

**From:** [REDACTED]  
**To:** [FN-OMB-IntellectualProperty](#)  
**Cc:** [REDACTED]  
**Subject:** SADAIC - Copyright Infringement US 3-22-2010  
**Date:** Monday, March 22, 2010 2:01:23 PM

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Dear Ms. Espinel,

My name is Ernie Beillard and I represent SADAIC (Sociedad Argentina de Autores y Compositores/ Argentine Society of Writers and Composers) in the US. SADAIC operates as a multi-faceted copyright society involved in intellectual property rights registrations and general royalty collections. Our office in the US (Miami) collects royalties in all US media for registered music writers and composers. These writers and composers reside in Latin America as well as in Latin communities within the US. SADAIC is a member of Harry Fox, ASCAP, BMI, SESAC, and CISAC for the US and the World.

I was personally involved in claims filed by our offices and the Harry Fox Agency against Napster in 2000 and 2001. We also filed claims against other unauthorized online providers such as KAZAA and Bearshare. Infringement in the digital era is real and pervasive to copyright royalty collections. In part, I believe this is due to the ease of duplication and transfer provided by digital media itself. Another part is due to the lack of regulation regarding digital music file formats and companies producing digital media duplication components (i.e.: CD/ DVD burners & MP3 recording software).

Digital or physical music piracy has significantly reduced sales and royalty collections for our writers. CD sales have declined at a rate of about 17% per year since 2001 and digital licensing, such as iTunes or Emusic (no to mentioned cellular phone downloads), have not begun to compensate for this difference. In large part this lack of compensation is due to the fact the several major unauthorized providers of free music continue to operate outside of the US but remain accessible to US music purchasers. One such provider is LIMEWIRE. There are many more.

In my opinion, sites that operate as peer-to-peer servers offering users unauthorized files for sharing at no cost should be closed or penalized financially for operating against most US and World copyright laws. Additionally, if these sites are protected under privacy laws pertaining to the country of origin, the US should enact penalties against all internet providers in the US which allow access to these sites. This would go a long way to solving piracy and infringement issues within the US territory.

As a final option, MP3 conversion software and physical media duplicators such as CD burners should provide greater security measures against mass duplication while providing the freedom of rerecording music files for personal use.

I hope that this information might prove useful. I would appreciate your comments in return. The music industry is going through a significant financial crisis at this time and it is primarily due to copyright infringement. The current model allows anyone to copy an original song file for free and pass it on infinitely. How can an industry that sells music survive under this paradigm?

Sincerely,

Hernán (Ernie) Beillard

General Manager/ Gerente

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