

If you think Internet “fast lanes” are/were problematic here’s another issue to consider: what about “payola lanes” on terrestrial radio and webcasts? Payola is back and big radio companies want the FCC to make it legal. However, this will harm indie music labels, artists and their fans. Payola is bad for consumers and bad for indie musicians. I found this news in an Internet article here <http://www.hypebot.com/hypebot/2015/03/fcc-payola-lanes-big-broadcasters-ask-fcc-for-payola-waiver.html> referring to another article by David Lowery on The Trichordist <http://thetrichordist.com/2015/03/14/fcc-payola-lanes-big-broadcasters-ask-fcc-for-payola-waiver/>

Broadcasters reportedly are proposing a payola waiver from the F.C.C. Here is a link to their proposal <http://thetrichordist.com/2015/03/14/fcc-payola-lanes-big-broadcasters-ask-fcc-for-payola-waiver/da-15-325a2/>)

It is outrageous and unbelievable.

Paying for airplay is not actually illegal. As long as a radio station announces to its audience that the track you are about to play (or just played) is “sponsored” and who has “sponsored it”, there will be no penalty. These are transparency requirements telling radio stations they have to tell consumers when they are engaging in payola (a practice I submit should actually be illegal as it amounts to a form of bribery - this is extortionist - those with deep pockets - big monied interests can and will pay to have their content played on the air but those unable or unwilling to pay they will not have equal airtime or access. That being said requiring broadcasters to notify us if they engage in payola is a good rule allowing consumers to know if payola is occurring - consumers who don’t like payola are free to choose another radio station (assuming there is sufficient competition) that is leave for another provider and/or station that does not engage in payola or find another source for discovering music. Consumers wanting to discover indy or independent music are at a disadvantage with payola and so are indy musicians.

Although this requirement is apparently weak, it has helped end (blatant) payola. Having to announce this puts the label, artist and radio station in an awkward and unflattering position (because consumers may not like it and choose not to listen to such stations after the disclosure). So big broadcasters are requesting a waiver that would change the way this rule works. They propose phasing out this ruling in two steps. First they want to lump all the “we accepted payola announcements” into a single announcement broadcast three times a day (problem is consumers might miss the announcement if its just 3 times a day and they play a station after the 3rd announcement occurs). The idea here being you would not know your listening to a payola song. Even if you do hear the announcement you would not be able to identify the sponsorship with the song.

The broadcasters helpfully provide an example of such an announcement:

“Some of the music [and/or] sports programming that you hear on this station is sponsored [or paid for] by Interscope, Sony, Universal Records, or the

Washington Nationals. For additional information, please visit our website at <http://www.WXYZ.com> or contact the station at 12345 Main Street, Washington, DC 20036, info@wxyz.com, or 202-555-1234.”

What if a consumer does not have access to the Internet though?! They cannot find out about this payola then at all.

After a transition period they would do a single block announcement once a day. If you think this is an exaggeration and there must be some logical reason for the broadcasters waiver request I refer the Commission and other members of the public to the hilarious and lame reason the broadcasters give for moving their disclosure to their website. No one with good or honest intentions would ever provide an excuse this lame. (This is disgusting, cruel, arrogance)

Broadcast disclosures are fleeting, and can be interrupted by the honking of a horn; they can be interrupted when a car is in a tunnel, or when a driver receives a call on a mobile phone and mutes the radio. Unlike the spoken word, online disclosures will remain available long after a broadcast disclosure has disappeared into the ether.

Car horns? Well if you are trying to look at the Sponsor ID page on the radio station website while driving I imagine there will be a lot of car horns.

You see what’s happening here, right? **They are making it so it’s palatable for radio stations to accept payola and for labels to pay to have their artists promoted.** If you’ve read your popular music history you know that we’ve had several periods of widespread payola and it’s negative consequences. The net effect was that large established record labels were able to block independents and startups from getting radio play. We already know how this story ends.

This is a very dangerous. Don’t let history repeat itself. **All indie artists and labels should be very concerned by this**

Fortunately, the Federal Communications Commission has to accept public comments on this to determine if it is in the public interest. All indie artists and labels should be very concerned by this. As a U.S. citizen, and a concerned consumer I am writing to request the Commission reject this petition by the big radio broadcasters to phase out the payola disclosure rules. We should not be allowing perpetual exploitation of artists by the major labels - we should end pay for play not perpetuate it. The existing rules are far from perfect but they are better than what the industry is proposing - they want to destroy any safeguards for consumers and for

independent music labels and their artists. Please thoroughly review this proposal, and listen to the public.

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