LOOKING AHEAD: MARKET SHARE DISTRIBUTIONS

As required by the Music Modernization Act of 2018, The MLC has developed the congressionally mandated process for distributing remaining unmatched and unclaimed royalties, with the intent of beginning those distributions in April 2027.

The MLC has established a detailed plan for the distribution of remaining unmatched and unclaimed *blanket* royalties. The MLC plans to distribute one month of remaining blanket royalties each month, starting with the remaining royalties from January 2021, the first month digital service providers (DSPs) reported royalties to The MLC under the blanket license it administers.

THE MLC'S PROGRESS TO DATE

Since launching full operations in 2021, The MLC has:

- Empowered rightsholders with transparency, powerful tools, education-focused outreach, and responsive service
- Enrolled more than 100,000 Members and grown its publicly available database of song ownership information to more than 60 million works
- Processed over $5 billion in total royalties and achieved an average match rate of nearly 92%
- Launched the Songwriter Hub, giving the more than 20,000 creators, representatives, and industry professionals who have joined to date the ability to interact with their song data in The MLC's database

THE MLC'S VISION FOR DISTRIBUTION

The following are high-level priorities for this congressionally mandated process:

- Continue to reprocess remaining unmatched royalties and include those additional royalties in The MLC's regular monthly royalty distributions
- Allocate the remaining blanket royalties on a pro rata basis for each DSP and offering, using The MLC's actual distribution data, and then distribute those royalties with interest calculated at the statutory rate
- Continue efforts to match and distribute the remaining historical royalties, which The MLC will look to begin processing once the market share distribution process for blanket royalties has been successfully launched