

# INVOICE ENCLOSED

# URGENT

NAB  
1771 N Street, NW  
Washington, D.C. 20036-2800

Please use  
Linemark's #  
1st Class Presort

'StaCont  
'StaContTitle  
'ORG\_NAME  
'StaAddr1  
'StaAddr2  
'StaCity 'StaSt 'StaZip

## The record labels have an invoice for **you!**

### Key Points to Make With Your Member of Congress

- Congress has historically recognized the great value of radio promotion and airplay enjoyed by record labels and their recording artists.
- Imposing a new performance tax on local radio broadcasters would radically alter the balanced, fair system that has worked well for broadcasters, artists, composers and the recording labels for many years.
- Imposing a tax of this size on free, local radio stations will cripple smaller radio stations. It has been reported that the recording industry is seeking fees upwards of 10-35% of industry revenue, which for my station would mean \$\_\_\_\_\_ annually. (Multiply percentage by your station's gross annual revenue).
- Such a tax would not only affect radio stations, but restaurants, sports stadiums, hotels and other venues that air pre-recorded music for their patrons.
- The big record labels like to hide behind their artists, but at least half of all fees end up in the pockets of foreign record label conglomerates, while the rest is divided up among the stakeholders. Often, the artists only receive a few pennies out of every dollar.

**RIAA**  
Recording Industry  
Association of America

# INVOICE

**DATE:** August 2007  
**INVOICE:** Every Local Radio Station  
Towns and Cities Across  
America

**Bill To:** 'StaCont  
'StaContTitle  
'ORG\_NAME  
'StaAddr1  
'StaAddr2  
'StaCity 'StaSt 'StaZip

Item	Rate	Amount
The privilege of promoting the record labels music free of charge, and lining recording industry executives' pockets with music and concert sales.	10 – 35 % annually	<b>Hundreds of thousands of dollars</b>
<b>THANK YOU FOR YOUR BUSINESS!</b>		

## **The record labels want you to pay!**

If they have their way, along with your annual payments to ASCAP, BMI and SESAC, you can plan to hand over 10-35% of your gross revenue to the international record labels. Why? For the honor of airing their music, making mega-stars out of their artists and putting money in their pocket through free promotion of their music and concert tours.

## **Sound fair? It's not.**

During the month of August, your member of Congress will be home working in the state and district offices. Don't miss out on this opportunity to make your concerns about the record labels' push for a "performance tax" known to your elected representative.

Invite your member of Congress to visit your station, and show first hand how the performance tax will hurt your efforts to serve your local community:

'RepFullName  
'StaffAddr1  
'StaffAddr2  
'StaffAddr3  
'DIST\_PHON  
'StaffFullName  
'StaffEmail

## **Key Points to Make With Your Member of Congress**

- The recording industry is asking free, local radio stations to subsidize the failing business model of giant international conglomerates.
- A new performance tax would upend the longstanding symbiotic relationship between recording artists, composers, record labels and local radio broadcasters that has enabled the American music industry to thrive and grow.
- Record labels and their artists benefit from radio airplay and on-air interviews, in many cases timed to coincide with concert appearances in the radio station's service area.
- Local radio stations have been the driving force behind music sales in this country; in fact, Americans cite free, local radio as the number one way they discover new artists and new music.
- While three of the four major record labels are located outside the U.S., free, local radio stations are the life-blood of towns and communities right here in our country – delivering vital local news, weather and emergency information to your constituents.

*(Continued on reverse)*