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Another successful royalty distribution, a recap of our 2021 royalty distributions and the launch of The MLC's new Claiming Tool are just a few of the many items we have to share with you in this month's MLC Member newsletter, so let's get started!





The MLC completed its second royalty distribution of the year on Friday, February 11, and we set a new record for our largest distribution to Members for the second consecutive month.

This month's distribution primarily covered newly reported usage that took place in November of 2021. The total of all royalty pools reported to The MLC for this cycle was **\$58.1 million**. We were able to match **84.2 percent** of that amount to songs currently registered in our database – our highest initial match rate yet. After deducting royalties for usage covered by voluntary licenses maintained by DSPs with rightsholders, we collected approximately **\$54.4 million** in royalties and distributed **\$39.4 million** to our Members.

The remaining royalties still pending distribution break down as follows:

- \$9.2 million in royalties for uses we have not been able to match to registered works;
- **\$5.3 million** in royalties for shares of matched works that have not yet been registered (or claimed) by our Members; and
- \$544k in matched royalties that are on hold.

In addition, The MLC also distributed another **\$2.5 million** in royalties from previously unmatched or unclaimed uses that we were able to match – through reprocessing – to data submitted to us after we completed the initial distribution cycle for that usage.

2021 MLC ROYALTY DISTRIBUTIONS IN REVIEW

The MLC met several important benchmarks during our first year of official operations in 2021 (and as a reminder, you can see a detailed rundown of all of them in our Interim Annual Report <u>here</u>). Among those achievements, one we are especially proud of was the

completion of nine royalty distributions – all on time or ahead of schedule. And in total, we distributed approximately \$293 million to our Members.

To follow is the summary of The MLC's 2021 royalty distributions we promised you in last month's Member newsletter, starting with all of the key metrics through the December 2021 distribution:

- Total of royalty pools reported to The MLC: \$494.8 million
- Total royalties collected: \$411.7 million
- Total royalties distributed: \$292.9 million
- Total unmatched royalties: \$72.5 million
- Total unclaimed royalties: \$44.4 million
- Total matched royalties on hold: \$1.9 million

As a result of two additional months of reprocessing since the December distribution, there have been improvements in the following areas:

- Total royalties distributed: \$298.5 million
- Total unmatched royalties: \$67.6 million
- Total unclaimed royalties: **\$43.8 million**
- Total matched royalties on hold: \$1.9 million

Overall, the metrics for each distribution improved over the course of the year in a number of areas, notably our initial match rates, which rose from 80 percent in April to more than 83 percent in each of the last four months of 2021. And thanks to reprocessing, our current match rates for the nine distribution periods in 2021 are now all between 85 and 88 percent.

INTRODUCING THE MLC'S CLAIMING TOOL



We are pleased to announce that earlier this month The MLC launched the newest addition to our suite of data management resources for Members – the Claiming Tool.

Available in The MLC Portal, the Claiming Tool allows Members to search the partially claimed musical works in The MLC's database to find those works for which they have not yet registered a share or shares. Once you find a work that is missing your share, you can easily claim it to start receiving royalties from The MLC when that work is used.

Learn More

PUBLIC SEARCH API



The first version of The MLC's Public Search API is now available in BETA. Digital service providers, music publishers and administrators, collective management organizations, music technology companies, and others can use the Public Search API to retrieve information about works in the MLC database. You can fill out <u>this form</u> to request access to the Public Search API.

If you are already subscribed to the Bulk Data Feed and would like to participate in the Public Search API BETA, please contact our team at <u>publicapi@themlc.com</u>.

ANNUAL MEMBER MEETING THOUGHTEXCHANGE RESULTS

Following The MLC's Annual Member Meeting this past November, we invited our Members to share their opinions – via a ThoughtExchange conversation platform – about what The MLC did well during its first year of operations, as well as what they would like to see us focus on in the future. We conduct these ThoughtExchanges periodically because your insight is important to us, and hearing from you directly helps us serve you better.

As was the case with last fall's ThoughtExchange on The MLC's webinar programming, we had a great response this time around and received plenty of honest and insightful feedback from the Members who participated.

Read About the Results

THE MLC'S POLICIES & GUIDELINES



The MLC publishes policies and guidelines on our website to provide full transparency about how we serve and engage with our Members and other stakeholders. Among the policies and guidelines you'll find on the website are The MLC's:

- <u>Ownership Dispute Policy</u>, which covers The MLC's procedures for processing royalties for musical works that are subject to claims and/or disputes over ownership interests;
- <u>Statutory Terminations Policy</u>, which outlines how The MLC determines how to administer royalties for musical works or shares of musical works subject to statutory termination claims; and
- <u>Guidelines for Royalty Adjustments</u>, which address how The MLC processes adjustments made in connection with royalty distribution for musical works or shares of musical works, including the various circumstances under which The MLC may apply adjustments.

UPCOMING WEBINARS







February 2022 Member Updates



The MLC Presents: Q&A for Self-Administered Songwriters Friday, February 25 12 p.m. ET | 11 a.m. CT | 9 a.m. PT <u>Register Here</u>

The MLC Presents: Q&A for Publishers & Administrators Tuesday, March 1 12 p.m. ET | 11 a.m. CT | 9 a.m. PT <u>Register Here</u>

The MLC Presents: Understanding Your Royalty Statements Tuesday, March 22 12 p.m. ET | 11 a.m. CT | 9 a.m. PT <u>Register Here</u>

View All Upcoming Webinars



February 2022 Member Updates



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