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Members of the Creative Community Reject the Revised FCC Set-top Box Proposal's Creativity, Innovation, and Job Chilling Intrusion into the Creative Economy

JOINT ANNOUNCEMENT:

Members of the Creative Community Reject the Revised FCC Set-top Box Proposal's Creativity, Innovation, and Job Chilling Intrusion into the Creative Economy

WASHINGTON— A diverse group of creative industry companies, advocacy groups, labor unions, associations, and programmers that raised concerns in <u>April</u> and <u>May</u> about the Federal Communications Commission's initial proposal to regulate the set-top box market, citing concerns about its potential harmful impact on copyright and content creators' ability to be compensated for their work, released the following statement on the revised FCC proposal announced last week.

"The creative community, with near unanimity, has made clear from the start that we support competition in the set-top box market. We do not profit from set-top box fees and welcome new distribution opportunities for our creative content. But it cannot come at the expense of the millions of Americans who make a living in the film, television, and music industries. By all reports, the FCC's revised set-top box proposal fails to address

concerns we have repeatedly raised. Instead, the FCC creates an unacceptable and unworkable de facto compulsory licensing regime that requires creators to allow their work to be shared across multiple platforms without compensation and without regard to the creators' rights to exclusively control their distribution. That's authority the FCC does not have. This one-sided proposal undermines the value of creative works, shrinks revenue streams from which creators make a living, and threatens the hard-fought wages and benefits of creative industry workers.

As the U.S. Copyright Office observed in its letter questioning the Chairman's original approach, content licenses are the foundation of the modern video economy and have ushered in an era of unprecedented innovation, growth, and quality in video and TV. But a de facto compulsory license would undermine this foundation, diminishing creators' rights under the Copyright Act and forcing one-size-fits-all licensing terms on an industry that is as varied and diverse as the movies, music and shows we make."

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About A2IM

Celebrating its 10th anniversary, A2IM is a 501(c)(6) not-for-profit trade organization headquartered in New York City representing a broad coalition of 391 Independently-owned American music labels. The organization represents these independently owned small and medium-sized enterprises' (SMEs) interests in the marketplace, in the media, on Capitol Hill, and as part of the global music community. In doing so it supports a key segment of America's creative class that represents America's diverse musical cultural heritage. Billboard Magazine, using Nielsen SoundScan data, identified the Independent music label sector as 34.4 percent of the music industry's U.S. recorded music sales market in 2015 based on copyright ownership, making Independent labels collectively the largest music industry segment.

About American Federation of Musicians

American Federation of Musicians (AFM) is the largest organization in the world representing the interests of professional musicians. Whether negotiating fair agreements, protecting ownership of recorded music, securing benefits such as health care and pension, or lobbying our legislators, the AFM is committed to raising industry standards and placing the professional musician in the foreground of the cultural landscape.

About the Copyright Alliance

The Copyright Alliance is a non-profit, non-partisan public interest and educational organization representing artists and creators across the spectrum of copyright disciplines, including over 40 membership associations, guilds, trade associations and companies, and 15,000 individual creators of all types. For more information, please visit www.copyrightalliance.org.

About CreativeFuture

CreativeFuture is a coalition of 450 companies and organizations and thousands of creative individuals encompassing film, television, music, professional photography, and book publishing. CreativeFuture promotes the value of creativity, expanded digital access to legitimate content, and the fundamental right of creatives to determine how their works are distributed. To learn more, visit www.creativefuture.org.

About Crossings TV

Founded in 2005, Crossings TV is an independent television network offering multilingual programming in nine different languages to Asian American audiences in seven markets across the country.

About the Directors Guild of America (DGA)

In the 80 years since its founding in 1936, the DGA has fought for the economic and creative rights of its

members; protected their ability to financially benefit from the reuse of their work; established strong pension and health plans; and established jurisdiction in new technologies and distribution platforms. Today we represent more than 16,000 directors and members of the directorial team working in film, television, commercials, new media and other audiovisual media.

About IATSE

Founded in 1893, IATSE represents 125,000 members working in all forms of live theater, motion picture and television productions, trade shows and exhibitions, television broadcasting, and concerts as well as the equipment and construction shops that support all these areas of the entertainment industry. IA represents virtually all the behind-the-scenes workers in crafts ranging from motion picture animator to theater usher.

About the Independent Film & Television Alliance

The Independent Film & Television Alliance (IFTA) is the global trade association of the independent motion picture and television programming industry. Headquartered in Los Angeles, IFTA represents and provides significant entertainment industry services to more than 135 member companies from 23 countries, consisting of independent production and distribution companies, sales agents, television companies, studio-affiliated companies, and financial institutions engaged in content finance. Collectively, IFTA Members produce more than 500 independent films and countless hours of television programming each year and generate more than \$4 billion in distribution revenues annually. As the voice and advocate for the independent film and television industry worldwide, the Alliance speaks out on matters of critical importance and, where appropriate, actively lobbies governments around the world in regard to measures directly affecting the independent industry. For more information on IFTA, please visit www.ifta-online.org.

About the MPAA

The Motion Picture Association of America, Inc. (MPAA) serves as the voice and advocate of the American motion picture, home video and television industries from its offices in Los Angeles and Washington, D.C. Its members include: Walt Disney Studios Motion Pictures; Paramount Pictures Corporation; Sony Pictures Entertainment Inc.; Twentieth Century Fox Film Corporation; Universal City Studios LLC; and Warner Bros. Entertainment Inc.

About the NMPA

Founded in 1917, the National Music Publishers' Association (NMPA) is the trade association representing all American music publishers and their songwriting partners. The NMPA's mandate is to protect and advance the interests of music publishers and songwriters in matters relating to the domestic and global protection of music copyrights. Learn more at nmpa.org.

About the RIAA

The Recording Industry Association of America® (RIAA) is the trade organization that supports and promotes the creative and financial vitality of the major music companies. Its members comprise the most vibrant record industry in the world, investing in great artists to help them reach their potential and connect to their fans. Nearly 85% of all legitimate recorded music produced and sold in the United States is created, manufactured or distributed by RIAA members.

About SAG-AFTRA

SAG-AFTRA represents approximately 160,000 actors, announcers, broadcast journalists, dancers, DJs, news writers, news editors, program hosts, puppeteers, recording artists, singers, stunt performers, voiceover artists and other media professionals. SAG-AFTRA members are the faces and voices that entertain and inform America and the world. With national offices in Los Angeles and New York, and local offices nationwide, SAG-AFTRA members work together to secure the strongest protections for media artists into the 21st century and

beyond.

About Vme TV

Vme TV is the nation's largest Latino-owned independent network, reaching 70 million households in 43 markets. The 24-hour digital broadcast service is dedicated to entertain, educate and inspire families in Spanish with a contemporary mix of original productions, exclusive premieres, acquisitions, and popular public television programs specially adapted for Hispanics.

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About the Copyright Alliance

The Copyright Alliance is a non-profit, non-partisan public interest and educational organization representing artists and creators across the spectrum of copyright disciplines, including more than 40 trade association, companies and guilds, and 8,000 individual artists and creators. For more information, please visit www.copyrightalliance.org.

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