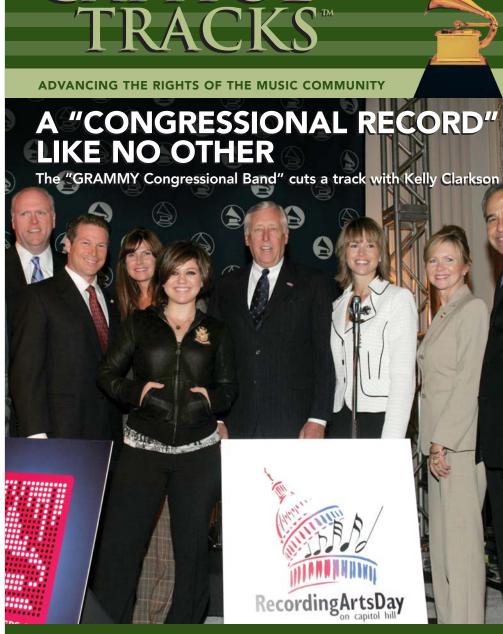
NATIONAL ACADEMY OF RECORDING ARTS & SCIENCES®

WINTER 2006

NATIONAL ACADEMY OF RECORDING ARTS & SCIENCES® 529 14th St. NW, Ste. 840 Washington, D.C. 20045





Kelly Clarkson and the "GRAMMY Congressional Band" at Recording Arts Day (l-r): Reps. Joe Crowley, Connie Mack, Mary Bono; Clarkson; Reps. Steny Hoyer, Stephanie Herseth, Marsha Blackburn and Charles Gonzalez Photo: Douglas A. Sonders/WireImage.com

Academy Hosts Star-Spangled Event By Bill Holland

Music people call attention to creative industry at Recording Arts Day events

The second annual Recording Arts Day on Capitol Hill — during which dedicated music professionals from across the country visit our nation's lawmakers to remind them of the importance of music in American life — brought together most major music business associations resulting in attendance by more than 160 artists, songwriters, producers and other music professionals.

Singing sensation Kelly Clarkson, stellar jazz guitarist Earl Klugh, Texas swing champ Ray Benson, Oscar winner Louis Gossett Jr. and top producers Jimmy Jam, Desmond Child and Randy Jackson were among the luminaries on hand. They joined Recording Academy President Neil Portnow and the heads of virtually every major U.S. music association to spread the word on the need for protection of the music creators' work in the digital age.

The event, conceived and organized by the National Academy of Recording Arts & Sciences, was an all-day affair, capped by the evening GRAMMYs on the Hill Awards Dinner and show at the historic Willard Hotel.

The highlight of the day's events was the first professional music recording session ever staged on Capitol Hill. The session, held in a packed Cannon House Building Caucus Room, featured Clarkson, songwriters Aben Eubanks and Jimmy Messer, and the "GRAMMY Congressional Band," a backup team of House members providing percussion and finger-snaps.

Walking together down the halls of the Senate and House were reps from the American Association of Independent Music; American Federation of Musicians; American Federation of Television and Radio Artists; ASCAP; BMI; Gospel Music Association; GRAMMY Foundation; Harry Fox Agency; and Jazz Alliance International Inc.

Also visiting lawmakers' offices were officials from Music Managers Forum — US; National Association of Recording



(I-r) Kelly Clarkson demonstrates the recording process with help from musicians Gerald Veasley and Jimmy Messer and the GRAMMY Congressional Band, Reps. Connie Mack, Mary Bono, Steny Hoyer, Stephanie Herseth, Joe Crowley and Charles Gonzalez Photo: Jeff Fishbein/WireImage.com



Recording Arts Day host organization representatives: Hal Ponder (AFM), Don Rose (A2IM), Pat Collins (SESAC), John Styll (GMA), Karen Sherry (ASCAP), Gary Churgin (HFA), Kim Roberts Hedgepeth (AFTRA), John Simson (SoundExchange), Neil Portnow (The Academy), Barry Bergman (MMF-US), Rebecca Greenberg (RAC), David Israelite (NMPA), Suzan Jenkins (JAI), Fred Cannon (BMI), Joel Flatow (RIAA), Jim Donio (NARM) and songwriter Victoria Shaw Photo: Douglas A. Sonders/Wirelmage.com

Merchandisers; National Music Publishers' Association; The Academy's Producers & Engineers Wing; Recording Artists' Coalition; Recording Industry Association of America; SESAC; Songwriters Guild of America; and SoundExchange.

Legislators Offer Support

The day began with morning orientation and briefings at the Hotel Washington and a keynote appearance by Karan K. Bhatia, deputy U.S. trade representative. He outlined the grim statistics that call for further administration efforts to ensure China and Russia more vigorously enforce laws designed to protect against the rampant music piracy subculture in those nations.

The advocates then boarded buses and headed to Capitol Hill, arriving at the base of the Capitol for a short walk to the House side and a visit to the House chamber.

Reps. Marsha Blackburn (R-Tenn.), Howard Coble (R-N.C.), Cliff Stearns (R-Fla.), Debbie Wasserman Schultz (D-Fla.), Stephanie Herseth (D-S.D.), and Jim Cooper (D-Tenn.) attended a working lunch to address the group and show their support for the music community.

Cooper, whose district includes Nashville, underscored the need for aggressive advocacy on the part of the music community. "We've got a tremendous amount of work to do," he said. "The world is stealing us blind."

Cooper also cautioned the group that despite differences, they must present a unified front to lawmakers to address protection problems, especially in light of the short amount of time left in the session. Another goal for Cooper is to pass legislation that would ensure "music is in every school in America."

Congress Is In (Recording) Session

Next on the agenda was a "famous first," the music recording session in the Cannon Caucus Room, which took on the look of a high-end studio — complete with console, amps, mics and an isolated Plexiglas drum booth. Congressional members and staffers were in attendance to get a firsthand look at the recording session featuring Kelly Clarkson. The program was both entertaining and educational, as the policymakers learned about the large number of "behind-the-scenes" professionals needed to produce a track.

Recording Academy Vice Chair Jimmy Jam took the stage first. Serving as narrator for the recording demonstration, he explained the steps in achieving a final



Obama (right). Academy President Neil Portnow presented the award Photo: Douglas A. Sonders/Wirelmage.com

master recording. "It always begins with a good song," he said, which has to meld with the right artist. Then there's the selection of a compatible producer, finding simpatico musicians, working out arrangements, finding the right studio and recording engineer, and then booking time to "lay down tracks" to create a fleshed-out production.

Jam jokingly "dissed" the importance the engineer plays in the process and was left speaking into a dead mic until he gave credence to session engineer Malcolm Harper, who also serves as The Academy's Texas Chapter President.

Songwriters Aben Eubanks and Jimmy Messer, who had collaborated with Clarkson to co-write the new tune "Maybe," were the next to speak to the crowd.

They explained the genesis of the tune, which began with idea sketches from both writers. The song was then suddenly solidified by an undeniably catchy and slightly melancholy guitar riff on the part of Eubanks, and expanded by experimenting with additional sections that clicked.

When they were unsure where to take the fledgling song next, they e-mailed the tune to Clarkson, who added a new part herself "that took the song in a whole new direction," Messer said. "And it was better."

Messer also explained that at a recording session, he prefers cutting the basic tracks with the core band to give the track "a more organic feel."

A shy but confident Clarkson then took the stage, admitting charmingly to the crowd that she was uncomfortable in front of audiences "except when I'm singing." And sing she did, launching into "Maybe," backed by Eubanks and Messer and the crack rhythm section of James "Biscuit" Rouse and bassist Gerald Veasley, who is also a Governor for The Academy's Philadelphia Chapter and The Academy's National Advocacy Chair.

The basic track finished, the recording required overdubs by a session backup group. To the crowd's delight, a game



Louis Gossett Jr. presents Sen. Dianne Feinstein with the GRAMMYs on the Hill award Photo: Douglas A. Sonders/Wirelmage.com

group of House lawmakers formed a strong line behind the mics.

Perhaps they'll never become the next Raylettes or Sweet Inspirations, but Reps. Mary Bono (R-Calif.), Connie Mack (R-Fla.), Steny Hoyer (D-Md.), Mark Foley (R-Fla.), Charles Gonzalez (D-Texas) and Joe Crowley (D-N.Y.) along with Blackburn and Herseth, got the crowd's attention for their efforts.

In addition to the performance, Clarkson and Jam were also onstage when Neil Portnow presented a GRAMMY Award to another rising star, Sen. Barack Obama (D-III.). Obama had been unable to pick up his Best Spoken Word Album GRAMMY for his 2005 recording of *Dreams From My Father* at this year's ceremony. Even with his political popularity, Obama insisted that only his GRAMMY has finally impressed his wife.

After the working lunch and recording session, the advocates divided into small

groups to visit the offices of hometown elected officials and House members grounded in intellectual property and protection issues.

During the afternoon, one delegation tackled the Senate side, and met with Sens. Hillary Clinton (D-N.Y.), Patrick Leahy (D-Vt.), Norm Coleman (R-Minn.) and Kay Bailey Hutchison (R-Texas).

GRAMMYs On The Hill

The evening festivities were held in the ballroom of the grand Willard Hotel, which dates back to Abraham Lincoln's time.

Lawmakers and their senior staff networked and swapped on-and-off-the-job stories with national and local recording artists, producers, artists' unions, music publishers, and reps from songwriter, online music service and performing rights organizations.

Continued on page 6



John Ondrasik of Five For Fighting performs during GRAMMYs on the Hill Photo: Douglas A. Sonders/WireImage.com

In the ballroom, before the awards were handed out, master guitarist Earl Klugh brought silence to the buzzing room with a gentle and moving solo rendition of "The Star-Spangled Banner" on his classical nylon string guitar.

"American Idol" star Randy Jackson, who serves on the Board of The Academy's Los Angeles Chapter, co-hosted the event with award-winning entertainment reporter Shaun Robinson.

Sen. Dianne Feinstein (D-Calif.), one of the evening's honorees, spoke about her efforts to champion music creators and provide upgraded copyright protections. Feinstein has been a co-sponsor of every piece of significant copyright legislation since she entered the Senate in 1992.

Clarkson was honored for her participation with The Academy's What's The Download program, which educates and informs music fans about why downloading "free" music imperils the efforts of the entire creative community. The Brooklyn Center Junior/Senior High School from Brooklyn Center, Minn., was awarded a \$15,000 grant at the event to augment the courageous fundraising efforts of both students and teachers to keep its music programs afloat despite massive funding cuts. The grant was bestowed by the GRAMMY Foundation as part of its GRAMMY Foundation as part of its GRAMMY Foundation Senior Vice President Kristen Madsen and Fred Cannon of BMI — the evening's lead sponsor — presented the grant to the school's music teacher, Christine Porter, and music student Channel Chatham.

Singer/songwriter John Ondrasik of Five For Fighting provided the entertainment, singing his platinum and GRAMMYnominated hit, "Superman (It's Not Easy)," "100 Years" and a new song, "Freedom Never Cries." Ondrasik teased Rep. Bono, "who downloaded the song — legally," for asking him to explain more about the song's lyrics.



Kelly Clarkson (third from left) accepts her award with fellow members of the What's The Download Interactive Advisory Board Photo: Douglas A. Sonders/Wirelmage.com



(I-r) Legendary recording artist Sam Moore, Neil Portnow, Randy Jackson and Rep. Mary Bono Photo: Douglas A. Sonders/Wirelmage.com

Academy President Portnow also offered a three-tiered plan to effectuate a truce to end the contentious negotiations between the music community and the technology industries (see page 10), while Vice President of Advocacy & Government Relations Daryl Friedman spoke of recent successes brought about by grassroots advocacy. Fourteen hours after it began, Recording Arts Day on Capitol Hill ended for an exhausted but inspired core of music professionals from around the country and lobbyists and strategists from inside the beltway. As the delegation moved on to the Willard lounge, many were already talking about their trip to next year's Recording Arts Day.



Journalist Chris Matthews, Sen. Patrick Leahy and Recording Academy CFO Wayne Zahner Photo: Douglas A. Sonders/Wirelmage.com

Music Makers And Policymakers Participate In Recording Arts Day And GRAMMYs On The Hill

Photos: Douglas A. Sonders/WireImage.com



The music community delegation at Recording Arts Day on Capitol Hill



Recording Academy Chairman **Terry Lickona** (right) introduces U.S. Deputy Trade Rep. **Karan Bhatia**



Sen. Kay Bailey Hutchison with Kelly Clarkson



constituent Jimmy Jam



Sen. Hillary Clinton (center) with Neil Portnow and Kelly Clarkson







Rep. Jim Cooper





Rep. <u>Cliff Stearns</u>



Rep. Debbie Wasserman Schultz and daughter **Rebecca Schultz**



Sen. Patrick Leahy with members of The Academy's leadership: (back) Terry Lickona and Leahy; (front) Paul Corbin, Jimmy Jam, David Grossman and Helen Bruner



Briefing the delegation: (I-r) NMPA's David Israelite, Digital Media Association's Jon Potter, SGA's Rick Carnes and The Academy's Daryl Friedman

SOUND POLICY by Neil Portnow

(Sound Policy is a regular column by Recording Academy President Neil Portnow on Recording Arts issues. The following is an excerpt from Portnow's keynote address at GRAMMYs on the Hill in Washington, D.C., on Sept. 6, 2006.)



The last 12 months have seen great achievements (such as the industry's settlement with Kaaza) and challenges (such as a dispute with one of our most promising partners — satellite radio). But regardless of the result on any issue our music community faced, one theme has consistently emerged. We have seen it referenced in the media, in our industry, and even in Congress. That theme, as *Business Week* put it, is "the collision of technology and intellectual property."

Rhetoric on both sides too often tends toward the extreme or simplistic. A recent consumer electronics publication wrote that the music industry is asking Congress to restrict innovation and consumer choice. An inflammatory cliché no doubt, as all we seek is compensation for our members when their music is used. But as clichéd as those comments about us can be, quotes from the music community have painted the tech community with equally broad — and simple — brush strokes. Within The Recording Academy, one segment that most clearly sees the irrationality of this "collision of technology and intellectual property" is our Producers & Engineers Wing. This community of leading studio professionals includes many musicians who are simultaneously copyright owners, music creators and technologists. They push musical boundaries *and* technological boundaries, and they comfortably exist in both worlds of content and innovation.

Perhaps we have something to learn from them.

After all, artists, songwriters and all music professionals have a stake in advancing technology. We need it to capture the live or studio performance, and we need it to deliver our music to fans in convenient and engaging ways.

And naturally, the tech community needs — in fact requires — us, the music makers, as well. It is music that drives consumer demand for music devices, not vice versa. And ironically, the tech community's very own foundation lies in intellectual property; they protect their patents and trademarks with vigor, but then tell us we are being anti-consumer when we seek to protect music copyrights.

So how did these two mutually dependent industries become entangled in what author Howard Rheingold called "the war over innovation"? Or more importantly, how can we become disentangled?

Well, if we really are in the midst of "a war over innovation," then it is time for a truce. A Music & Technology Truce. Tonight, I am asking leaders from our

Producers & Engineers Wing to be the

frontline ambassadors in this effort. The Wing consists of tech-savvy music pros who are already actively involved in bridging the gap through numerous programs, such as their enlightening roundtable at the Consumer Electronics Show in January.

This Music & Technology Truce will not be easy, and no one should expect an immediate end to litigation or legislation. But there are three steps we *can* take immediately to increase the harmony of our two industries.

⁶⁶The technology and

music industries

can continue the

can work together

toward an environ-

ment in which we

can all win."

'war'...Or, we

First, let's reduce the rhetoric. How many times have you heard that we in the music community are "anticonsumer"? Or "antiinnovation"? How many times have we accused technology companies of being "anti-copyright"? Or of "stealing our music"?

Now, I realize we live in a world of soundbites, and this type of posturing is par for the course. But

we can go a long way by agreeing to tone down the verbal divisiveness.

Second, let's increase direct communication. For the most part, our two industries communicate with each other through the media, or on opposite sides of a negotiating table. There is a better way. For example, this past year, the Recording Industry Association of America and National Music Publishers' Association participated in the Consumer Electronics Show, finding common ground with the Consumer Electronics Association by sponsoring a legal downloading area of the show. This sets a great example for all of us, as do the productive negotiations currently underway between the Digital Media Association, publishers and other stakeholders on copyright reform.

To take this type of interaction further, The Recording Academy will host leaders of our industry and leaders of the tech industry at a music and technology summit, and we look forward to having the same type of constructive dialogue with the technology community that we now have within our own music CEO summits.

> And finally — perhaps most importantly the voices of artists and songwriters must be present in all discussions and negotiations with technology companies.

We all understand that copyright owners have the ultimate authority to negotiate on behalf of the music creators they represent. But it will serve all our interests to ensure that artists and songwriters are informed of and included in those discussions.

As current negotiations continue — with broadcasters, satellite services, and others — I encourage all parties to include the creator's perspective at the table. This inclusiveness can only serve to help the process — and remind the parties who we all really work for.

These three steps — reducing the rhetoric, increasing communication and including the creators' voices — may sound simple, but the Music & Technology Truce can only be implemented if both sides are willing to end the battle and work toward cooperation. Continued on page 13

Advocacy Roll Call

109th Congress Ends But The Song's Not Over

As Congress moved into the election season and recessed in the last hours of September, many of the music-related bills that went unpassed will have to be reintroduced in the next Congress.

Section 115 Reform. The Section 115 Reform Act (SIRA) was introduced on June 8 by Reps. Lamar Smith (R-Texas) and Howard Berman (D-Calif.). Although the key concepts in SIRA were important and workable (as it aims to create a blanket license for use of compositions in digital services) the details caused concern for different organizations. During the last days of September, Judiciary Subcommittee Chairman Smith and interested parties, including the National Academy of Recording Arts & Sciences, tried to reach a compromise. Unfortunately, time ran out and the legislation was pulled from the Judiciary Committee calendar.

In a letter to Daryl Friedman, Academy Vice President of Advocacy & Government Relations, Chairman Smith stated that, "you can be assured that I intend to move forward with this legislation. What we have accomplished so far will provide the foundation for a new law early next year."





Rep. Howard Berman

There is hope that the new legislation will include concepts such as the blanket license, a recognition of a mechanical royalty in an interactive stream, and a rate setting procedure for compositions accessed through digital services.

PERFORM Act. On April 25, Sen. Dianne Feinstein (D-Calif.) introduced the Platform Equity and Remedies for Rightsholders in Music Act of 2006 (PERFORM Act). The legislation was co-sponsored by Sens. Lindsey Graham (R-S.C.) and Bill Frist (R-Tenn.). The Academy worked closely with Sen. Feinstein's office and other stakeholders to negotiate a key pro-artist provision in the bill. The bill was supported by The Academy, AFTRA, AFM, RAC and other music stakeholders.

The bill would have restricted satellite radio devices from recording, storing and separating out individual tracks from the broadcast. At GRAMMYs on the Hill in Washington, honoree Feinstein spoke of the need to continue to fight for creators' rights; further action on platform equity is expected in the next Congress.

Audio Flag. In the Senate, a favorable provision for the music industry (protection of digital audio broadcasting content) was included in the massive Communications,

> Consumers Choice and Broadband Deployment Act, also known as the Telecom Act. After passing through the Senate Commerce Committee, the bill did not have enough votes to be called to the Senate floor.

Songwriters Tax Break. A bright note for music creators was included in the massive Tax Increase Prevention and Reconciliation Act. The new law



Paul Katz, Suzanne Vega, Daryl Friedman and Tom Chapin at the New York Chapter's advocacy event Photo: Mychal Watts/Wirelmage.com

(which goes into effect in January 2007) will allow songwriters who sell their publishing catalog to treat the income as a capital gain, which provides for a lower tax rate than regular income. Recording Arts and Sciences Caucus member Rep. Marsha Blackburn (R-Tenn.) championed the bill, backed by a fiveyear effort by the Nashville Songwriters Association.

New York, Nashville Chapters Focus On Advocacy

In June, the New York Chapter of The Academy produced "Do You Know: An Educational Advocacy Event," designed to discuss the complex legislative and

SOUND POLICY Continued from page 11

We all know that the next five years will set in motion new policies and business models that will guide our industry for decades to come. How we approach building the new music world is up to us all. The technology and music industries can continue the "war," with each playing a zero-sum game in which one side must win and one must lose. Or, we can work together toward an environment in which we all can win. An environment in which music technology issues in real-world terms. The membership-only event was hosted by the Chapter's Advocacy Committee, co-chaired by Paul Katz and Suzanne Vega, as well as by Committee member Tom Chapin and Daryl Friedman.

The following month in Nashville, The Academy's South Regional Director Susan Stewart participated in an industry-wide town hall on some of these same issues. Stewart gave that community an in-depth demonstration of the XM Inno, which plays satellite radio broadcasts and stores songs without a distribution license, and she joined a panel discussion with nearly every organization representing music creators and copyright owners. ■

artists, songwriters, producers and engineers can rely on both a *music* industry that works to develop talent and promote the music to the widest possible audience and a *technology* industry that works to develop new and efficient models of distribution that respect creators' rights.

I thank our Producers & Engineers Wing for accepting this challenge to bridge our two industries, and I challenge all of us to prove that we can be both pro-copyright and pro-technology. Let the truce begin. ■



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Advocacy Victories: "Citizen Lobbyists" Deliver

Grassroots action makes the difference at federal, state level

If there's any doubt that individual grassroots advocacy can make a difference, Recording Academy members have put it to rest. At the federal level, as well as in California and Georgia, citizen activists recently made major impacts on critical music community policies.

Victory In Congress: Broadcast Decency

After more than a year of advocacy work by the National Academy of Recording Arts &

Sciences and other organizations, Congress passed broadcast decency legislation that does *not* increase fines to individual artists. An earlier House version had increased potential artist fines to a maximum of \$500,000. Intense lobbying by a coalition of artist organizations plus nearly 4,000 e-mails sent by Academy members to Congress drove the point home: Don't fine artistic speech.

Victory In California: Arts Education Budget Increased

Entertainment industry leaders and music creators gathered in California in January 2006 to discuss a single topic of great importance to them: increasing their state's music and arts education budget. At a GRAMMY Roundtable convened by Academy President Neil Portnow and Arkansas Gov. Mike Huckabee (a leading arts education advocate) and moderated by Sir Ken Robinson, a world-renowned education advocate and creative consultant, the group developed a plan. Leaders from



Gov. Arnold Schwarzenegger (center) celebrates California's increased music education budget with The Academy's Los Angeles Chapter Board members Randy Jackson (left) and Philip Bailey

the music, motion picture, television and video game industries contacted their representatives in Sacramento and made the connection between arts education and California's entertainment economy. Supporting Gov. Arnold Schwarzenegger's arts education budget request, the delegation conveyed their message: Tomorrow's entertainment industry requires arts education today.

Members of The Academy's Los Angeles and San Francisco Chapters joined in the effort, lighting up the phones in the state Capitol. The result was an unprecedented increase in the arts education budget of \$105 million, with millions of dollars more for musical instruments. After the bill was signed, Gov. Huckabee noted of the budget increase, "I am convinced that if it hadn't been for Neil and for the work of the members of The Academy, that simply would not have happened." Following this historic budget increase, Huckabee honored Portnow with the Chairman's Award of the Education Commission of the States.

Victory In Georgia: Music Program Saved

This spring, the Fulton County Board of Education in Georgia signaled their intention to eliminate elementary school music programs. For years, the program had been recognized nationally by the American Music Conference as one of the top 100 music programs in the country. Members of The Academy's Atlanta Chapter, joined by other parent and music organizations, participated in school board meetings, sent hundreds of e-mails to the school board, and had prominent music leaders such as Usher, Ludacris and Earl Klugh weigh in. Within a week, the school board reversed its decision and, hearing the voice of their community, kept music in the schools in Fulton County.

The Academy thanks its members who were involved with these advocacy efforts and helped deliver major victories for music creators. ■



Arkansas Gov. Mike Huckabee (left), chairman of the Education Commission of the States, bestows the ECS Chairman's Award on Academy President Neil Portnow. Portnow was honored for his efforts to increase access to music education for students in California and across the country

Neil Portnow

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