Statement of

The Honorable Patrick Leahy

United States Senator Vermont July 12, 2005

Statement of Senator Patrick Leahy Intellectual Property Subcommittee of the Committee on the Judiciary "Music Licensing Reform" July 12, 2005

Digital music is here - and it is exciting. It is exciting for companies that see business potential in new platforms and formats. It is exciting for musicians who see greater avenues for their artistic expression. Most of all, it is exciting for consumers, who are able to enjoy more music, with more variety, in more ways. Yet, there are obstacles, and we will hear today about outdated laws that were never intended to address digital music.

As legislators, we try to pass laws that stand the test of time. And for the most part, our intellectual property laws accomplish that goal. In fact, Section 115 of the Copyright Act, which will be at the center of today's discussions, has its roots in piano rolls at the turn of the last century. Today we will ask if the same laws that were intended to address player pianos are ready to "go digital."

It does appear that there are problems with the current licensing system, and I would like to thank the Register of Copyrights, Marybeth Peters, for her hard work - and her patience - in helping to work through these problems. Everyone agrees that the present system is not working as efficiently as it might. Potential licensees are unsure of which licensing rights apply to certain activities, and they may have difficulty in even tracking down the appropriate person from whom to obtain those rights. This means that building a comprehensive online catalog of music available to consumers can be a slow, and ultimately impossible, process.

Just as it may be the case that outdated laws have contributed to this problem, it may well be the case that the market offers a solution, either by forcing the parties to adjust to the new environment or by encouraging the stakeholders to back consensus legislation. After all, it is certainly in the interest of everyone to reach an agreement. As Ms. Peters has noted, making legal copies of musical works available online is essential to combating online piracy.

As we look for solutions, our ultimate goal should be clear: to protect the interests of songwriters and serve the interests of consumers.