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MUS349

How did the PRO's come to exist? How do they serve a purpose today?

In the chapter it mentions that The American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music Inc. (BMI) or Sound Exchange Inc. (SESAC) handle performance rights for most Copyrighted compositions in the United States, and are known as the big three big US PRO's. The PRO's were created to collect money from music platforms on behalf of the "music originators". The job of the PRO's is to distribute royalties, before thousands of licensees would be sent with separate payments to thousands of copyright holders. The chapter also mentioned that the largest source of income for artist and publishers apart from the music is live concerts, broadcasts over radio, TV and the internet. That's where the PRO's come in and collect all the money from these platforms on their behalf.

It also mentions that these organizations influence congress on music copyright concerns, they also promote music scholarships and host award events. The ASCAP, BMI and SESAC collect and distribute more than 2 million a year. ASCAP and BMI operate as nonprofits and retain about 10% to 15% of their gross receipts. SESAC also a nonprofit business is privately held and does not publish their operating expenses or the amount of collections but they are just as competitive as ASCAP and BMI. It's clear these companies make the music industry run smoother.