

Copyright Arbitration Royalty Panel (CARP)  
PO Box 70977  
Southwest Station  
Washington DC 20024-0977

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GENERAL COUNSEL  
OF COPYRIGHT

**ROYALTY RATE PROPOSAL  
UNFAIR FOR WEBCASTERS AND LISTENERS**

Dear CARP People:

I hope you'll accept a letter from someone who has been an avid listener to music webcasters, and who is afraid that most will be driven to extinction if your current royalty recommendations are adopted.

In recent years, the internet has made available to listeners a huge variety of musical artists and genres, in contrast to the increasingly monopolized, homogenized output of the broadcast radio industry. Many of those who webcast make little or no profit, but do it out of enthusiasm for types of music that are not available from broadcast radio or the major record companies. I think it would amount to an unfair death sentence to force these small-scale webcasters to start complying with royalty and reporting rules which are many orders of magnitude more burdensome than those imposed on the broadcast radio industry.

Traditionally, broadcast radio stations were required to pay royalties only to composers and publishers. They paid no royalties to artists and record companies, whose compensation was the exposure of their music to the public. The current drive to change this policy seems based on the idea that webcasters provide their listeners with a "perfect" digital copy of the music they play. If that's the justification for your proposed policy, then it would make sense to **provide an exemption for webcasters who transmit a lower-quality stream**. A stream of, say, 33Kbps is no more a perfect copy than what anybody can currently pick up on their radios, so there would be no justification for fees beyond those paid by radio broadcasters.

I also feel that some of your proposed auditing requirements (e.g., reporting the time zone of every listener) are not only excessive, but could lead to listener privacy being compromised. (Here again, if the justification for these requirements is the "perfect digital copy" argument, then lower-bandwidth streamers should be completely exempt.)

Thanks for considering this.

Sincerely,



David Halford  
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