



**FOR IMMEDIATE RELEASE**

**AWARD MADE IN SESAC ARBITRATION  
PROCEEDING WITH RMLC**

***DECISION MAY DRIVE INCREASED RADIO  
LICENSE FEES FOR ALL RIGHTSHOLDERS***

**New York, NY (July 31, 2017) – SESAC, Inc.**, a leader and innovator in music licensing that serves music creators, publishers, as well as users of music, today announced the conclusion of its arbitration proceeding with the **Radio Music License Committee** (the “RMLC”). The award, made by three independent arbitrators, determines the rate SESAC can charge terrestrial radio stations represented by the RMLC, for the period from Jan. 1, 2016 through Dec. 31, 2018.

For the first time, an independent panel has set the value of music’s contribution to radio, and it calculated that value at a level substantially above rates negotiated under the shadow of the rate courts. Based on reports that have appeared in the trade press regarding ASCAP’s recent settlement with the RMLC as well as published estimates of ASCAP’s market share, SESAC believes that the rates reflected in its arbitration award are approximately 50% higher than ASCAP’s—which is the rate the RMLC has been trying to impose on the music industry. SESAC has agreed to use commercial arbitration to resolve license fee disputes with the RMLC, whereas ASCAP remains subject to a Consent Decree with the US Department of Justice. SESAC believes that the Consent Decrees impose restrictions that may prevent rightsholders from realizing the fair market value of their works.

The arbitration panel’s award is an important benchmark that SESAC believes has the potential to benefit all songwriters, and may be used in the near term by BMI and Global Music Rights in their ongoing disputes with the RMLC. Other potential beneficiaries of the SESAC arbitration outcome include writers and publishers affiliated with PRS for Music, SOCAN, APRA, and other foreign performing rights organizations whose works represent a meaningful share of radio play in the United States.

“While we believe that the value of our music substantially exceeds the amount of the award and the nature of the arbitration process made it inevitable that we would see a reduction in our fees for terrestrial radio, the panel’s decision is a resounding affirmation of the fact that ASCAP rates in radio do not reflect fair market value. We are pleased to create a benchmark that we hope will benefit *all* songwriters and publishers,” said John Josephson, chairman and CEO of SESAC Holdings, Inc. “Songwriters are amongst the most heavily regulated small businesspeople in the United States, and this agreement marks an important step in SESAC’s ongoing effort to assure that they receive fair compensation for their works.”

The costs SESAC incurred in connection with the arbitration proceeding, as well as the one-time adjustment in its radio license fees from the date of the award retroactive to January 1<sup>st</sup> 2016, will be funded by SESAC’s shareholders, and not by its affiliated songwriters and publishers.

### **About SESAC Holdings, Inc.**

**SESAC Holdings** is the only U.S.-based **Music Rights Organization** that administers public performance, mechanical, and other rights. SESAC Holdings is unique in its ability to offer singular licenses for the works of its affiliated writers and publishers that aggregate both performance and mechanical rights in order to drive greater efficiency in licensing for music users, as well as enhanced value for music creators and publishers. Its businesses operate on a sophisticated information technology and data platform to provide timely, efficient royalty collection and distribution.

SESAC Holdings’ subsidiaries are some of the most well-known companies in music licensing and administration. **SESAC Performing Rights** is the second oldest and most progressive performing rights organization in the U.S. SESAC Holdings’ acquisition of the **Harry Fox Agency** (HFA) accelerated its transition to a “multi-rights” organization with HFA’s deep publisher relations and mechanical licensing history. Following the HFA acquisition, SESAC’s **Rumblefish** subsidiary was merged with HFA’s Slingshot business unit under the Rumblefish brand. Rumblefish simplifies business for digital services, publishers, labels, artists and apps. Rumblefish’s transparent composition and recording administration, data and royalty management, licensing and network monetization allow clients to focus on their core business.

SESAC Holdings has offices in New York, Nashville, Los Angeles, Portland, San Francisco, London and Munich.