LSTN DTV

CLEAR CHANNEL RADIO

Detroit Human Resources

The Honorable Joe Knollenberg
30833 Northwestern Hwy
Suite 100
Farmington Hills, MI 48334

Dear Congressman Knollenberg:

The recording industry is currently urging Congress to enact policies that would undermine free radio's ability to remain a viable source for local news and entertainment. Representative Berman has introduced legislation that would impose a public performance royalty for music that is delivered to the community by free radio. As Clear Channel Radio's Human Resources Director for stations WNIC, WKQI, WDTW, WJLB, WMXD AND WDFN in the Detroit market, I encourage you to oppose this attack on local radio – and support H. Con. Res. 244 instead.

Every time Congress has considered the performance royalty issue, it has noted the unparalleled promotional value that free radio provides to artists and the record labels, and has quickly dismissed the imposition of such a fee. Congress should continue to recognize the symbiotic relationship that exists between broadcasters and the recording industry. At the crux of this mutually beneficial relationship is free radio's leadership in driving music sales. Since the labels do not pay for the unparalleled promotional value they receive from radio airplay, free radio should not have to pay for the right to promote the labels' music.

As a local broadcaster in Detroit/Farmington Hills, my stations focus on providing the best content -- news, weather, sports, information and entertainment to the community. If my stations are forced to hand over a large portion of our revenues to the record labels it will force us to make dramatic cuts both in personnel and in local content. This would certainly affect our ability to serve the local community, a prospect which would hardly be in the public interest.

While record labels and performers may not receive direct cash payments from broadcasters, the free promotion that they receive by having their music played on the radio results in far greater compensation in terms of album sales and concert revenues. The recording industry's own business practices highlight the financial benefits they receive from free radio airplay. Record companies spend millions of dollars each year promoting their music for radio airplay. If they were not realizing a financial benefit from radio airplay, they certainly would not go to such effort and expense to promote their music to our stations.

Please oppose the efforts of the record labels to prop up their struggling business model at the expense of local broadcasters. **Do not cosponsor H.R. 4789.** Please, show your support of free radio by co-sponsoring **H. Con. Res. 244** and telling the record labels you won't tax free radio.

Sincerely,

Charlene Little
Human Resources Director
Clear Channel Radio/Detroit

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