



Minutes of the Officers & Board of Directors Meeting
Thursday, September 22 at the Offices of HFA

Brittain Ashford (Administrator)	Present
Katie Baron (Legal Counsel)	Absent
Bryndon Bay	Present
Marco Berrocal	Present
Bryan Bradley	Present
Eugene Caprioglio	Present
Steve Culbertson	Present
Daniel Dorff	Present
Kathy Fernandes	Present
Sean Flahaven	Present
Lauren Keiser (President)	Present
Jim Kendrick. (Legal Counsel)	Present
Sonya Kim	Absent
Kristin Lancino	Absent
Kathleen Marsh	Present
Zizi Mueller	Present
Norman Ryan	Present
Jeff Schroedl	Present
John Shorney	Present
Todd Vunderink	Present

Call to order and announcements (Keiser) – 10:05 AM.

Danielle Aguirre will be giving a presentation during the meeting. She is VP of Legal Affairs at NMPA, replacing Katie Wagner.

Approval of Minutes – the Board approved minutes from both April and June, noting that John Shorney was present for the April meeting and that Zizi was present for the June meeting.

Treasurer's Report – Lauren noted that we have moved our accounts to a Chase Manhattan branch in Times Square. Brittain let the Board know that one of the MPA CDs has been closed and the money shifted into savings, as it would yield a higher interest rate. Jim Kendrick suggested we talk to the bank to make sure the funds were properly insured in one account. The report was approved as submitted.

Old Business:

MENC Scholarship: Brittain reported that scholarship monies had been disbursed and winning videos have been posted to the MPA YouTube site, with the grand-prize video also posted to www.mpa.org. She reported that wheels are already in motion to promote an earlier March deadline with NAFME, formerly MENC, so that winning videos could be shown at the

MPA Annual Meeting. Kathy Marsh suggested that there be a way to promote the videos in a bigger way. The Board discussed the length of submissions for the following year and decided that a provision should be added to the 2012 rules regarding time, stating that five minutes is perhaps too long for the video. It was decided that videos should be between 30 seconds and three minutes.

New Business

NMPA Anti-Piracy Program: Danielle Aguirre joined the Board to discuss the NMPA Anti-Piracy program. She stated that it is one of the few ongoing programs to help music publishers and songwriters. She discussed recent changes to the program and how the NMPA is currently reworking the program so that it can be as effective as possible. The program has been active for about five years, Lauren Keiser having a large hand in the creation of the program. She let the Board know that thus far the program has been small but successful, “given what we are up against”. She reported that over the last five years 118 lyrics sites, 94 tab, and 42 sheet music sites have been sent DMCA notices. Of those, 134 have complied, which is about 50%. NMPA has licensed 12 lyrics sites, now that there is a method to do so.

Danielle stated that one lyric licensing site the NMPA licensed indicated that for their company alone there was \$1.5 million in revenue that came from sites that were previously unlicensed, half of which goes to publishers and song writers.

She stated that certain sites are unresponsive, change their names or move off shore, making the process a bit “whack-a-mole”. While this is discouraging, they are certain that the new plan to aggressively go after sites as well as ISPs, money processors and advertisers will be very productive. While there is no legal process for the latter, Danielle described it as a “moral- suasion” issue. She also sited the importance to work with the people on that end of the web to educate on the issue.

She cited the importance of having outside counsel more aware of action being taken so that when sites move offshore they can be followed and targeted. She also cited the importance of having a better way to communicate with publishers, organizations and counsel, which will vastly improve the functionality of the program.

Danielle let the Board know that there aren’t big settlements to be gained by litigation, but targeting one will discourage sites from offering illegal content and send a message.

NMPA has upped their financial commitment to the program. NMPA is looking at new outside counsel to attempt a more creative approach to the matter. They have met with Ken Anderson at Sheppard Mullen, who represents all sorts of music industry people and seems to share a passion for the program and has many creative ideas for reaching out to ISPs and money handlers. Now that NMPA is ready to move forward they are looking for MPA support; NMPA has agreed to commit \$150,000 to the program. Danielle mentioned that \$150,000 isn’t a lot when it comes to litigation, but she is certain that they would be able to do a lot with it.

Following Danielle’s initial presentation, there were a few questions. Jim Kendrick asked if the focus would be geared towards all types of infringing sites: lyrics, tab and sheet music. Danielle gave an affirmative; the program is geared towards taking down sites, with the long-term goal to get sites to license.

Zizi Mueller asked Danielle if there was data to show regarding sites that had been shut down and if they had reappeared under a different guise. Danielle stated at current there was not specific data that she knew of, but that she would look into the matter.

Jim asked if the program dovetails with the efforts in Congress to pass the Rogue Sites Bill—Danielle answered: only in that NMPA has been lobbying for the bill. Jim asked if starting such an initiative before the bill is passed would, “gum up the works”—Danielle stated she didn’t know, but that it was a valid question and that she would inquire.

Kathleen Marsh raised the concern of licensing and negotiating terms with publishers who still wish to grant permissions on their own, making the process difficult and hard to navigate. Danielle agreed that this is a problem in the industry, and while this will not solve such a problem it will still make it easier in the big picture to license the illegal sites.

In closing she discussed the importance of having a central hub where publishers and organization can send researched info to in an attempt to make the process easier—taking the work away from a law firm and making costs relatively low.

Lauren urged the Board to embrace to program, stating that this is the time to go after these illegal sites. If our Board and organization does not join this fight, no one will; this is an exciting opportunity with the support of the NMPA Board.

Budget: Lauren let the Board know that the spreadsheet presented is a preliminary budget. A non-profit cannot show a yearly deficit such as ours, thus the presented spreadsheet is a “blueprint” to discuss our annual operations.

He reported that last year was a “once in a lifetime” chance to give out some money. As an organization, we had never done it before and we are likely to not do it again, but it was necessary given the IRS and their take on non-profits that hold on to money. As a Board, the presented budget was evaluated line-by-line, stopping for inquiries.

Bryan Bradley asked about the estimated increase in dues that the proposed Budget reflected. Brittain reported that there were some publishers who had not renewed the previous year but have agreed to come back to the organization. Also, with the membership mailing going out at the end of last year, she felt that it was a “hopeful” figure. Kathleen Marsh suggested we reevaluate our dues structure to reflect money being spent on big issues. Lauren suggested this would be an issue for the Membership Committee and that Sean could examine the previous dues structure. The Board seemed concerned that we had recently reduced dues. Sean mentioned that a nominal increase probably wouldn’t be a large issue, but that there should be other material to approach potential members and increase this revenue.

Regarding the Annual Meeting, Jim asked if the MPA was net-cash positive for the Annual Meeting, Brittain told him that we are not; the organization recoups about 35% of associated costs. Daniel Dorff asked if \$1,000 was realistic for speakers. Lauren was certain that between the Board we would be able to get good inside speakers who were willing to present without a fee.

Steve Culbertson stated that he thought it was problematic to cut all funding to outside organizations given the amount of the Kopinor money and that it didn’t seem right to cut this funding to zero. Lauren stated that our mission is to support our members and that if the

publishers are healthy, the composers and songwriters will be healthy as well. If the Board continues to grant at the rate we have been, the MPA will be out of money in two years. John Shorney agreed with Steve's concerns and that the Board should be conscious of serving the MPA's diverse membership. While in support of the NMPA project, John pointed out that it is not necessarily the concern of his publisher. John suggested that if we are going to take all of the MPA resources and focus it on one area that we should be careful not to exclude the interests of certain publishers. Sean Flahaven mentioned that since the Kopinor income is a product of physical piracy, that rechanneling for anti-piracy efforts seems appropriate.

Kathy Fernandes discussed the Curriculum figure of \$20,000. She said \$5,000 could be taken off the top, as the program is not quite at the place it was anticipated to be.

Norman Ryan stated that the \$20,000 figure for performance could be cut to about \$10,000. Lauren, in response to Steve's earlier concern, stated that the Performance Committee spending is a wonderful way to support our traditional "serious music publishers" and their composers.

The Board discussed the \$50,000 figure for the Piracy Committee. Todd Vunderink asked if there was a plan as to how the money would specifically be used. He suggested that the NMPA program would appear to be an annual expenditure and that he would like to see a better plan as to how the money would be used. Other members of the Board agreed that they would like to see a plan given the history of communication with NMPA. Jim suggested the Piracy Committee meet with the NMPA Counsel to discuss.

Bryan Bradley raised concerns of maintaining stable operation costs. At current, basic spending is just what the organization is bringing in; "there's no room for contributions, legal or otherwise, without some serious restructuring." Jim agreed, that spending is a little out of the "comfort zone". Lauren stated that it's a matter of accounting and that we will need to reevaluate where we put our money and how we spend it.

Brittain stated that the PR figure could come down. Primarily, money will go into advertising the scholarship, but that the organization needs to reprint brochures—or figure out if we would like to reprint them. They are a great resource that she is frequently asked for. Kathleen Marsh talked a little to the functionality of our message, our brand and its importance.

Brittain discussed the new web figure; all agreed it was a reasonable figure for a site rebuild. The new site platform would allow for certain changes to be made, which would allow for great savings in the long run. The developers hired are also creating a message board for membership, with unique usernames and passwords, something that the site is not currently able to support.

Lauren stated he would like to vote on a budget at our next meeting on November 3 in the interest in responding to grant requests in a timely manner, Bryan suggested that the Board seriously attempt to balance the budget in the coming year and evaluate our comfort level with our deficit. Bryndon Bay agreed, stating that committees should evaluate what they need to spend and what is a responsible figure in regards to our members. The Board discussed what a comfortable figure would be. It was felt that 25% of reserves was the maximum amount of deficit we should take on. Lauren suggested that all committees take a strong look at what they need and that we will vote on the budget at our November meeting.

Committee Reports

Annual Meeting:

Contribution: no report.

Copyright and Licensing: no report.

Digital Piracy: no report.

Curriculum Project/MENC Scholarship: see report above in “old business”.

International Contacts: no report.

Engraving and Production: no report.

Membership: the MPA has received a handful of applications and membership queries over the summer. Ivory Page Music, Music Propria, and ZMX Music had complete applications that were presented to the Board. All were approved for membership.

MLA/MOLA Joint Committee: no report.

Paul Revere Awards: no report.

Performance Committee: no report.

Press/Publicity: no report.

Research/Development/New Technology: no report.

The meeting was adjourned at 12:00 PM.

Respectfully submitted,
Kathleen Marsh, Secretary