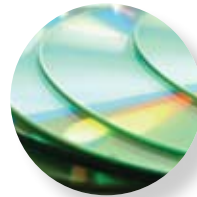


hfa soundcheck

November 2009



HFA and the Independent Market

One of HFA's key strengths is our ability to provide the "one to many" relationship that simplifies the licensing process, both for publishers and for licensees. This value is most evident in our relationships with independent publishers and labels – companies that have no association with one of the "big four." As can be seen in the quarterly publisher airplay charts HFA produces with Nielsen and Billboard, ownership of a fraction of just one hit song can put a small publisher into the top rankings of the industry – anyone who thinks the independent market is not significant is just not paying attention.

Indies are certainly important to HFA. 40% of HFA's over 41,000 represented publishing catalogs are controlled by an independent company, and the associated songs constitute 39% of our catalog, which is now at over 2.6 million songs.

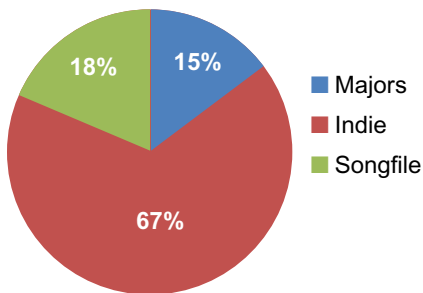
On the label side, in 2009 through September, 67% of our licensing requests come from independent labels, with another 18% from Songfile® licensees – most of which would probably consider themselves small, DIY, independent labels. Collectively, 85% of our licensing activity comes from non-major labels. In fact, on average, Songfile license requests are about equal to or even greater than what HFA receives from the major labels.



[More...](#)

HFA and the Independent Market”...

2009 License Requests
as of September



HFA facilitates the interaction between everyone in the market, the thousands of independents as well as the majors. Most independent companies are not operating with dedicated mechanical licensing teams – both publishers and labels – and HFA is their outsourced provider. On the publishing side, a company also has the leverage that HFA provides in royalty compliance examinations, and the new revenue opportunities we bring to you, such as our recent lyrics licensing deal with Gracenote.

For labels and other licensees, with our administration and consulting service offerings, you can effectively engage HFA to handle as much of your entire licensing and royalty process as you would like – whether or not the works are represented by HFA. You do not need an intermediary which saves you both time and money.

HFA has been helping independent publishers and licensees do their business for 80 years, and we are deeply invested in the success of the thousands of stalwart, independent companies that we proudly represent. ●

The Harry Fox Agency, Inc. and Gracenote Enter Licensing Arrangement for Digital Lyrics

HFA and Gracenote®, a provider of lyrics for digital music applications, have entered into a digital lyrics licensing arrangement, for uses including lyric delivery with permanent downloads, CD playback, online subscription services, lyrics search, mobile services, and consumer devices. HFA's over 37,000 represented publishing catalogs will have the option of licensing Gracenote Lyrics™ by participating in this agreement.

“The Gracenote Lyrics offering enhances many different music services including Clear Channel, MetroLyrics, MTV, Pandora, and Yahoo! Music, and adds another layer to the fan's experience,” said Michael Simon, Senior Vice President of Business Affairs, General Counsel and Chief Strategic Officer for HFA. “This arrangement demonstrates HFA's continuing commitment to deliver new revenue opportunities for its represented publishers.”

“This licensing arrangement with HFA is a big win for both music publishers and Gracenote's customers,” said Ross Blanchard, VP of Business Development for Gracenote. “HFA's members may license a large and growing new market and our customers and music fans will have access to an even larger catalog of authorized lyrics.” ●

Reminder to HFA Affiliated Publishers:

Opt-In Agreement for Gracenote due November 23

If you wish to participate in HFA's licensing arrangement with Gracenote, please let us know by **November 23, 2009** by either returning the Opt-In form or responding electronically through the “Authorizations” option on HFA Online. If you have any questions about this offer, please contact HFA Publisher Services at publisherservices@harryfox.com or 212-834-0100.

Licensee Corner:

Online Licensing Reports Part 1 – Overview

**By Tegan Delap,
Digital Licensing Agent**

HFA offers a number of Online Licensing Reports tailored for its licensees through their HFA Online accounts. This gives you the ability to view all of your license requests online, see their current statuses, and download the data to your systems. You are also able to see when the ownership of a song changes and which of your licenses are affected by that change. These customizable reports allow you to pick and choose what information you would like to see, and how you want to view it. This article, the first in a series, will give you an overview of the license reports available. Subsequent articles will show you how to customize your reports, how to schedule a report, and how to email yourself a copy of the report.

The reports are in two folders in the Reports area of your HFA Online account, differentiated by signed date or by processed date. Note that the signed date reports only include licenses for physical formats, such as CDs, LPs, and cassettes; per HFA's license terms, digital format licenses (permanent and limited downloads, ringtones, and interactive streams) are effective upon issuance and do not require your signature, so the available reports differ depending on the type of license. To review your digital licenses, use the reports in the processed date folder. For each of the following reports, you can specify what year and month's data you would like to review.

Reports by Signed Date Folder (Physical Only)

- Licensee Download of License Transaction Details by Signed Date [Executed Physical Licenses by Month] – This report contains detailed information about physical format licenses signed by you during a particular month.
- Licensee Report of License Transactions by Status Summary [Request & License Status Summary (Physical Only)] – This report tells you how many physical format licenses your company requested during a particular month, and the current status of those requests. You can sort the data by license type (domestic, import) and license status (unsigned, signed, void, etc.).

Reports by Processed Date Folder (Physical and Digital)

- Licensee Download of License Transaction Details [Request & License Status Report by Month] – This report contains detailed information about all of your company's license requests occurring during a particular month for all formats. You can choose the license type (digital, domestic, etc.) and license status (issued, unsigned, void, etc.), and filter the data by Artist Name and Release Name.
- Licensee Report of License Transactions by Status Summary [Request & License Status Summary (Physical & Digital)] – This report tells you how many physical and digital licenses you requested during a particular month, and the current status of those requests. You can sort the data by license type and license status. If you have

Licensee corner...

Use the icons in the upper right corner of the screen to view the report in other formats

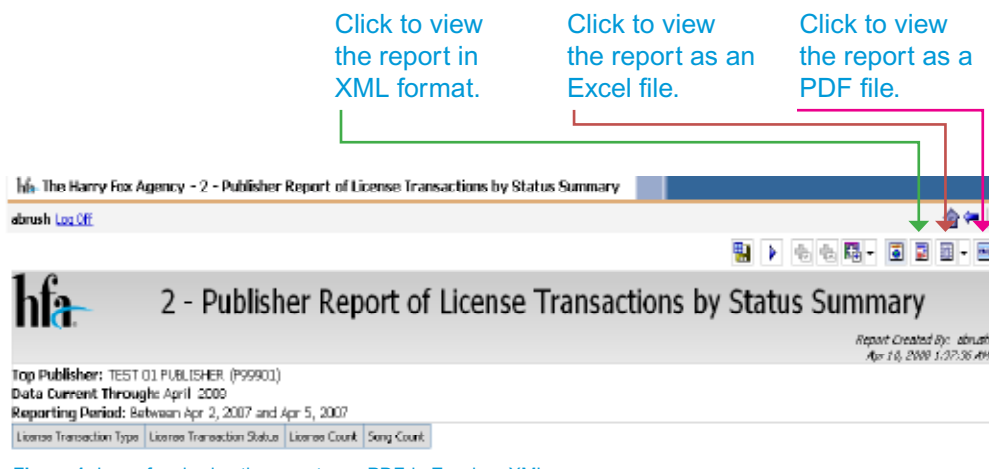


Figure 1: Icons for viewing the report as a PDF, in Excel, or XML.

both physical and digital licenses and want to see a summary of all your requests, the physical and digital requests will be summarized separately within the report.

- Licensee Report of License Transaction Details by Publisher [Request & License Status Report by Publisher] – This report contains detailed information about your license requests occurring during a particular month. In addition to license type and license status, you can filter the data by an HFA Top Publisher Number or an HFA Affiliate Publisher Number.
- Licensee Report of Song Ownership Changes [Notice of Change (NOC)] – This report contains detailed information about song ownership changes occurring during the prior month. The affected licenses are automatically grouped and sorted by song code. It's important to run this report monthly in order to be aware of all ownership changes so that you can report your royalties accurately.

We are currently in the process of updating the names of the reports. The first name listed is the old name, and the name listed in brackets will be the future name. You will see both listed for the time being. We are also working on combining these reports so that you will only need to run one report to view all of your licenses and license requests. Further details on both will be in a future issue of Soundcheck.

You may view any of these reports in Excel, as a PDF or in XML format. If you choose to use Excel, please note that version 8.0 has a limit of 65,536 rows of data. If your report is larger than this, the remaining lines of data will not load into Excel. To avoid this, we suggest that these larger reports be imported into Microsoft Access or a different database application. ●

Next Month: Customizing a Report



From left to right/ De izquierda a derecha: Eduardo Morales, Ed Hunt, Jessie Lema, Dalton Hernandez, Joel de Jesus, Adam Tully

Introducing HFA's Latin Team

Latin music – in all its vast variety – is one of the most rapidly growing areas of the music industry. Recognizing this, a little over a year ago HFA officially established a Latin Team to focus on the needs of these publishers and licensees. HFA's core Latin Team comprises five fluent Spanish-speakers from the Publisher Services, Distributions, Licensing and Collections areas that are dedicated to this market. While you may have met them in person at various industry events this year, here is a more official introduction to each member:

Joel De Jesus, Junior Income Tracking Analyst: This Dominican native holds a Masters Degree in Music Business from NYU, and has experience in music publishing and digital operations. He is also a guitarist and songwriter.

Dalton Hernandez, Distributions Processor: he holds a BA from Hunter College (CUNY), where he pursued a double-major in English and Media. He is trained as

Presentando al Equipo Latino de HFA

La música Latina – en todas sus variedades – es una de las áreas de más rápido crecimiento en la industria musical. Reconociendo esto, hace poco más de un año HFA oficialmente estableció el Equipo Latino enfocado a las necesidades de éstas editoras y sellos discográficos. El núcleo del Equipo Latino de HFA está compuesto por cinco individuos de habla hispana de los departamentos de Publisher Services, Distributions, Licensing y Collections, que se dedican a este mercado. Aunque probablemente ya los haya conocido personalmente en varios eventos de la industria durante el año, a continuación presentamos oficialmente a cada miembro del equipo.

Joel De Jesus, Junior Income Tracking Analyst: Nativo de República Dominicana, Joel cuenta con una Maestría en “Music Business” de NYU, y tiene experiencia en edición musical y operaciones digitales. Él es también guitarrista y compositor.

Dalton Hernandez, Distributions Processor: Cuenta con un BA de Hunter College (CUNY), en donde busco un título doble en “English and Media”. También esta entrenado en

Introducing HFA's Latin Team...

an audio engineer and is also a drummer and violinist. American by birth, his roots are in Puerto Rico and El Salvador.

Jessie Lema, Latin Licensing Agent: A graduate of NYIT with a Masters in Communication Science, Jessie brings her many years of experience in sales, publishing and performing rights to her role at HFA. An acoustic guitarist, Jessie is proud of her Ecuadorian heritage.

Eduardo Morales, Senior Latin Licensing Agent: A Mexican national, he graduated cum laude from Berklee College of Music with a degree in Music Business Management. Eduardo is also an accomplished drummer.

Adam Tully, Inquiry Agent: Adam Tully has lived in Buenos Aires, Argentina and has a Masters in Guitar Performance from Mannes College at The New School for Music. An active guitarist in the New York tango scene, he has many years of experience in the Latin music sector.

The Latin Team's executive sponsor is Ed Hunt, Senior VP of Publisher Services and Distributions. They are also supported by his assistant, Nicole Iovino, and Cathy Brea from HFA's Human Resources department.

The team continues to actively build relationships with publishers, record labels, PROs, managers, artists and songwriters across the industry. If you would like to get in touch with them, please call 212-834-0100 or contact us by e-mail at esp@harryfox.com. ●

Presentando al Equipo Latino de HFA...

ingeniería de audio, y toca batería y violín. Americano de nacimiento, pero con raíces en Puerto Rico y El Salvador.

Jessie Lema, Latin Licensing Agent: Graduada de NYIT con una maestría en "Communication Science", Jessie trae a HFA muchos años de experiencia en ventas, edición musical, y derechos de interpretación. Jessie toca la guitarra acústica, y se siente orgullosa de su descendencia Ecuatoriana.

Eduardo Morales, Senior Latin Licensing Agent: Nativo de México, graduado con honores de Berklee College of Music con un título en "Music Business Management". Eduardo es también un talentoso baterista.

Adam Tully, Inquiry Agent: Adam Tully vivió en Buenos Aires, Argentina y cuenta con una Maestría en "Guitar Performance" de Mannes College at The New School for Music. Tiene muchos años de experiencia en el sector de la música latina y es actualmente guitarrista en la escena del Tango en NY.

El Patrocinador ejecutivo del Equipo Latino de HFA es Ed Hunt, Senior VP of Publisher Services and Distributions. Así mismo, el equipo es apoyado por Nicole Iovino, asistente de Ed, y por Cathy Brea del departamento de Human Resources de HFA.

El equipo continúa activamente fortaleciendo relaciones con editoras, sellos discográficos, organizaciones de derechos de interpretación, ejecutivos, artistas y compositores en la industria. Si le gustaría ponerse en contacto con ellos, por favor llame al 212-834-0100, o contáctenos por medio de correo electrónico a esp@harryfox.com. ●

HFA Affiliates Receive Discount on Registration for the 5th Annual ASCAP “I Create Music” Expo

April 22-24, 2010 in Los Angeles, CA

Early Bird pricing ends November 30th

HFA affiliates can receive a discount off their registration for the 5th annual ASCAP “I Create Music” EXPO, which will take place April 22-24 at the Renaissance Hollywood Hotel in Los Angeles. The national conference, dedicated to songwriting and composing, will, once again, offer networking opportunities featuring activities such as seminars, workshops, master classes, keynotes, one-on-one sessions with various industry professionals, song critiquing, product displays, technology demonstrations, and live musical performances. With the discount, and early registration, HFA affiliates can save up to \$195 off the regular cost of registration, and affiliates who are also ASCAP members can save up to \$215. For more information about the ASCAP “I Create Music” EXPO, and to register, visit <http://www.ascap.com/expo> ●

Reminders. . .

The AIMP’s Pan-European Licensing (Digital and Mobile) Panel Discussion
New York, NY November 18

Future of Television Conference
New York, NY Nov. 18 - 19

The AIMP’s Strategies For Survival: How Successful Indie Labels Are Coping... in the digital age
Panel Discussion
Los Angeles, CA November 19



NSAI president and hit songwriter Steve Bogard recently visited HFA, sharing with the staff the story of his long career in the music industry. He capped off his talk with an acoustic performance of “Easy as You Go,” which is on the current George Strait album Twang – Strait’s fifth #1 record on the Billboard Top 200.

Pictured from left to right: HFA President and CEO Gary Churgin, HFA Senior Vice President of Human Resources and Administration Michele Olton and Steve Bogard.

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

News

Bug Music Publishing has signed a new co-publishing deal with Emerson Hart, solo artist, songwriter and front man of the multi-platinum selling group Tonic. Under the terms of the deal, Bug Music and Hart have entered into a co-publishing agreement encompassing Hart's future recordings and his 2007 solo album *Cigarettes and Gasoline*. Hart currently resides in Nashville and has been actively co-writing with other artists, hit songwriters and a recently regrouped Tonic. Bug Music was also honored in Inc. magazine's "Inc. 500: Fastest Growing Privately Held Companies." earning spots #99 overall and #2 in Media. Bug Music was noted for their three-year growth and was the only music publishing company on the list.

EMI Music Publishing has signed an exclusive global co-publishing deal with songwriter and vocalist **Jared Cotter**. Cotter co-wrote "Down" by Jay Sean featuring Lil Wayne, which topped the Hot 100 Airplay chart. As well as writing for Jay Sean, Cotter will have the song "It Ain't Christmas" featured on R&B vocalist Joe's forthcoming album. In addition to his writing and performing, the former American Idol finalist is an on-air host with Fuse TV, and is in talks to host a new game show on cable TV.

ole hosted the annual pop+urban songcamp in September in Hollywood. This year's event was co-presented by Foxx King Entertainment and the Musicians Institute. Sponsorship support came from such organizations as The Canada Music Fund, SOCAN, BMI, ASCAP, SESAC, Puma and others. 30 songwriters came together to create new material for major label recording artists while expanding the writers' creative networks and publisher partnerships. Partnering into small groups, the participants enjoyed a unique experience which challenged the writers to grow beyond their existing capacities. As a result, some 40 new copyrights, specifically written for major label artists, were created for forthcoming releases. A select group of songs from the camp can be streamed at this "musicnow" link: <http://www.majorlyindie.com/search/cd/1097>

Peermusic, in tandem with **Digital Pressure**, has entered into a five year joint venture digital distribution agreement with **CEMCA**, a division of the Conservatory of Music of Puerto Rico. The announcement was made by Julio Bagué, Manager - Peer International Corporation of Puerto Rico. CEMCA Records, the newly formed record label by Centro Empresarial para Músicos CulturArte, is already enjoying success, having achieved successful representation in the 10th edition of the Latin Grammy Awards. The first three productions by CEMCA Records have received nominations in the categories of: Best Classic Music Album, Best Classic Contemporary Composition and Best Latin Jazz Album.

Universal Music Publishing Group (UMPG) announced the signing of a world-wide publishing agreement with **Adam Young** of **Owl City**. The publishing deal encompasses the entire Owl City catalogue, including Adam's major label debut, *Ocean Eyes*, which was released in July 2009 and has sold nearly over 180,000 copies since then. Owl City is currently featured on the 90210 soundtrack with the song "Sunburn." In June of 2007, Adam released *Of June* on MySpace, his first, self-released digital album. *Maybe I'm Dreaming*, released digitally in March of 2008, was Owl City's full-length debut and currently has more than 11 million profile views and 52 million plays. ●

"Word on the Street" is taken from press release material.

“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 41,000 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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