

Reality Radio

Transcript

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This is Reality Radio.

Let me ask you a question - What do the RIAA, which is the trade association for record companies, SoundExchange and MusicFIRST all have in common? Let's see. The Recording Industry of America, RIAA, created SoundExchange and then SoundExchange created MusicFIRST of which RIAA is a member. The Executive Director of MusicFIRST is a lobbyist who has represented an organization which was founded by a lawyer who used to work for Congressman John Conyers. Whew. Just thinking about all these connections makes my head spin.

So it is no surprise that these related organizations are united in pushing the same agenda: requiring radio stations to pay a fee in order to play music. They make their pitch sound so caring, so compassionate, and so much in the interest of the artists that I felt compelled to "FOLLOW THE MONEY" to take a look at their track record. That led me right back to SoundExchange, which most likely would be the designated agent to collect the performance tax from radio. From 2005 through 2008, SoundExchange collected \$399,000,000 million dollars in royalties from the owners of websites that stream music and from satellite radio. But check this out - \$210,000,000 million of those dollars have never reached the artists. In other words, for every dollar collected, \$0.52 cents has been retained and/or used by SoundExchange. It appears that SoundExchange, a creature of the RIAA, has found it a lot more lucrative to "KEEP THE MONEY." They claim that they can't find the artists and we know that some of this money was used by SoundExchange to create MusicFIRST, the lobbying group that has convinced certain members of Congress that they should be put in charge of collecting and distributing more of the artists' money. Oh, and did I mention that if SoundExchange doesn't locate the artists within 3 years, the government allows them to keep the money?

Where I come from there's a saying, "It may be legal, but that certainly don't make it right." I am beginning to wonder just how legal it really is.

This is reality radio with Cathy Hughes. What's your reality?