



The National Music Publishers' Association is pleased to present its seventh annual *International Survey of Music Publishing Revenues*. This report presents 1996 publishing income data from 51 territories.

Statistical analysis aside, it is clear that the global music publishing industry is entering a challenging phase. Traditional revenue leaders (the major industrialized nations) seem to be facing a mature music publishing market, as income levels flatten year over year. It is important to note, however, that most of the decline in traditional publishing markets for 1996 was attributable to an unusually strong U.S. dollar. In fact, if we were to apply the same 1995 exchange rates to 1996 publishing income, then the year-over-year increase in global music publishing income would rise from negligible to approximately 4.8%. For your convenience, we are displaying territory income totals in European Currency Units (ECU) this year, as well.

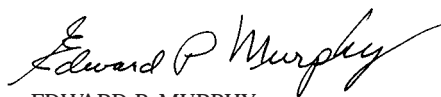
This traditional market maturation is not yet offset by developing regions, such as Eastern Europe, Southeast Asia, and Latin America. Full and unequivocal implementation of the World Intellectual Property Organization (WIPO) treaties will help reverse this trend, as will copyright exploitation on the Internet.

Continuing last year's trend, mechanical royalties have outstripped performance income for this reporting year. If we define our year-to-year income variance threshold as 25%, then 1996 "winners" include Austria, Australia/New Zealand, Portugal, South Korea, Greece, Mexico, the Czech Republic, the Slovak Republic, Indonesia, the Republic of Croatia, China, India, the Philippines, Turkey, and Iceland; "losers" include Finland, Norway, South Africa, Uruguay, and Ghana. Our largest value increase in Austria is due to participation this year by AKM, the Austrian performing rights body.

Turning to the domestic front, NMPA continues to support copyright term extension, which would extend the term of U.S. copyright protection for musical works to 70 years beyond the life of the author (and thus bring the U.S. in line with European practice). We have also concluded a new 10-year agreement with the Recording Industry Association of America (RIAA) for statutory, physical mechanical royalty rates in the U.S. On November 13, 1997, U.S. President Bill Clinton signed into law legislation averting a catastrophic loss of copyrights and revenue for songwriters and music publishers in America. The new law corrects the so-called "La Cienega problem," which developed as the result of a 1995 Ninth Circuit Court of Appeals decision under which nearly all pre-1978 musical compositions might have been considered part of the U.S. public domain. NMPA is proud to have successfully led music industry support for this legislation.

In an effort to help our readers gain insight into the international dimensions of the music publishing industry, we highlight a particular territory in each issue of the Survey. In this edition, we take an in-depth look at Brazil, which currently ranks 17th in global publishing revenues.

NMPA has had a tremendous response to our Survey; we thank you for your support, encourage your continued participation, and welcome any comments and suggestions you may have.



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**CHART 1** The Reporting Universe

