



## *Press Release*

13<sup>th</sup> January 2010

### **DDEX Membership Growth Creates Need for New Structure Kirit Joshi Elected Chair**

Digital Data Exchange (“DDEX”) has announced the launch of a new membership structure, which is aimed at accommodating further membership growth following recent increases in membership and in particular the addition of three new Charter Members. Microgen Aptitude Limited, Phonographic Performance Limited and Société Civile des Producteurs Phonographiques (SCPP) have all recently accepted invitations from the DDEX Board to become Charter Members and take seats on the DDEX Board.

These announcements come at the beginning of the term of office of Kirit Joshi of Sony Music Entertainment, who was unanimously elected as Chair of DDEX in November 2009. He replaces Chris Amenita of ASCAP who has served as Chair since the organization’s launch in May 2006 and whose term of office comes to an end in accordance with the bylaws of the organization. Joshi said, “I am thrilled to be taking on the role of Chair for DDEX. DDEX has become well established as a vital standards development organization in the digital media supply chain, particularly for digital music. So much of the organization’s success thus far reflects the exceptional leadership and dedication of my predecessor, Chris Amenita, and on behalf of everyone at DDEX I’d like to thank Chris for his invaluable contribution. Chris has worked extremely hard over the last three and a half years to get DDEX to this point. With our highly committed membership, an increasingly widespread use of our standards and a growing group of participants, DDEX is well poised for further success. I look forward to taking the helm and working with all of our members to take DDEX to the next level”.

Chris Amenita commented, “I have thoroughly enjoyed my time as Chair as DDEX, most particularly because the membership is made up of companies with quite diverging interests at a commercial level but with common problems to solve at a technical and operational level. This has meant that, despite what differences we may all be experiencing commercially, everyone comes to DDEX determined to solve technical problems, leaving commercial differences at the door. It’s a really positive atmosphere to work in!”

There are two main changes to the membership structure of DDEX. Firstly the membership fees for Full Members (formerly Contributing Members) will now be based on the annual revenue of the member. Previously a flat membership fee of \$10,000 per annum was seen by some as a bit of a hurdle for all companies to become involved. This revenue-based approach is better aligned to encourage more significant growth in membership, particularly of small and medium sized companies. Secondly, there are improved benefits for those companies that will be Associate Members (formerly Participating Members) that will give them a better taste of the organization’s activities and hopefully encourage Full Membership. In addition, for the first time individuals will be able to become members of DDEX for just \$250 per annum. Full details of the new membership structure and fees is available at the DDEX website at <http://www.ddex.net/members.html>.

Said Joshi, “Even though DDEX’s membership has been growing the DDEX Board wants to make sure that membership is affordable for as many companies as possible. This new structure will ensure that DDEX is an inclusive organization. In addition to gaining regular membership benefits, companies that join DDEX now will be able to utilise the foundations of all that has been achieved over the last four years. The DDEX standards are strong and are being increasingly adopted within the digital music industry, so now is a good time to get involved.”

DDEX is now looking beyond the specification of standard XML messages, which is what it was originally set up to do, to look at all areas of the digital supply chain that could be benefit from standardization, to enable a largely automated processing environment. This will include the mechanisms by which the messages are exchanged including the specification of “micro” messages, which can control the order and timing of events within the supply chain. Similarly work will also be undertaken regarding the delivery of the content itself. Such an automated environment will provide even greater efficiencies and cost savings for digital media supply chain companies than just standardized XML messages. As a prelude to this work, DDEX is publishing a white paper, which sets out its vision of the nature of a standardized and automated infrastructure for the management of the digital media supply chain. Entitled “*Standardisation for an Automated Transaction Processing Environment in the Digital Media Supply Chain*” the white paper discusses how the largely proprietary processing environment of today could be replaced with industry standards and lead to significant improvements in efficiency and radical reductions in costs for everyone operating in the digital media supply chain. The document is published on the DDEX website at <http://www.ddex.net/whitepaper.html>.

Commented Joshi, “DDEX has accomplished a great deal but there is still more for us to do to improve efficiency and bring down cost in the digital supply chain as a whole. DDEX therefore wants to encourage small and medium sized companies in the digital music supply to join and participate in these developments. We also hope that companies in other digital media industries will consider membership. We are certain that the message standards we have created are sufficiently generic to be adapted to other media. Furthermore, future initiatives will reflect a wide range of media industry requirements and thus have relevance for all digital media supply chains. We fully recognize that widespread adoption depends on this”.

DDEX representatives will be attending MIDEM from 23<sup>rd</sup> – 27<sup>th</sup> January and would be happy to meet with companies wishing to discuss membership of the organization. Contact [secretariat@digitaldataexchange.com](mailto:secretariat@digitaldataexchange.com) to arrange an appointment.

#### **About DDEX:**

DDEX was set up to develop and encourage the adoption of standard XML message formats to improve the current exchange of data between companies operating in the digital media content supply chain. The standards enable the identification of the information required to provide digital media content to the consumer and report sales back to the content owning companies, as well as common ways for this data to be exchanged between companies. The world’s leading companies and organizations involved in the digital music supply chain formed DDEX in 2006. Initially DDEX has therefore focused on the digital music supply chain, but DDEX is now encouraging membership from stakeholders in any media sectors that overlap with music.

The Charter Members of the organization are Sony Music Entertainment, The Orchard, Warner Music Group, Universal Music Group, The American Society of Composers, Authors and Publishers (ASCAP), The Harry Fox Agency Inc. (HFA), Phonographic Performance Limited (PPL), PRS for Music, Sociedad General de Autores y Editores (SGAE), Société Civile des Producteurs Phonographiques (SCPP), Société des Auteurs, Compositeurs et

Editeurs de Musique (SACEM), Apple Inc., Microgen Aptitude Limited, Nokia, Orange, RealNetworks Inc. and Telefónica Servicios de Música S.A.U.

Membership of DDEX is open to any organization with a business interest in the digital media content supply chain.

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