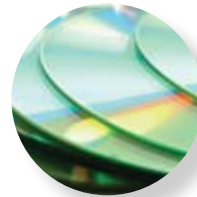


hfa soundcheck

August 2009



HFA Enters New Era with Napster Administration Services Announcement

In early August, HFA made a landmark announcement: the online music company Napster had chosen us to distribute all mechanical royalties from its subscription service.

This includes distributing royalties earned by catalogs licensed directly by Napster, not through HFA. This is the first major use of our Administration Services capabilities.

Given that HFA has been known for nearly a century as a mechanical licensing agent, this is a radical new direction for us. But it's a logical step, given that we have built all the calculation engines and database of business rules to distribute the royalties earned from our licenses. This is a capability that also has real value to licensees. Why build and maintain your own back office when you can outsource to the leading company in the field? This is one way HFA can use our traditional strengths to create a new line of business to offset the impact of declining CD sales and remain an economical agent for music publishers.

Napster will provide to HFA the information required to calculate and distribute the statutory mechanical royalties due to publishers from Napster. HFA will also provide copyright research services to Napster.

[More...](#)



hfa enters new era...

What does this mean to you? HFA publishing clients need do nothing, other than continue to ensure that we have your most recent catalog information. Publishers that have direct licensing relationships with Napster for subscription service uses can expect to receive any related royalty payments from HFA. However, all other administration activities, including their licensing and royalty compliance activity, will not be handled by HFA unless they become HFA affiliates and transfer the licenses to us for administration.

I know your most pressing question is: When will I get paid? As soon as possible, over the next several months. Publishers can expect to receive their royalty payments in chronological order. This means we expect to start by distributing 2001-2003, and working forward to second quarter 2009. Napster has been working with HFA to review data from the past eight years – that's over 96 monthly reporting periods. There is a large quantity of data required to calculate the royalty rate for each service type per month, as required by law.

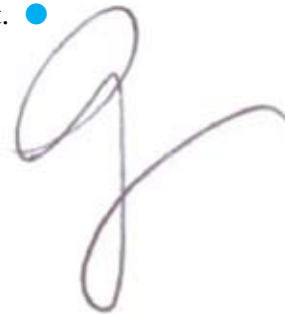
While it is important that royalties are distributed quickly, it is imperative that we do not sacrifice accuracy for speed. We are finalizing our review of the data and will make the payments as soon as this is finished. Once we have completed this initial distribution, we expect that subsequent payments will be incorporated into our regular

cycle - and we've included our distribution dates on page 3 as well as posting them on HFA Online.

As you may recall, calculating the statutory rates for subscription service licensing requires much more data and often results in fractions of pennies. To ensure this information is transparent to you, we have two new online reports to supplement your HFA Royalty Statement, which are discussed in more detail on page 4.

In the big picture, Administration Services deals and other HFA services mean we earning income from more diverse sources rather than simply continuing to rely upon diminishing commissions on declining mechanical royalties. Perhaps more significant, our expanding client base is now starting to pay for HFA's services, rather than the cost totally being borne by the publishers. This is a very important shift in perspective – I don't know of any other industry where the licensor bears the licensee's costs.

I'm sure you're excited about receiving these royalties, but I hope you can also recognize how significant this new Administration Services approach is to HFA. We're not just the leading mechanical licensing agent in the U.S. We are a company offering services based on the most robust aggregation of song information in the American market. ●



HFA Distribution Schedule

Last year, HFA began consolidating our publishing clients' payments and royalty statements until they reach one of the following two thresholds: a minimum of \$500 cumulative payments as of the month's distribution date, or the close of the calendar quarter. Our non-U.S. based affiliates receive one wire transfer quarterly.

The schedule of these consolidated HFA Royalty Distributions through June 2010 is provided to the right, with the main quarterly distribution date in bold. Note that these dates are subject to change at HFA's discretion. Your payment information will be available on HFA Online as of the distribution date, and your royalty statements will be online shortly thereafter.

If you have signed up for Direct Deposit, you will receive your royalty payment in your bank account within two days from this date. You will receive an email notifying you that the payments have been transmitted to your account. If you receive your payments by mail, please allow at least two weeks for your check and statement to arrive.

If you would like to sign up for Direct Deposit, information and forms can be found on our website at www.harryfox.com/directdeposit.

If you have any questions about consolidated payments, please contact your HFA Publisher Services agent, or use the main Publisher Services phone (212-834-0100) or email (publisherservices@harryfox.com). ●

August 24, 2009
September 9, 2009
September 22, 2009
October 26, 2009
November 23, 2009
December 9, 2009
December 21, 2009
January 25, 2010
February 22, 2010
March 10, 2010
March 24, 2010
April 26, 2010
May 24, 2010
June 9, 2010
June 23, 2010

New HFA Online Calculation and Micropenny Reports

To support HFA royalty payments for variable rate royalties such as interactive streaming, limited downloads and certain other licensing arrangements such as background music, two new reports will be made available through HFA Online. These reports will supplement HFA's current Royalty Statement, and can be retrieved by check voucher number. Like all HFA Online reports, they can be saved on your systems as Excel or pdf files, and will be available to all HFA Online users with "Royalty Statement User" credentials. The reports will be available on August 31, 2009.

1. The **Calculation Report** will show the details used to derive the calculated royalty rate for these royalties. These calculations may result in amounts that include fractions of pennies, or "micropennies."
2. The **Micropenny Report** will augment HFA's current Royalty Statement, which accommodates just the standard two decimal format for rates, and provide the full four decimal royalty payment information. On the Statement, these "micropenny" amounts are summarized across all songs on the statement by like HFA P#, and listed as an additional song towards the bottom of the Statement, "9 Micro Penny Royalty".

An example of how the Statement and these two new reports relate to each other are available in the Reports area of HFA Online, along with a key to the Calculation Report fields.

If you have any questions, please contact your HFA Publisher Services agent, or use the main Publisher Services phone (212-834-0100) or email (publisherservices@harryfox.com). ●

By Danielle Boone

Team Lead, Publisher Services

As a former Tennessean, I'm fortunate that my duties as the East Coast Publisher Services Team Lead bring me back to Nashville on a regular basis. Most recently, I was in town for the Source Foundation Music Awards on July 30. HFA has been a proud sponsor of this event for the past three years. Ed Hunt, SVP of Publisher Services and Distributions and I attended the event at the Musicians Hall of Fame and Museum with Janice Bane of MCS America, Amy Cranford of R2M Music, Wendi Crosby of Major Bob Music, Michael Doyle of Major Bob Music, Todd Wilkes of Better Angels Music and Ashley White of Better Angels Music. Legendary performers Brenda Lee and Jeannie Seely presented the awards to the evening's honorees: Joyce Jackson, Peggy Lamb, Pat McCoy, Sandy Neese, Margaret Parker and Marion Keisker Macinnes (posthumously). It was a fantastic evening honoring these wonderful ladies who have done so much for our industry - I look forward to attending this event each year.

While in Nashville, Ed and I were honored to be invited by Shirley Hutchins to speak at the Music Row Administrators Group meeting. We provided an update on the latest HFA happenings, and enjoyed catching up with up with our publishers in attendance, such as Kent Draughon from EMI Christian, Jill Napier of Ten Ten Music Group, Kathy Anderson of Uncle Hadley Music, Christy Robinson from Curb and Pete and Pat Luboff of Pea Pod Music.



(from left to right) Wendi Crosby from Major Bob Music, Danielle Boone, and Janice Bane from MCS America at the 2009 Source Foundation Awards.

We were also able to get in some visits with other local publishers, including Hori Pro Entertainment Group, Sun Entertainment Group, and One Music Group. And I could not pass up the opportunity to eat at Sylvan Park Diner, which I always look forward to when in Nashville!

Looking ahead, I'll be back in Nashville the week of September 14, when I'll be speaking at the Americana Music Conference. If you would like to meet while I'm there, email me at dboone@harryfox.com. ●

events

Reminders . . .

HFA on the Road

Monitor Latino Convention

Industry, CA August 24 – 26

HFA's Eduardo Morales, Senior Latin Licensing Agent and Adam Tully, Inquiry Agent Publisher Services will be attending this event, one of the largest international conventions for Regional Mexican Music. For more information, visit <http://monitorlatinoconvention.com/>.

“Digital Distributors – Offering Services to Get Independent Publishers and Songwriters Paid”

New York, NY September 16

Maurice Russell, VP, Licensing, Collection & Business Affairs, HFA will be a panelist at this event hosted by The New York Chapter of the AIMP. Other panelists include Erik Gilbert, VP of Content, IODA; Stanley Schneider, Esq. Attorney and Patrick F Sullivan, President & CEO, Rightsflow, Inc. Helene Blue, President of Helene Blue Musique, Inc. will serve as Moderator. Register online at www.aimp.org

Americana Music Association Festival and Conference

Nashville, TN September 16 - 19

Danielle Boone, Team Lead, HFA Publisher Services will speak on the panel “Who’s Collecting for You?” during this 10th annual event. In addition to panels and seminars, the Americana Music Festival will feature approximately 100 performances by legends and the next generation of stars. For more information, go to www.americanamusic.org.

Other upcoming events:

Leadership Music Awards
Nashville, TN August 23

Bandwidth Conference
San Francisco, CA August 27-29

Digital Media Pipeline
Los Angeles, CA Sept. 15

NSAI Songposium Week
Nashville, TN Sept. 21 – 25

HFA affiliate publishers, send us your news! Send new signings, employee announcements, life notes (births, weddings, obituaries) to soundcheck@harryfox.com.

News



J. Hawk with Stephen Finfer (seated) and John Rudolph (standing)

Arthouse Entertainment has signed a co-publishing agreement with **Jeremy Hawkins**, aka “JHawk.” Under the terms of the deal, Arthouse Entertainment will represent JHawk’s entire catalog and future recordings. JHawk is the producer behind up-and-comers New Boyz, Pink Dollaz, The Bangz, Mann, The Ranger\$, Indigo, Pheo, Asia Lynn, YG, Action Finger\$, and Tay f 3rd. JHawk is a 17-year-old, Los Angeles-based multi-genre music producer and songwriter. An alumnus of Hamilton High School Academy of Music in Los Angeles, JHawk has worked with over 50 artists under his own JHawk Productions umbrella, producing, arranging, writing and engineering their projects.

Boosey & Hawkes welcomes **Oswaldo Golijov** to its roster of distinguished composers. By exclusive agreement, Boosey & Hawkes now represents Golijov’s existing catalog as well as all future works. Upcoming projects include a commission honoring Henry Fogel, a work for Emanuel Ax, and Dawn Upshaw, and a Metropolitan Opera commission for premiere in 2014. The CD of the premiere of his work *La Pasión según San Marcos* (2000) received both GRAMMY and Latin GRAMMY nominations in 2002. He has completed two film soundtracks for Francis Ford Coppola, *Youth Without Youth* (2007) and *Tetro* (2009). Recent compositions include *Azul* (2006), a cello concerto for Yo-Yo Ma and the Boston Symphony Orchestra. Golijov is currently co-composer-in-residence at the Chicago Symphony Orchestra together with Marc-Anthony Turnage.

ole and **Cookie Jar Entertainment** have struck a music publishing co-ownership and worldwide administration deal. This agreement includes Cookie Jar’s properties including “The Doodlebops,” “Caillou,” “Busytown Mysteries,” “Magi-Nation,” “Arthur” and “Metajets.” Under the deal, ole will cultivate Cookie Jar’s music publishing properties worldwide.

ole has also announced a music publishing administration deal with **Scholastic Media** (scholastic.com), a division of Scholastic, the global children’s publishing, education and media company. Under the deal, ole will cultivate Scholastic’s music publishing property in all territories outside of the U.S.

Universal Music Publishing Group (UMPG) announced that Universal Publishing Production Music (UPPM) has acquired the publishing assets of French production music company **Kapagama S.A.** Through this agreement, Kapagama will stand as a separate company within UPPM under the leadership of its current president Jean-Michel Gallois-Montbrun. From its Paris headquarters, Kapagama manages worldwide distribution of production music catalogues such as Kosinus and AX’s. From its office in Germany, Kapagama GmbH represents Kosinus, AX’s, X-Ray Dog, and West One Music.

[More...](#)

People



Bug Music Publishing announced that **Sara Johnson** has been promoted to Senior Director of Creative Services, Nashville and **Ed Williams** has been named as Director of Creative Services, Nashville. Johnson and Williams will oversee all aspects of copyright development, writer management and client relations effective immediately. Both will report to Roger Murrah, Senior Vice President, Nashville. Johnson was formerly Creative Director and has been with the company over two years. Prior to his new appointment Williams has held various positions throughout the music industry, including publishing, producing demo sessions, casting and pitching songs, as well as assisting in day-to-day artist management.



Peermusic is pleased to announce that **Mr. Julio Bagué** has been named Manager - Peer International Corporation (PIC) of Puerto Rico. This new designation is in addition to his current position as Creative Director of peermusic's Miami office, where he will continue to be based. He will be focused on handling the creative affairs of peermusic's Puerto Rican projects, as well as synchronization licensing and the coordination of administrative matters with peermusic U.S. In 1998, Bagué became a music producer for Radio Disney, in which his duties included all in-house production needs for programming, as well as various jingles and spots for major clients. He has also maintained a professional career as a New Age artist signed to Alcione Music, and has recorded two international releases of his own.

“On the Road Again?”

Make Sure Your Mail's Not Marked “Return to Sender”

On the move? Make sure HFA has your current contact information. You can obtain change of address information on our website at www.harryfox.com or by contacting HFA Publisher Services at 212-834-0100.

The HFA website also has a list of publishers for whom we may be holding royalties due to the lack of a valid mailing address - see the “Help Us Find Publishers” link.

If you have any comments regarding HFA Soundcheck, please contact Laurie Jakobsen at 212-834-0133 or email soundcheck@harryfox.com.

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Established in 1927 by the National Music Publishers' Association, HFA represents over 37,000 music publishers for their licensing needs in the United States, issuing licenses and collecting and distributing the associated royalties. In addition to being the premier mechanical licensing agent in the U.S., which includes CDs, ringtones, digital downloads, interactive streams, limited downloads and more, HFA is dedicated to finding new ways for its affiliates publishers to recognize value for their catalogs, including lyrics and tablature. Further, HFA provides collection and monitoring services to its publisher clients for music distributed and sold in over 95 territories around the world. For more information about HFA, or to become an affiliate publisher or a licensee, see www.harryfox.com.

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