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Copyright Royalty Board Announces Music Recordkeeping and Reporting Requirements for Internet Streaming

Early this month, the Copyright Royalty Board (CRB) announced the required recordkeeping format for broadcasters and other webcasters streaming on the Internet. These reports are to provide information to SoundExchange so it can determine how to distribute the music royalties that it collects. The full text of the decision can be found at <http://www.loc.gov/crb/fedreg/2006/71fr59010-9.html>.

Basically, the requirements set forth by the CRB obligate those streaming their signals on the Internet to keep track of the music that they play for at least two weeks of every quarter, and report that music to SoundExchange in an ASCII format. The CRB found that an ASCII formatted report could be generated by Excel or Quattro Pro spread sheets. The Board's decision also sets forth specifics as to format, headers and other details of the reported information.

SoundExchange had previously prepared model reports for recordkeeping using Excel and has been ordered by the CRB to develop one for Quattro Pro. The Excel model will presumably be modified to come into line with the CRB's decision. A copy of SoundExchange's model can be found at http://www.soundexchange.com/licensee/licensee_cws.html#reporting.

Services have been required to keep information about the music that they play since an interim Order issued by the Copyright Office in April 2004. The 2004 Order, specifying the information that must be retained, can be found at <http://www.copyright.gov/fedreg/2004/69fr11515.pdf>. The new Order from the CRB contemplates that the information that has been retained by Internet services since April 2004 now be provided using this newly mandated format.

Information to be reported includes the following:

- (1) The featured artist;
- (2) The sound recording (song) title;
- (3) The International Standard Recording Code (ISRC) or, alternatively to the ISRC, the Album title and Marketing label;
- (4) The actual total performances of the sound recording during the reporting period or, alternatively, the Aggregate Tuning Hours, channel or program name, and play frequency.

Small webcasters paying royalties under the Small Webcaster Settlement Act have always been required to provide to SoundExchange a full census of the songs being played, in detail even greater than that required of other webcasters. Presumably, the format of those reports will need to be that now required for other webcasters. SoundExchange has also provided a model report for the Small Webcaster, which again will most likely be revised pursuant to the CRB order. That model can be found at

http://www.soundexchange.com/licensee/documents/swsa_nr_specs.pdf.

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