

# NEWSLETTER

An Entertainment Industry Organization



## President's Corner By Cheryl Hodgson

I am pleased to announce that as of January 2009, the CCC will be moving to a new location, the Courtyard Marriott on Ventura Blvd. in Sherman Oaks. The location is fabulous, and includes *free* parking, a nice setting, and easy access. I want to acknowledge the board members who made this happen, including Ken Freundlich, Eric Polin and most of all Cheryl Dickerson. Without the dedicated teamwork they displayed, this great new venue might not have been a reality.

November 11 (my birthday), will mark the end of an era, as well as a new beginning for the CCC. Our November meeting will be the last meeting at the Sportsmen's Lodge. Please join us for an exciting panel that evening.

Mark your calendars now for the Café Cordiale holiday party on December 11, 2008. Another year almost gone! Join us to celebrate, appreciate each other and the many blessings we enjoy, even in these challenging times.

## CD - DPD Rates

| RIGHT/MEDIA                           | PUBLISHER PROPOSAL                                             | RIAA INITIAL PROPOSAL                                                                                                                      | RIAA REVISED PROPOSAL                                                                      |
|---------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>CURRENT RATES</b>                  | <b>\$0.091 UNDER 5:00, \$0.0175/MINUTE OVER 5:00, PER COPY</b> |                                                                                                                                            |                                                                                            |
| PHONO RECORDS (INCL DPD)              | \$0.125/\$0.024/MINUTE FOR PHYSICAL PRODUCT                    | 7.8% OF LICENSEE'S WHOLESAL REVENUES                                                                                                       | 9% OF LICENSEE'S WHOLESAL REVENUES FOR CDs, DPD, TETHERED DOWNLOADS                        |
|                                       | \$0.15/\$0.029/MINUTE FOR PERMANENT DOWNLOAD                   |                                                                                                                                            |                                                                                            |
|                                       |                                                                | <b>ALTERNATIVE PROPOSAL (NOT RECOMMENDED BY RIAA, JUST A RESPONSE TO A REQUEST FOR A "PENNY RATE" INSTEAD OF PERCENTAGE BASED ROYALTY)</b> | \$0.069/COPY FOR WHOLESAL SALES OVER \$0.70; \$0.055/COPY FOR WHOLESAL SALES UNDER \$0.70; |
|                                       |                                                                |                                                                                                                                            |                                                                                            |
| <b>RATES PER CRB DECISION</b>         | <b>PHYSICAL PRODUCT</b>                                        | <b>PERMANENT DIGITAL DOWNLOADS</b>                                                                                                         |                                                                                            |
|                                       | <b>\$0.091 UNDER 5:00, \$0.0175/MINUTE OVER 5:00, PER COPY</b> | <b>\$0.091 UNDER 5:00, \$0.0175/MINUTE OVER 5:00, PER COPY</b>                                                                             |                                                                                            |
| <b>1.5% penalty for late payments</b> | <b>NO CPI INCREASES FOR 5 YEAR TERM</b>                        |                                                                                                                                            |                                                                                            |

## Ringtone Rates

| RIGHT/MEDIA                   | CURRENT NEGOTIATED RATES                                                                                                        | GREATER OF \$0.10 - 0.125 OR 10% OF RETAIL SALES PRICE |                               |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------|
|                               | PUBLISHER PROPOSAL                                                                                                              | RIAA INITIAL PROPOSAL                                  | RIAA REVISED PROPOSAL         |
| <b>RINGTONES</b>              | GREATER OF (i) 15% OF WHOLESALE REVENUE, (ii) 1/3 OF TOTAL CONTENT COSTS (MECH + SOUND RECORDINGS, OR (iii) \$0.15 PER RINGTONE |                                                        | 15% OF WHOLESALE REVENUE      |
| ALTERNATIVE PROPOSAL          |                                                                                                                                 |                                                        | \$0.18 PER RINGTONE           |
| PAYMENT TERMS                 | DIRECT TO PUBLISHERS                                                                                                            |                                                        | PASS THROUGH RECORD COMPANIES |
| <b>RATES PER CRB DECISION</b> | <b>\$0.24/mastertones/ringtone</b>                                                                                              | <b>1.5% penalty for late payments</b>                  |                               |