

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF CONNECTICUT**

PRO MUSIC RIGHTS, LLC,

Plaintiff,

v.

APPLE, INC., AMAZON.COM, INC.,
GOOGLE, LLC, YOUTUBE, LLC,
SPOTIFY AB, SPOTIFY USA, INC.,
SPOTIFY LIMITED, SPOTIFY
TECHNOLOGY S.A., DIGITAL MEDIA
ASSOCIATION, NATIONAL RELIGIOUS
BROADCASTERS MUSIC LICENSE
COMMITTEE, RADIO MUSIC LICENSE
COMMITTEE, INC., THE NATIONAL
ASSOCIATION OF AMERICAN
WINERIES, TELEVISION MUSIC
LICENSE COMMITTEE, LLC, 7DIGITAL
GROUP, INC., 7DIGITAL, INC., 7DIGITAL
GROUP PLC, 7DIGITAL LIMITED,
DEEZER, S.A., DEEZER INC.,
IHEARTMEDIA, INC., CONNOISSEUR
MEDIA LLC, PANDORA MEDIA, LLC,
RHAPSODY INTERNATIONAL, INC.,
SOUNDCLOUD LIMITED, and
SOUNDCLOUD INC.,

Defendants.

Civil Action No. 3:20-cv-00309

JURY TRIAL DEMANDED

March 9, 2020

COMPLAINT

GORA LLC
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Plaintiff, Pro Music Rights, LLC (“**PMR**” or “**Plaintiff**”), through its counsel, Gora LLC, files this Complaint against Defendants Apple, Inc., Amazon.com, Inc., Google, LLC, YouTube, LLC, Spotify AB, Spotify USA, Inc., Spotify Limited, Spotify Technology S.A., Digital Media Association, National Religious Broadcasters Music License Committee, Radio Music Licensing Committee, Inc., The National Association of American Wineries, Television Music License Committee, LLC, 7Digital Group, Inc., 7Digital, Inc., 7Digital Group PLC, 7Digital Limited, Deezer, S.A., Deezer, Inc., iHeartMedia, Inc., Connoisseur Media LLC, Rhapsody International, Inc., SoundCloud Limited, and SoundCloud Inc. alleging violations of the Sherman Act, 15 U.S.C. §§ 1 and 2, the Connecticut Antitrust Act and the Connecticut Unfair Trade Practices Act.

I. NATURE OF ACTION

1. PMR entered the performance rights licensing market to provide a modern alternative to copyright holders, who are the writers, composers and publishers creating the musical works played on the radio, television and music streaming services. Unlike other performance rights organizations (“**PROs**”), which pay royalties for public performances of musical works based on some formula or some royalty pool, PMR pays the entirety of such royalty to the copyright holder. For its services, PMR charges buyers a reasonable, periodic fee for the license to publicly perform musical works. PMR’s competitive advantage is providing better services to writers, composers and publishers of musical works, particularly those just entering the industry without mainstream audiences.

2. Despite PMR’s substantial effort and investment to accumulate musical works in its repertory, Defendants have entered into an illegal agreement, combination and/or conspiracy to shut PMR out of the market and to fix prices at infracompetitive levels. They have choreographed a refusal, and continuous refusal, to deal with PMR. No television station, radio station or music

streaming service has entered into a license to perform the musical works in PMR's repertory, let alone engaged in any substantive negotiations therefor.

3. Defendants are not acting in a manner consistent with their respective, individual self-interest. Instead, each Defendant is motivated to maintain, and does maintain, the conspiracy in the buy-side of the market to the detriment of its independent economic interest. Defendants' conspiracy has been, and is, successful because Defendants have complete control of the buyers' market for a license to publicly perform musical works (the "**License**").

4. The Defendants' conspiracy and anticompetitive agreement is an illegal monopsony. By conspiring to boycott PMR and to set the price for a License at infracompetitive levels, Defendants have destroyed competition between and among themselves. As a result, they have generated explosive growth in revenue, profits, and goodwill to PMR's detriment. With their monopsony intact, Defendants have become the conspiratorial stewards of the buy-side of the market that will not deal with PMR, will take whatever means necessary to prevent new PROs from entering or growing a business, and will not enter into License agreements except at an illegal price.

5. PMR, as the newest entrant into the market, has flown under the radar to accumulate both whole and fractional rights to a substantial number of popular and less-than popular musical works. For those musical works to which PMR has fractional rights, another PRO may hold the balance of the rights. Compared to the number of musical works in the other PROs' repertoire, PMR has the third-largest supply in the market. As the third-largest supplier, PMR expected to enter into at least *one* License agreement with at least *one* of the Defendants, as the other PROs have done. To PMR's surprise, all of the Defendants with whom PMR actively tried to negotiate

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