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## **NAB URGES CONGRESS TO OPPOSE RECORD LABEL BAILOUT**

*-- 50 State Broadcaster Associations also express opposition --*

WASHINGTON, DC -- NAB President and CEO David Rehr urged lawmakers to oppose legislation introduced today that would force America's hometown radio stations to pay a new "performance fee" to the recording industry for music aired free on the radio. The legislation, introduced in the House, is supported by the Recording Industry Association of America (RIAA). A measure opposing today's Congressional action is expected to be introduced shortly.

"Local radio broadcasters consider this fee a 'performance tax' that will not only harm your local radio stations, but will threaten new artists trying to break into the business as well as your constituents who rely on local radio," wrote Rehr. "Although the proponents of H.R. 848 claim this bill is about compensating artists, in actuality at least half of this fee will go directly into the pockets of the big record labels, funneling billions of dollars to companies based overseas."

Three of the four largest record label conglomerates -- Universal Music Group, Sony Music Entertainment, and EMI -- are internationally-based.

"Although the big record labels have seen their revenues decline over the last decade, local radio broadcasters are not the reason the recording industry is losing money, and it should not be the industry to fix it," wrote Rehr.

To read a version of Rehr's letter to House lawmakers, [click here](#).

State broadcast associations representing all 50 states, as well as Puerto Rico and the District of Columbia, also [issued a resolution](#) today expressing opposition to a performance tax.

On numerous occasions, both record label executives and artists have recognized the promotional value of free radio airplay. Such statements include:

**"I love a strong radio hit. All of us. That's what our job is, to have a radio hit. Without radio, we couldn't do what we do, but the job is to have a radio hit that sounds unique, and like you."**

-- Jewel, Grammy-nominated recording artist, 'Nashville Star,' July 2008

**"Alright, let's talk about the nuts and bolts. If you win 'Nashville Star', you have to get on 200 major market radio stations. You have to."**

-- John Rich, *Big and Rich*, 'Nashville Star,' July 2008

**"I have to thank... every DJ, every radio guy, every promotions guy, everybody who ever put up a poster for me and spread the word."**

-- Alicia Keys, recording artist and Grammy winner, 2008 Grammy Awards, February 2008

**"[R]adio remains the best way to get new music into the listeners' lives."**

--Sony BMG Executive VP Butch Waugh as quoted in *Radio & Records*, January 11

**"[R]adio is the conduit to the people, the voice of the format and the lifestyle's soundtrack."**

-Sony BMG Nashville VP of Marketing Tom Baldrice, as quoted in *Radio & Records*, January 11

**"Obviously, radio is probably the most important thing for a new rock band coming out. If you don't get yourself on the radio, then you won't draw bodies at the clubs and you won't sell records."**

-- 'Another Animal' drummer Shannon Larkin, *Drum Magazine*, 2008

**"Country radio, thank you so much for being our mouthpiece. You know what we do means nothing if it never gets played, and no one gets to hear it."**

-- 'Rascal Flatts,' Vocal Group of the Year, Country Music Awards, 2007

**"I can't even believe that this is real... I want to thank country radio. I'll never forget the chance you took on me."**

-- Taylor Swift, Horizon Award (for best new artist), Country Music Awards, 2007

**"I have yet to see the big reaction you want to see to a hit until it goes on the radio. I'm a big, big fan of radio."**

--Richard Palmese, Executive Vice President of Promotion, RCA, 2007

**"Radio has proven itself time and time again to be the biggest vehicle to expose new music."**

-- Ken Lane, Senior Vice President for Promotion, Island Def Jam Music Group, 2005

**"It is clearly the number one way that we're getting our music exposed. Nothing else affects retail sales the way terrestrial radio does."**

--Tom Biery, Senior Vice President for Promotion, Warner Bros. Records, 2005

**"That's the most important thing for a label, getting your records played."**

-- Eddie Daye, recording artist, 2003

**"Radio helped me a lot. That's the audience. I can't see them, but I know they're there. I can't reach out and touch them with my hand, but I know they're there."**

-- B.B. King, recording artist, 2002

**"If a song's not on the radio, it'll never sell."**

-- Mark Wright, Senior Vice President, MCA Records, 2001

**"Air play is king. They play the record, it sells. If they don't, it's dead in the water."**

-- Jim Mazza, President, Dreamcatcher Entertainment, 1999

**"I am so grateful to radio. Their support has truly changed my life, and I hope they know how appreciative I am for that."**

-- Jo Dee Messina, recording artist, 1999

#### **About NAB**

The National Association of Broadcasters is the premier advocacy association for America's broadcasters. As the voice of more than 8,300 radio and television stations, NAB advances their interests in legislative, regulatory and public affairs. Through advocacy, education and innovation, NAB enables broadcasters to best serve their communities, strengthen their businesses and seize new opportunities in the digital age. Learn more at [www.nab.org](http://www.nab.org).

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