

American Association of Independent Music

October 1, 2015

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: Thomas Schneider, ICANN Chair of Government Advisory Committee: Cvrus Namazi, ICANN Vice-President of DNS Engagement; John Jeffrey, ICANN General Counsel; and Community Priority Evaluation Panel, Economist Intelligence Unit

Re: Support for .MUSIC Community Application and Response to Music Community Obstruction

Dear ICANN and Economist Intelligence Unit ("EIU"):

Our music organization, the American Association of Independent Music¹ ("A2IM"), supports² the community-based DotMusic Application (ID 1-1115-14110)³ for .MUSIC to safeguard intellectual property and serve the legitimate interests of the entire global music community. The multi-stakeholder community defined matches the nexus⁴ for the applied-for string by including all commercial, non-commercial and amateur stakeholders related to music without discrimination.

A2IM, launched in 2005, is a not-for-profit trade organization that serves the music community internationally, with leading independent Label Members⁵ (A2IM Member labels have issued music releases by artists including Taylor Swift, Mumford & Sons, The Lumineers, Adele, Paul McCartney, Arcade Fire, and many others⁶) and over 170 globally-recognized Associate Members⁷ that cover nearly all of the music community worldwide in headcount and in global music consumption.

See https://gtldresult.icann.org/application-result/applicationstatus/applicationdetails/1392

Also see support letters from global music community, including the WorldWide Independent Network (WIN), the Association of Independent Music (AIM), the Merlin Network (MERLIN), the American Association of Independent Music (A2IM) and the Independent Music Companies Association (IMPALA), at https://www.icann.org/en/system/files/correspondence/bengloff-to-crocker-et-al-07mar15-en.pdf and https://www.icann.org/en/system/files/correspondence/bengloff-to-chehade-et-al-20aug14-en.pdf

⁴ An independent Nielsen survey (similar to the Global Registrant Survey conducted by Nielsen on behalf of ICANN, See https://www.icann.org/news/announcement-2015-09-25-en) addressed whether the applied-for string was commonly-known (i.e. known by most people) and associated with the identification of the defined community. Most people, 1562 out of 2084 (3 in 4 or 75% of the respondents) responded "Yes." (See Nielsen / Harris Poll, Quick Query Q3505, http://music.us/nielsen-harris-poll.pdf, Fielding Period: August 7-11, 2015, Pg. 1, 2 and 3). Furthermore, independent testimonies and disclosures from over 40 experts agreed with this assessment (See http://music.us/expert/letters).

http://a2im.org/groups/tag/label+members/

⁶ http://a2im.org/about/mission/

http://a2im.org/groups/tag/associate+members/

Music Communities related to music that are members of A2IM include:

- Apple iTunes⁸ iTunes accounts for 63% of global digital music market⁹ a majority with a registered community of 800 million registered members¹⁰ available in 119 countries who abide to strict terms of service and boundaries¹¹ and have downloaded over 25 billion songs¹² from iTunes' catalog of over 43 million songs.¹³
- Pandora¹⁴ Pandora is the world's largest streaming music radio with a community of over 250 million registered members.
- Spotify¹⁶ Spotify is the world's largest music streaming community with over 50 million active registered members in 58 countries and over 30 million songs. The music community uploads 20,000 songs every day.¹⁷
- Vevo¹⁸ Vevo is the world's leading all-premium music video community and platform with over 8 billion monthly views globally.¹⁹
- Youtube²⁰ Youtube is the world's largest music video streaming community with millions of music creators -- amateur, professional, commercial or non-commercial -- and over 1 billion registered members covering all regions globally. 6 billion hours of video is watched every month on Youtube,²¹ of which 38.4% is music-related.²²
- Reverbnation²³ Reverbnation²⁴ is one of the world's largest music community and a leading music distributor with <u>over 4 million musicians</u>, <u>venues labels and industry professionals covering every country globally</u>. The Reverbnation community grows by over 50,000 artists, bands, labels and industry professionals monthly.
- BMG²⁵ BMG is focused on the management of music publishing and recording rights. BMG has an international presence and represents over 2.5 million music rights globally.²⁶
- Bandcamp²⁷ Bandcamp is the "world's largest independent music store"²⁸ for hundreds of thousands of musicians and labels.
- Bandpage²⁹ BandPage is the "central profile over 500,000 musicians use to engage and sell to hundreds of millions of fans."³⁰

⁸ http://a2im.org/groups/itunes

⁹ http://appleinsider.com/articles/13/04/16/apples-itunes-rules-digital-music-market-with-63-share

¹⁰ http://www.npr.org/blogs/therecord/2015/01/06/375173595/with-downloads-in-decline-can-itunes-adapt

http://www.apple.com/legal/internet-services/itunes/ww/index.html

¹² http://www.apple.com/pr/library/2013/02/06iTunes-Store-Sets-New-Record-with-25-Billion-Songs-Sold.html

https://www.apple.com/itunes/features/

¹⁴ http://a2im.org/groups/pandora

¹⁵ http://www.cnet.com/news/like-a-rolling-milestone-pandora-hits-250m-registered-users/ and http://phx.corporate-

ir.net/External.File?item=UGFyZW50SUQ9MTkxNTM1fENoaWxkSUQ9LTF8VHlwZT0z&t=1, Pg.9

http://a2im.org/groups/spotify

https://press.spotify.com/us/information/

http://a2im.org/groups/vevo/

¹⁹ http://www.vevo.com/c/EN/US/about

http://a2im.org/groups/youtube/

²¹ https://www.youtube.com/yt/press/statistics.html

http://www.researchandmarkets.com/reports/2092499/internet video 2011 2014 view share site and

²³ http://a2im.org/groups/reverb-nation/

²⁴ http://www.reverbnation.com/about

²⁵ http://a2im.org/groups/bmg-rights/

http://www.bmg.com/category/about-us/history/

http://a2im.org/groups/bandcamp/

http://www.digitalmusicnews.com/2015/09/16/the-largest-independent-music-store-moves-to-subscription-model/

²⁹ http://a2im.org/groups/bandpage/

SoundExchange³¹ – SoundExchange is the digital "performance rights organization representing
the entire recorded music industry." SoundExchange has delivered over \$2 billion in digital
royalties to the over 100,000 artists and creators of music and those who support them globally.

A2IM also has Affiliate³³ associations within the global music community. These include Affiliates such as MusicFirst,³⁴ the Copyright Alliance,³⁵ the Worldwide Independent Network (WIN)³⁶ and Merlin.³⁷

A2IM is a globally-recognized organization *mainly* dedicated to the music community as defined by DotMusic³⁸ with documented activities relating to music³⁹ representing "Independents' interests in the marketplace as part of the global music community."

Our organization supports a secure and trusted Internet ecosystem helps music grow and thrive. For such an ecosystem to flourish, serve the global public interest and protect the legitimate interests of the global Music Community, responsible measures and safeguards to deter copyright infringement and bad actors are of great essence. Despite the low domain registration volumes of new gTLDs, many new gTLD registries have not adequately protected the fundamental rights of creators by taking effective action against infringers and abuse.

We would also like to express serious concerns about the spurious, unsubstantiated opposition letters filed by opponents of the "community" model against DotMusic Limited's .MUSIC community-based application. A DotMusic competitor, its allies and other negligible entities that have no association with music filed last-minute opposition letters to obstruct the multi-stakeholder community application from prevailing Community Priority Evaluation (CPE). Community applications have been the subject of what is by far the longest public comment period in ICANN history. The DotMusic application has been open for public comment since 2012 i.e. for nearly 3 and half years. Reasonably, one would expect that any truly concerned organization or entity would have voiced their opinions years ago when the application was first published, especially taking into context DotMusic's public outreach efforts since 2008. ⁴¹ This would have represented a "good faith" concern because community applicants could have undertaken to deliberate with the concerned party to establish whether to make changes in their applications to accommodate that party if the broader community agreed through an application change request process. As such, any last-minute letters of opposition should be considered in this context. By any measure, more than enough time has passed for legitimate concerns to be raised by any party (including formal

³⁰ https://www.bandpage.com/company/about

http://a2im.org/groups/soundexchange/

http://www.soundexchange.com/about/our-work/

http://a2im.org/groups/tag/associate+members/

http://musicfirstcoalition.org/coalition

http://www.copyrightalliance.org/members

³⁶ http://www.winformusic.org/

³⁷ http://www.merlinnetwork.org/

The Music Community is an "organized and delineated logical alliance of music communities" as defined in DotMusic's Application, See https://gtldresult.icann.org/application-result/applicationstatus/applicationdetails/1392, DotMusic Limited Application ID 1-1115-14110, Question 20a

³⁹ http://a2im.org/events/ and http://a2im.org/about/mission/

http://a2im.org/about/mission/

⁴¹ http://music.us/events

community objections). According to ICANN, the deadline for community objection closed on 13 March, 2013. As such, any opposition against DotMusic is time barred and should not be considered relevant.

The obstruction was orchestrated by Donuts, a .MUSIC competitor and the largest gTLD applicant, which has a history of engaging in a pattern of obstruction against community applicants and ICANN. These opposition letters followed a common script (that was provided in a template letter distributed by Donuts) to shun the existence of the Music Community. ICANN has passed Resolutions on Safeguards (Category 1) based on Government Advisory Committee (GAC) advice stating that "music" is a sensitive, regulated sector. This regulated music sector is driven by an organized and delineated Music Community that encompasses both commercial and non-commercial constituents, as defined by DotMusic Limited ("a strictly delineated and organized logical alliance of communities related to music"). Another letter orchestrated by a Donuts ally also attacked ICANN's own mandated CPE "Eligibility" policy to restrict registration to the Community members as "chill[ing] free expression on the Internet." As ICANN has stated in recent filings:

When an applicant submits a community-based application, it is not, as the [Opposition Letters] imply, simply seeking to "exploit the application process" (IRP Request ¶ 47). As set forth in the Guidebook, community-based applicants agree to operate the applied-for gTLD "for the benefit of a clearly delineated community" (Guidebook § 1.2.3.1, Cls. Ex. RM-5). This involves implementing "dedicated registration and use policies for registrants in [the applied-for gTLD]," (Guidebook § 1.2.3.1, Cls. Ex. RM-5) policies that substantially restrict the sorts of domain name registrations a gTLD may accept and thereby might significantly limit the potential profitability of a gTLD. (Pg.6)...The recommendation of the GNSO that applications representing communities be awarded priority in string contention (ICANN Board Rationales for the Approval of the Launch of the New gTLD Program at 94 ("ICANN Board Rationales") (Cls. Ex. RM-11)). (Pg.10)⁴⁵

Contrary to the opposition comments, DotMusic's application pledges:

A commitment to <u>not discriminate against any legitimate members of the global music community</u> by adhering to the DotMusic Eligibility policy of non-discrimination that restricts eligibility to Music Community members -- as explicitly stated in DotMusic's Application -- that have an active, non-tangential relationship with the applied-for string and also have the requisite awareness of

42 http://www.iccwbo.org/products-and-services/arbitration-and-adr/icann-new-gtld-dispute-resolution/how-to-file-an-objection and https://newgtlds.icann.org/en/program-status/odr

⁴³ According to a letter from the Sports Communities: "[The Sports Communities requested for the] end to Donuts' unwarranted, anticompetitive and illegitimate attempts to delay the delegation to the Sport, Ski and Rugby Communities of their legitimately-won and long overdue New Generic Top Level Domain Names," See https://www.icann.org/en/system/files/correspondence/omahoney-et-al-to-klitgaard-21nov14-en.pdf, Pg.1 Pg.1 According to ICANN: Donuts' "Requests are exceptionally broad and inappropriate" and would "impose a massive burden on ICANN that would delay this already-delayed proceeding considerably further," See https://www.icann.org/en/system/files/files/icann-letter-brief-donuts-10aug15-en.pdf, Pg.1 Pg.1 https://www.icann.org/en/system/files/files/icann-response-birch-mmx-irp-request-redacted-27apr15-en.pdf

the music community they identify with as part of the registration process. This public interest commitment ensures the inclusion of the entire global music community that the string .MUSIC connotes; 46 (Enumerated Commitment #3)

A commitment that the string will be launched under a multi-stakeholder governance structure of representation that includes all music constituents represented by the string, irrespective of type, size or locale, including commercial, non-commercial and amateur constituents, as explicitly stated in DotMusic's Application. 47 (Enumerated Commitment #5)

A spurious letter was also filed by Rightside⁴⁸ disingenuously stated that "it is preposterous...to claim that there exists a "music community." Such statements are inconsistent with public marketing material for promoting the .BAND music-themed gTLD, which is operated by Donuts and Rightside. Marketing material clearly mentions promotions to "music communities" (Pg.2),⁵⁰ which is consistent with DotMusic's definition of the Music Community as a logical alliance of "music communities." Another .BAND Marketing Kit also refers to existence of the "music sector" further highlighting the existence of an organized and delineated music community (Pg.6).⁵¹ Another example to showcase the spurious nature of the template letters orchestrated by Donuts is the discrepancy and inconsistency illustrated in a letter, 52 which described its organization as one that was "comprised of musicians...and individuals in the music community." Despite acknowledging the existence of the "music community" in its company description, the letter later takes a different position to doubt the existence of the "music community" by incorporating Donuts' talking points which refer to a "music community," if such a thing even exists. Such revealing statements highlight that any opposition letters that doubt or shun the existence of the community are spurious and filed for the purpose of obstruction. Accordingly, the Community Priority Evaluation panel should respectfully determine that there is no relevant opposition to the DotMusic application.

DotMusic does have support of the majority of the Community defined.⁵³ Over 95% of global music consumed is created, promoted or distributed by the delineated and organized Community that has supported DotMusic's application, including many commercial and non-commercial entities mainly dedicated to the Community, such as the IFPI, RIAA, FIM, ICMP, IFACCA, IAMIC, ISME, A2IM, WIN, NAMM, NMPA, Merlin and many others. Without these stakeholders and organized processes that the defined Music Community follows, it would be impossible for the general public to enjoy the music that they do today. Music would not exist in its present form. Musicians cannot be recognized, compensated or attributed appropriately without the defined organized and delineated Music Community. To deny that the Community exists or that it does not participate in a shared system of creation,

result/applicationstatus/applicationdetails:downloadpicposting/1392?t:ac=1392

53 See https://gtldresult.icann.org/application-

⁴⁶ https://gtldresult.icann.org/application-

https://gtldresult.icann.org/application-

result/applicationstatus/applicationdetails:downloadpicposting/1392?t:ac=1392, Commitments #3 & #5

Rightside and Donuts are co-applicants for both .MUSIC and .BAND

⁴⁹ https://www.icann.org/en/system/files/correspondence/hammock-to-crocker-et-al-12aug15-en.pdf

http://branding.rightside.co/api/download/28qb-dj9ehrud http://branding.rightside.co/api/download/28qj-3k4nlku8

https://www.icann.org/en/system/files/correspondence/hutcherson-to-crocker-et-al-07aug15-en.pdf

result/applicationstatus/applicationdetails:downloadattachment/142588?t:ac=1392 and http://music.us/supporters

distribution and promotion of music with common norms and communal behavior is akin to denying the existence of music altogether.

The Music Community shares a legal framework governed by common copyright law under the Berne Convention, which was established and agreed upon by over 167 international governments, which includes shared rules and communal regulations. In addition, further evidence that there is cohesion within the Community is the existence of numerous globally-recognized standards and classification systems, which identify who the individual songwriters, publishers and rights holders are and which songs they are associated with, so that community members are appropriately compensated or attributed. Such global music classification systems include the ISMN, ISRC, ISWC and the ISNI.

Thus far, there have not been any community-based, music-themed TLDs launched in the new gTLD Program. We urge the EIU to follow GAC Advice⁵⁴ and ICANN Resolutions⁵⁵ and give preferential treatment to DotMusic's community application, which has demonstrable support, by ensuring that it prevails CPE to increase diversity, differentiation and music-tailored safeguards in the New gTLD Program. Such a result would serve the global public interest and ensure that the multi-stakeholder music community governs .MUSIC in a responsible, trusted and safe manner.

Any other result would compromise the credibility and reputation of both ICANN and the EIU because, as outlined in the 2007 GNSO Final Report for the Introduction of New Generic Top-Level Domains, "where an applicant lays any claim that the TLD is intended to support a particular community, that claim will be taken on trust (CV 7-10)" and a "community should be interpreted broadly and will include, for example, an economic sector, a cultural community" (IG P*)⁵⁶ such as the music "(industry) community" defined in the DotMusic multi-stakeholder community application. Section 4.2.3 of the Applicant Guidebook further reminds the stated goal of the CPE process, which was to "identify qualified community-based applications, while preventing both 'false positives' (awarding undue priority to an application that refers to a 'community' construed merely to get a sought-after generic word as a gTLD string) and 'false negatives' (not awarding priority to a qualified community application).

http://durban47.icann.org/meetings/durban2013/presentation-gac-communique-18jul13-en.pdf; See Governmental Advisory Committee. (27 March 2014) GAC Communiqué – Singapore. Retrieved from http://www.icann.org/en/news/correspondence/gac-to-board-27mar14-en.pdf)

In the 14 May 2014 scorecard, ICANN responded to the GAC that it "[would] continue to protect the public

http://gnso.icann.org/en/issues/new-gtlds/pdp-dec05-fr-parta-08aug07.htm

⁵⁴ The GAC issued advice to ICANN in multiple Communiqués regarding CPE and the various outcomes. In its Communiqués from Beijing, Durban, and Singapore, the GAC referred to "preferential treatment" that should be given applications with "demonstrable community support" or a "collective and clear opinion." (See Governmental Advisory Committee. (11 April 2013) GAC Communiqué - Beijing People's Republic of China. Retrieved from https://www.icann.org/en/system/files/correspondence/gac-to-board-18apr13-en.pdf; See Governmental Advisory Committee. (18 July 2013) GAC Communiqué - Durban, South Africa. Retrieved from

interest and improve outcomes for communities, and to work with the applicants in an open and transparent manner in an effort to assist those communities within the existing framework." (See ICANN. (14 May 2014) Annex 1 to Resolution 2014.05.14.NG02. Retrieved from https://www.icann.org/en/system/files/files/resolutions-new-gtldannex-1-14may14-en.pdf)

Respectfully submitted,

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Vice President/Interim President

American Association of Independent Music ("A2IM")