013.

We have followed the ICANN process and are very concerned of what might happen if ICANN does not select a music community supported organization, which understands the needs of our International music industry, to own and manage the .music gTLD. Our members' livelihoods depend on the ability to license copyrights in a free market. This makes it essential to have regulatory partners that will help advance a worldwide enforceable regime for the protection of intellectual property online that enhances accountability at all levels of the online distribution chain and that deals effectively with unauthorized usages.

The benefits of the music community running the .music gTLD include maximizing the protection of intellectual property and incorporating appropriate enhanced safeguards to prevent copyright infringement, cybersquatting and any other type of malicious abuse. The community-based approach ensures that the string is managed under music-tailored registration policies. Such policies include registrant authentication, naming conditions which only allow registrants to register under their names or acronym and restricting content and usage to only legal music-related activities. This will ensure that any monies generated through .music will flow to the music creator community not pirates, unlicensed sites, or giant search engines.

We note two of the applicants are Amazon S.a.r.l (Amazon) and Charleston Road (Google). Both of these companies have exhibited a disregard for properly compensating music creators based upon music usage and for not protecting copyrights. Both have not valued Independent creator's copyrights on the same equitable basis as larger copyright creators.

Amazon recently added music to their Amazon Prime service. As reported in Billboard Magazine's Bulletin [titled "Amazon Lowballs Labels With "Insane"-ly Puny Offer"](#) the deals being proposed by Amazon related to the Prime music streaming service by Amazon were fixed amounts not related to music usage. The article also highlights the large disparity in the amounts being offered the "so called" three major labels versus the Indies (despite the [Indies having the largest market share per Billboard](#)). In addition to that disparity the article also highlights the differences between what Amazon will be paying versus what other digital on-demand streaming services are paying music labels and their artists.

Google's YouTube new subscription service has equally not treated Independent creators properly and Independent music labels which have not signed licenses have been sent termination notices by YouTube. These termination notices advise the Independent labels that they must either sign the YouTube subscription service license or YouTube will block/take down the labels' officially delivered content and cease monetizing all user uploaded content which would be attributable to those label's copyrights (see [NY Times article](#)). In addition Google/YouTube has a history of using the 1998 U.S. Congress DMCA safe harbors to allow unlicensed/creator uncompensated content to flourish on their service.

Given the concerns about the historical practices of Google and Amazon related to copyrights, and our other concerns about the proposed open registration policy practices of the other portfolio investment company applicants who would just be focused on profitability, our community has real concerns about any non-music community supported group being granted control over the .Music gTLD

Please do not hesitate to contact me should there be any questions you might have regarding our views related to the ICANN review process. Thank you for your time and consideration,

Sincerely,

s/s Rich Bengloff

President, American Association of Independent Music ("A2IM")

C.C.

Charles Caldas, CEO Merlin BV

Helen Smith, Executive Chair/Secretary General Impala

Alison Wenham, Chair WIN/President AIM