



Soundcheck

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The Evolution Continues

A few words from Gary Churgin, HFA President & CEO

With all of the other things that we have been focusing on, I haven't recently written much about our continued technology development, and thought it was time to bring you all up to date on what the team has been doing to continue to expand and improve our suite of applications for publishers, licensees, and the HFA staff that serve them.

We are now in continuous evolution to keep HFA relevant to publishers and to licensees of many formats. While our formal "transformation" initiative was completed in 2006, we have continued to build upon that foundation. To keep pace with the marketplace, technology requires not just maintenance but constant refinement and improvement. At this point, HFA has fixed or created basic online systems, and their development must continue as the market matures. This work is now our normal course of business, rather than a special initiative.

In 2007, we introduced a tool to automate the consolidation of any duplicate song titles while maintaining any licensing and royalty history, improving the accuracy of licensing and royalty distributions. In response to user comments, we rolled out an online version of eSong, improving the usability of this song registry tool. We upgraded the underlying technology that supports all our Online Reports, giving more options to publishers and licensees for searching and viewing their licensing and royalty data.

At the end of the year, we introduced new features targeted to our smaller quantity licensing service Songfile®, adding electronic check payment and a reduced minimum unit requirement in response to licensee and publisher requests. And 2007 was the first year we operated Songfile on a commission-free basis – which was made possible by the efficiencies of our online systems- and our publishers get the full rate of 9.1 cents.

Internally, we continued enhancements of our Collections and Distributions processing applications, HARP and LRT, and laid the foundations for the consolidation of royalty payments. We outsourced our data center, so we no longer have the responsibility of an onsite data center.

In 2008, we have continued the pace of our development. As our publishers know, we introduced Royalty Payment Consolidation in first quarter 2008, in which HFA consolidates royalty payments and statements until they reach one of the following two thresholds: \$500 cumulative payments, *or* the close of the calendar quarter (March 31, June 30, September 30, and December 31).

The effects of this were immediate and impressive. Through April 3rd, we issued 6,848 consolidated payments, an 87% decrease in the number of checks and royalty payment vouchers. If they had been sent out unconsolidated, HFA would have sent out 52,178 individual pieces. Under our previous system, 500 companies would

have received 20 or more checks and 22 companies would have received more than 100 checks during that period. This is a big save for us, and we're very pleased with these results.

Of course, one of the priority initiatives is the preparation for paying royalties for "covered services" (on-demand streams and conditional downloads) at conclusion of Copyright Royalty Board sessions this fall. We will be ready to distribute the royalties our publishers have been waiting for these past seven years.

Income Royalty Tracking (ITR), which gives publishers the ability to create customized reports based on HFA royalty payments, has been one of the most popular reporting tools we've introduced for our publishers, and we are working to rollout ITR Manufacturer Comparison Reporting, which will allow you to compare licensing histories across manufacturers.

We are also working on a tool to enable manufacturers that have difficulty reporting to HFA electronically – yes, believe it or

not, HFA still receives paper stats from a number of manufacturers – to make their quarterly royalty payments through our website, and we are continuing to develop additional enhancements to the Songfile system.

These are actually only the highlights of a wide slate of projects that our team is working on every day. The process of transformation really never stops. As we all know, the only constant is change – so HFA is continuing to transform itself to be an even better partner for our publishers and licensees.



NMPA & HFA Congratulate Board Chairman Irwin Robinson, Honored With NYU Visionary Award

NMPA and HFA congratulate Irwin Z. Robinson, chairman of both organizations' Boards of Directors, who in April was the first recipient of the New York University Steinhardt Music Business Program Visionary Award. The award honors a business figure of note for his or her lasting and positive impact on the music industry through innovative, effective, and creative business leadership.

Robinson, who is Chairman of Paramount Allegra Music, was first elected to the NMPA Board in 1974 and has served as Board Chairman since 1985. Prior to Paramount Allegra, Robinson was formerly Chairman and Chief Executive Officer of Famous Music Publishing; President and Chief Executive of EMI Music Publishing Worldwide; President of Chappell/Intersong Music Group; and General Counsel, and then Vice President and General Manager of Screen Gems-Columbia Music/Screen Gems-EMI Music, Inc. Robinson also serves on the Board of Directors of both ASCAP and the Songwriters Hall of Fame.

“Good Afternoon, Publisher Services...”

Answers to the Top Questions Received by HFA Publisher Services

By Cori Barger, Matt Jasper and Elisabeth Mina, HFA Inquiry Agents

Each day the HFA Publisher Services team speaks with many publishers and licensees. About one third of all incoming calls are from publishers, both affiliated and non-affiliated. The majority of these communications are filtered through the Publisher Services “Call Center” which is currently staffed by three Inquiry Agents. In 2007, they handled an average of 830 calls and 1,400 emails a month.

Below are some of the most common questions we receive from publishers. These include how to set up and use an HFA online account, sign up for direct deposit of royalties, take advantage of HFA’s new licensing arrangements, and inform HFA of international licensing activity.

What is an online account and how do I sign up for one?

The password protected portion of the HFA website, *HFA Online*, gives secure access to web-enabled applications. With an HFA publisher online account you will have access to view online royalty statements, view licenses and license request transactions, and manage your HFA song catalog. If you would like to set up an online account, please contact Publisher Services at 212-834-0100 or email publisherservices@harryfox.com.

What tools are available with a publisher’s online account?

The online account gives you access to multiple applications, including Online Royalty Statements, Online Licensing Reports, eSong, and POLI +, and user manuals to aid in navigating the applications. Below is a brief explanation of some of the tools available with an HFA Online account:

eSong

eSong is a web-based song registration tool. You can use this application to submit requests for HFA song registrations and song updates. To add songs to your catalog, launch eSong from the License Management area of the site and then click the “Create Request” tab. This will allow you to enter the request information for each song you would like to add. Please note there is an eSong user manual available under the “License Management” tab to help you with any questions you may have.

POLI+

The Publishers Online Indexing and Licensing System (POLI+) is also in the License Management area of the site, and is the main system to help publishers manage their HFA song catalog. Through POLI+ you may check the status of all songs in your catalog, review issued licenses, and respond to license requests that require your approval. To view your song catalog, choose option 01 (Song Inquiry) after launching POLI+. Then enter in your HFA account number in the Publisher Code search field and hit “Enter.” As with eSong, there is also a complete user manual.

Online Statements

Online Statements provide secure online access to both the HFA royalty statements and copies of the corresponding check or direct deposit statements that publishers receive in paper form. Useful application features include the following: electronic notes that can be

attached to individual statements; statement file sort and search capability; and tools to search for any titles, numbers, or text within the detailed royalty statements. These reports can also be downloaded for integration with your company's applications.

Online Reports

Online Licensing Reports provide access to a publisher's HFA licensing activity reports, and includes options to search for and customize reports using a variety of song and license related criteria. As for Online Statements, these reports can also be downloaded to your computer.

How do I sign up for direct deposit of royalties collected by HFA?

Direct deposit for your HFA royalties electronically deposits money into your bank account, usually within 3 business days after HFA processes your payment. This eliminates the hassle of waiting for physical checks to be received by mail; however, you will still receive physical statements by postal mail to verify the royalties have been deposited. If you would like to sign up for HFA direct deposit, please complete and return the direct deposit form located on our website under the "Information Center" tab and the "Forms Library" link.

What formats will HFA license on my behalf?

HFA is leading the way as the distribution of music evolves with technology. We issue mechanical licenses for physical formats (such as CDs, cassettes and vinyl), and digital formats such as interactive streams and full-length permanent and conditional downloads on behalf of our publishers. HFA also licenses ringtones, lyrics, tablature, digital jukeboxes, and other "new media" applications per instructions from our publishers. You can see if your company has authorized HFA to license your catalog for these uses in the Arrangements area of your HFA Online account. If you want to change your authorizations, call Publisher Services at 212-834-0100 (option 2) or send an email to publisherservices@harryfox.com

How do I collect international royalties through HFA?

If you have selected HFA to collect your foreign royalties, and are aware of a current or future use of your song in a non-U.S. territory covered by an HFA reciprocal agreement, you should complete our Notification of Foreign Activity (NFA) Form (which is available at www.harryfox.com under the Publisher Quick Links). We can then pursue royalty collections for you. Please note that the international collection procedure normally takes at least six to nine months from when we receive the NFA form, as our foreign rights societies report their royalty collections on different schedules.

Does this mean a HFA license is valid throughout the world?

No, an HFA-issued license is only valid for duplication and distribution within the United States. If the recording will be manufactured and/or distributed overseas, then the licensee will need to follow the protocol of that country's copyright law.

If you have any questions regarding this information, feel free to call Publisher Services at 212-834-0100 (option 2) or send an email to publisherservices@harryfox.com. We'll be happy to help you.

Shots from the Road



◀ HFA's Eric Scott and Laurie Jakobsen at the HFA booth at SXSW in March.

▶ Also in March, HFA's Fred Beteille, Paul Mauceri, and Eric Scott, visited the foreign societies in France (SACEM/SDRM), Germany (GEMA), and the U.K. (MCPS). They are pictured with representatives of SACEM, from left to right: Raphaël Besson, Scott, Laurence Bony, Beteille, Jocelyne-Espiand Vallee, Frederic Rampelberg, Safia Grimaldi, Mauceri, Jean-Claude Chamoux, and Kendequeu N'diaye.



HFA'ers were on two panels at the third annual ASCAP Expo in Los Angeles.

◀ Dean Kay, Demi Music; Gary Churgin, HFA; David Basskin, CMRRA; and Jeremy Fabinyi, MCPS-PRS.

▶ Eric Beall, Shapiro Bernstein & Co.; Michael Eames, PEN Music Group; Brendan Okrent, ASCAP; Ed Hunt, HFA.

(Expo photos courtesy of ASCAP)

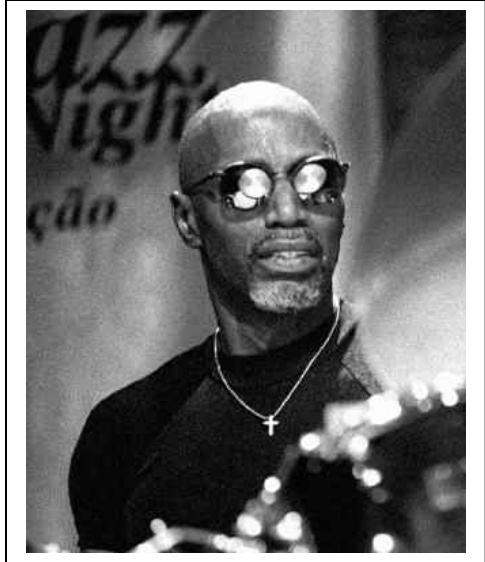


HFA Publisher Profile:

T.S. Monk Thelonious Music Publishing

T.S. Monk is a formidable drummer, bandleader, composer and vocalist in his own right. But he is also the heir to the legacy of his father, the legendary Thelonious Monk. One of the critical parts of that legacy is the management of one of the most important publishing catalogs in jazz.

Fortunately, during his early career, T.S. schooled himself in the basics of the music business and of publishing. “I got a reputation as a wise guy, from reading books such as [Sidney Shemel and William] Kraslovky’s *This Business of Music*. So I did have an idea what was going on. A lot of people think a publisher is just a collector of royalties, but it’s actually an exploiter, a creator of revenue. For example, jazz is built on written music – so why would you publish with someone with no print resources?”



When his father died in 1982, the Monk family began the process of dealing with all he had left behind. While many things were in disarray, fortunately, Thelonious’s manager had counseled him to hang on to the majority of his songs, which were in two companies: Barthel (named after his two children) and Meltone. Serendipitously, the trumpeter, producer, arranger and publisher Don Sickler called them to say that he was renewing Denzil Best’s share of the copyright for “Bemsha Swing” – I know you don’t know me, but do you want me to renew your share, too?

As Sickler himself recalls, at that point, Monk’s widow Nellie did not really trust anyone to administer the catalog for her, but she had shopping bags of unissued licenses. So he began to help the family to straighten out the publishing arrangements and recover the titles they did not already have in the catalog. “Don worked with us pro bono for five or six years,” remembers T.S. “We were very reluctant to sign a new agreement, but he really proved himself.” To this day, while Don’s company, Second Floor Music, publishes many titles, Thelonious Music is the only catalog he administers.

T.S. has worked to balance his own career while handling his father’s works. In order to do this, he recently launched his own label, Thelonious Records, to release his father’s material, his own records, and recordings from up-and-coming R&B and hip-hop artists such as Yvonne Kenny. The latter may come as a surprise, but one of T.S.’s first hits, “Bon Bon Vie,” was heavily sampled in tracks recorded by Mary J. Blige and Blackstreet, among others, and kept him current in that genre.

With the Monk dynasty continuing to grow, it should come as no surprise that T.S. is beginning to condition his own two children on the business. “I tell them that you need to study this stuff, because this will fall into your hands. But I think their interest will be piqued over time.”

He continues, “I’ve been so lucky, first that Harry Colomby pushed my father to form a company to keep the catalog intact, and later that Don Sickler was that kind of righteous person he is. Dad left a lot of good karma behind.”

For more information, go to www.monkzone.com.

Word on the Street . . . HFA Affiliate Publisher News

Peermusic has announced the signing of singers **La La** and **Gloria Trevi** to worldwide, multi-album publishing deals. La La was discovered in MySpace, where the singer had reached #13 on the MySpace R&B chart, #16 on the MySpace Pop chart, and #1 on the MySpace Latin Chart. Now, her first music video “Homegurlz” has topped the charts on MTV Tr3, and it is exclusively available on iTunes. Gloria Trevi is celebrating her 20th year as an entertainer, with millions of records sold in the United States, Mexico and Latin America.

olé has signed multi-platinum songwriter and producer **Mark J. Feist** to a multi-year, worldwide co-publishing deal. olé will co-publish “No Man, No Cry” and all other copyrights over the term. Feist has written and produced hits for such pop artists as Destiny’s Child, Kelly Rowland, Céline Dion, and many more. In 2005, he also wrote-produced-arranged “Come Together Now,” the Hurricane Katrina relief charity single featuring recording artists Céline Dion, Patti LaBelle, The Game, Joss Stone and many others that raised hundreds of thousands of dollars for *Habitat For Humanity*. In addition, olé and **Studio B Productions Inc.** signed a multi-year worldwide television music royalty administration agreement. Under the terms of the deal, olé will employ its administrative global expertise to monitor and collect the TV music publishing and audio-visual re-transmission royalties of Studio B Productions. Current properties include *George of the Jungle*®, *The Amazing Adrenalini Brothers!*, *Class of the Titan*,; among many others.

In Other News. . .

The New York Chapter of the **AIMP** is holding the evening panel “Licensing – Everything Including the Kitchen Synch” on synchronization licensing on May 21 at the

Williams Club. The Los Angeles chapter will present the luncheon event “The Future of Media” on May 22 at 11:30am at the House of Blues in West Hollywood. Registration for the LA event will open on May 1. For more information or to register, go to www.aimp.org, or call (818) 771-7301 for LA or (212) 391-2532 for New York.

Desmond Child, Albert Hammond, Loretta Lynn, Alan Menken and John Sebastian will be inducted into the **Songwriters Hall of Fame** this year. **John Rzeznik** of the Goo Goo Dolls will be the recipient of the Hal David Starlight Award, **Paul Anka** will be honored with the Johnny Mercer Award, and **Milt Okun** of Cherry Lane will receive the Abe Olman Publisher Award. The 39th annual induction and awards dinner is scheduled for Thursday, June 19 at the Marriott Marquis Hotel in New York City. Special award honorees will be announced at a later date. To attend, contact Buckley Hall events at 914-579-1000.

“Word on the Street” is taken from press release material.

Mark Your Calendar: NMPA Annual Meeting June 18

The NMPA Annual Meeting will take place on June 18 at the Marriott Marquis Hotel in New York City. More details will be announced soon. If you are interested in attending, contact Jamie Marotta at jmarotta@nmpa.org or call 202-742-4375 by June 2.

***“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.

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If you would like to discontinue receiving the paper copy, please send an email to Soundcheck@harryfox.com and include your name and your company, and we will update your account.

If you have any comments regarding HFA Soundcheck, please contact Laurie Jakobsen at 212-834-0133 or Isabel Mayoral at 212-922-3290, or email soundcheck@harryfox.com.

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