ABOUT THE MLC

THE MECHANICAL LICENSING COLLECTIVE (THE MLC) is a nonprofit organization established under the Music Modernization Act (MMA) of 2018. Designated by the United States Copyright Office in 2019, The MLC is responsible for administering the **blanket compulsory mechanical license** that covers the use of musical works by U.S. digital service providers (DSPs) such as Apple Music, Amazon Music, and Spotify. The MLC collects the royalties due under those licenses from DSPs and either pays songwriters, composers, and lyricists directly or pays their music publishing and administration partners.

THE MLC BY THE NUMBERS

- **$5+** billion in total royalties processed since beginning full operations in 2021
- **100,000+** Members in the U.S. and around the world
- **60+** million works in The MLC's public database
- **92%+** current match rate achieved
- **110+** collective management organization (CMO) members representing rightsholders in 120+ countries globally
- **120+** music distributor partners across 20+ countries enrolled in The MLC's public data portal for independent music distributors

THE MLC'S MISSION & VISION

The MLC's mission is to ensure that songwriters, composers, lyricists, and music publishers receive their mechanical royalties from streaming and download services in the U.S. accurately and on time.

The MLC's vision is to empower rightsholders through extensive outreach and education, unmatched transparency paired with powerful tools, and exceptional service — driving innovation that is transforming the way rights are administered in the music industry.

THE ROLE OF THE MLC IN THE MUSIC INDUSTRY

The MLC provides a centralized, transparent system for collecting and distributing mechanical royalties in the U.S. digital music marketplace, transforming a historically fragmented process. With its operating costs covered by DSPs (as required by Congress), The MLC is able to distribute 100% of the royalties it collects to rightsholders, without deducting a commission or an administration fee.

KEY RESPONSIBILITIES

Establishing Publicly Accessible Database

- The MLC established and maintains a publicly accessible database of musical works ownership data, as envisioned by the MMA, which allows anyone to search ownership data for more than 60 million registered works at no cost.

Conducting Extensive Outreach and Education Across the Industry

- The MLC conducts extensive outreach and educational activities that allow The MLC to reach the full cross-section of the rightsholder community. To date, The MLC has conducted more than 1,300 outreach and educational activities.

Empowering Rightsholders by Offering Powerful Tools

- The MLC has developed and enhanced a growing suite of tools that enable rightsholders to register works, claim their shares of previously registered works, submit proposed matches of their works to unmatched usage, and more.

Collecting and Distributing Royalties

- The MLC collects data and royalties from DSPs that operate under the blanket license, matches this data to the songs registered in The MLC's database and calculates the royalties due to rightsholders. To date, The MLC has been able to match over 92% of royalties transferred to us with registered works in our database.
- The MLC distributes royalties on a monthly basis and has completed every one of its royalty distributions on time or early since the first royalty distribution in April 2021.

THE MLC'S IMPACT ON THE MUSIC INDUSTRY

- **Unmatched Efficiency:** The MLC stands as arguably the most cost-effective CMOs in the world, with an annual operating budget accounting for less than 4% of total royalties processed, compared to the global norm of 10-15% for similar organizations.
- **Increased Transparency:** By providing a publicly accessible database, clear visibility into the royalty distribution process, and detailed monthly royalty distribution information, The MLC has significantly increased transparency across the industry.
- **Illuminated the Black Box for Mechanical Royalties:** The MLC has illuminated the "black box" of unpaid royalties by making the data for all unmatched royalties and all unclaimed shares of registered works available for Members to search and act on using tools that our Members can access in The MLC Portal.
- **Commitment to World-Class Service:** The MLC provides extensive, individualized support that is readily available 10 hours a day, 5 days a week, via chat, phone and email, providing one-on-one support to Members and prospective Members alike.