

Reality Radio

Transcript

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This is Reality Radio.

The folks who are pushing a performance tax consistently argue that radio stations have a moral duty to pay artists. Don't the RIAA and SoundExchange know that when you live in a glass house you shouldn't throw stones? I guess not, so let me shatter this argument once and for all.

Recording artists enter into contracts with record labels, NOT radio stations. The latest scheme is the 360 degree deal, an all-encompassing contract where the record company takes a cut on absolutely everything. Now, when you consider that the record label drafts the contract, takes a bite out of every revenue stream and employs complicated accounting procedures when calculating what is owed, should we be surprised when the artist is short changed? Apparently the artists aren't surprised because there's a long list of those who have sued their record companies alleging that the accounting is not right and they have not received what is due them. Artists like Michael Jackson, Ella Fitzgerald, Curtis Mayfield, Mary Wells, and Prince, just to name a few. Now, if artists with household names have to sue in order to get what is rightfully theirs, what do you think happens to the thousands of artists who do not have star power?

I can tell you what happens. They receive a double whammy. SoundExchange is obligated to distribute the funds collected from the owners of websites that stream music and from satellite radio. But for the past three years they have kept \$0.52 cents of every dollar collected because they claim they can't find the artists... none of the 7,000 of them. But I know they're out there and they can be found with minimal effort. So here's a Public Service Announcement for SoundExchange – which remember, we offer for free. Go to soundexchange.com and click on the tab labeled *Unregistered List*. Then pick out a few names

and Google them. If you find contact information, reach out to the artists and tell them that SoundExchange owes them money.

Let's all help SoundExchange fulfill the only reason they exist and help these artists receive the money that is theirs.

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