

**From:** [REDACTED]  
**To:** [FN-OMB-IntellectualProperty](#)  
**Subject:** Save us please!!  
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To Ms. Victoria Espinel - and anybody else who will listen,

Bona fides: I am a successful composer for film (over fifty movies with worldwide grosses of well over a billion dollars) and television (many hit shows). I was also a member of the band Oingo Boingo and worked as a session player on hundreds of albums. I own a state of the art recording studio and continue to work as a composer and occasionally as a record producer.

Filesharing has allowed the entire world to enjoy – without paying - the fruits of the labors of countless creators of intellectual property. Yet there are hundreds of huge corporations around the globe that profit from charging the public for the means to steal (fileshare) music. Those companies are not held responsible for their actions (or inactions, as the case may be). The recording industry has been absolutely decimated as a result. Singers, engineers, songwriters, producers, trombonists, you name it – they have all had their livelihoods snatched from them by the seeming largesse of the telecom/internet industry and the disinterest and tacit approval of governments around the world. It is quite possible to share the massive profits of those industries with the creators of music – even easy to do – but for some reason those companies just don't want to share.

The number one and number two most profitable exports of the United States are arms (guns, tanks, fighters jets, bombs) and entertainment (movies, TV, music, sports). The weapons industry is doing fine – nobody has figured out how to reproduce and distribute millions of guns for free yet – but the entertainment industry is collapsing at a precipitous rate. The auto and banking industries have problems and our government bails them out with billions of dollars. The collapse of our auto industry, however, would look like a gentle summer rain compared to the cat 5 hurricane that will strike our nation's economy if the entertainment industry continues on the path laid out in front of it by the internet industry. The good news is that the fix does not require a megabillion dollar bailout – just clear and supportive laws.

The film and television industry is teetering over the same cliff that the recording industry fell off years ago. With the increased speed of internet connections and computer processors consumers are now downloading movies at the same rate they did songs. 50% of the income from any given film has, for the past thirty years, come from DVD sales and rentals (and VHS before that). Most movies do not achieve a profitable status from theatrical showings alone, due to distribution costs on top of production costs. Movie studios have relied on DVD sales and rentals to pay off their considerable investments. As that market begins to dry up the studios are forced to make fewer movies and slash the budgets of the ones they do make. I know - I've seen the average fees paid to composers plummet by 60 - 75%. No exaggeration. The situation is becoming increasingly dire across the entire entertainment industry.

The good news (yes there is good news to be found) is that people want entertainment. Lots and lots of it. People are filesharing massive amounts of music and movies. Tremendously massive. The average kid with an iPod is carrying around in his pocket at least ten times the amount of music that his forebears had in their entire CD or LP libraries at home. The obvious bad news, of course, is that he didn't pay for that music. Steve Jobs himself said that only 3% of the music on the average iPod was purchased thru iTunes. The market is teaching us that consumers want much more music than was ever dreamed possible. So how does the artist make a living from that?

Lose the record companies. They've lost control. The days of selling plastic discs are rapidly coming to an end. The delivery system of choice is digital downloading. No more trips to the store, no irritating shrinkwrap and security tape, download on a whim. What do we need record companies for? They've lost their grip on manufacturing and distribution and no one cares about their misguided and out of touch marketing. The de facto distributors now are the ISPs and filesharing sites like Pirate Bay. Lose the dinosaur record companies and let's strike a bargain with the present and future purveyors of music online. We'll need government help, we'll need standards and copyright enforcement, but there is a very good living to be had here. You all know the old drug dealer's saying - the first hit is free. Well we've stumbled into a huge market with an awful lot of music addicts

now. Way more than has ever existed before in history. And we are the growers. But the street sellers - Pirate Bay, LimeWire, Verizon, Comcast, Google - are simply taking our work and giving it away while making money doing so.

Let's legitimize them. Give them a good cut for distribution. Establish a micropayment system or a subscription model. License our products to them. The technology to do all of this exists right now. But first we have to stop the old middlemen from trying to horn in on the action of the new middlemen. We need to get them out of the way. Artists have always looked to be legitimized by getting a 'deal' with a record company. That will be flipped on its head now. Labels will be looking to get a deal with an artist. The artists will be the clients, the ones in control. The record companies will be, at best, service companies for artists. You'll make a deal with them like you'd make a deal with a gardening service. If they don't take care of the flowers, you'll move on to the next gardener with a phone call. Or spread the fertilizer yourself.

A punitive approach to the consumers will NOT work without offering up an attractive distribution system for intellectual property. We need governments to step up to the plate to standardize this model. Micropayments automatically tacked on to one's monthly ISP bill are the way to go. This could happen now - it's not a pipe dream. But it won't work without government help. The laws need to be written to make ISPs and other tech companies responsible to the creators. That will take legislation, in tandem with enforcement. Without such an approach our country's most valuable export will evaporate.

With great hope for the future,

Richard Gibbs  
Malibu, CA