

TO: Federal Communications Commission
FR: Damian Kulash
RE: Comment on Net Neutrality/Preserving the Open Internet NPRM (09-191)
DT: January 13, 2010

My name is Damian Kulash my band is called OK Go. I'm pleased to offer my perspectives on the open internet as the FCC undertakes this proceeding. OK Go has been around for a decade, during which time we've sold over a half a million records, won a Grammy, played thousands of shows in the States and on five continents. We're also fortunate to have been among the first bands to achieve much of our success due to the power of the internet, where we've had tens of millions – maybe hundreds of millions – of streams, downloads, and website hits.

Our achievements are due in large part to our online presence, a type of success that couldn't have been imagined even a decade ago. The principles of openness that define the internet as we know it created the conditions through which a band like mine can succeed.

The music business is experiencing a profound transformation right now – one driven by rapid and ongoing technological shifts. Many of these changes are rife with uncertainty, but they also have created tremendous opportunities for bands like mine to leverage our creativity to tremendous effect.

The earlier version of the music industry was based on bottlenecks between musicians and the listening public. Artists needed a way to reach all those people, and people needed a way access the music. Along the way, a complex and profitable system emerged to facilitate this transaction.

The mechanics of making and distributing records were formidable: professional recording studios were expensive to maintain and operate, manufacturing and packaging records was costly and complicated, and getting those records onto the turntables of America required a vast and complex network of warehouses, shippers, distributors, and retailers.

Today, that system has dramatically altered. Making, distributing, and listening to music is easier now than ever before. Anyone with access to a decent computer now has recording tools that the professionals of my parents' generation couldn't have dreamt of — making high quality recordings is now nearly as easy as word processing. With a few clicks of a mouse, recordings can be distributed to pretty much any place on the globe, and listened to practically anywhere. Musical ideas are spreading and combining and growing, even as the traditional music business struggles to adapt. All sorts of exciting new things are possible. It's an exhilarating time.

My band is a pretty good example. OK Go started in 1999 and followed a pretty well-worn path for the first few years. We developed a following at local clubs in our

hometown of Chicago, spent as much time on the road as we could afford to, eventually landed ourselves a record deal with a major label, and then played the promotional game as it is generally played in the majors: a ton of no-profit touring, a lot of free shows for radio stations, as many interviews as we could get, and the occasional music video, where the cost is advanced by our label and deducted from our royalties. Our first record, which came out in 2002, did fairly well: on the Modern Rock radio charts we just barely broke into the top 20, and on Billboard's sales charts we made it to about 100. We were in the middle of the pack — successful enough to continue, but facing an uphill slog.

In 2005, we released a follow-up. When the record came out, we did all the standard promotion advised by our label, but we also decided to launch our own online campaign with simple, absurd videos we made ourselves.

With the help of my sister, we choreographed a parody dance routine and shot a single-take home video of us performing it in my back yard. If you include the Starbucks run, the total budget for the video was about \$20. We posted the clip online, and it caught on like wildfire. We watched, astonished, as the video racked up hundreds of thousands, then millions, then tens of millions of hits at online video sites. Before long, we were getting offers to play to thousands in countries where our record had never even been released.

And something even wilder started happening: fans started posting their own versions of the video.

Thrilled by the direct connection with our fans, we launched a dance contest, and received homemade remakes of our video from all over the world. We got hundreds of entries, videos of the dance at weddings, in churches, at high school talent shows, in firehouses, and even a version performed by animated legos. This is a whole new phenomenon, a feedback loop of creativity that allows us to be more than just a commercial product to our fans — we are the center of an active, creative community.

We followed that video up with another that we shot at my sister's home in Orlando. It was a single take again, and we were dancing again, but this time on eight moving treadmills. In the first two days after we posted the clip on YouTube, it was viewed a million times. In the month after it went online, our album sales increased nearly 4000 percent. We won a Grammy for the video, beating out much bigger acts with exponentially bigger budgets and promotional campaigns. To date, it's been viewed more than 50 million times on YouTube alone.

For seven years we barely covered our bills, and since our internet success, we've become a very successful operation. We believe the videos were so loved because they came directly from us. There was no one telling us what we could or couldn't do, no middlemen or marketers, and we didn't have to sell a committee of gatekeepers on our idea before we could take it to our fans. Our success couldn't have happened in the pay-to-play music industry of ten years ago, or in a world without an open, unbiased, and unfettered internet.

Of course, like most bands, we use the internet for everything today; it's not just a medium for our videos. We connect with fans through our website, our online forums, and through social networking sites like MySpace and Facebook. We alert our online fans to concerts and television and radio appearances, and we promote those appearances to new fans. We sell our merchandise and CDs, and book our tours online. We broadcast some concerts online, and have done many performances solely for an online audience. And I'd venture to say pretty much every working musician out there today will tell you how vital an open and neutral internet is to their business.

Clearly, there are concerns about protecting our copyrights. My peers and I run small businesses, and like all entrepreneurs, we want to ensure that our work is valued, that we can earn livings, and that our good ideas can make us good money. I am no fan of piracy. You will not find a songwriter or musician out there who doesn't want to get paid, but piracy issues must be addressed by innovations that build on an open internet rather than lock it up.

Net neutrality is necessary for the growth of new businesses and business models, and creating a new legitimate digital music business is critical to artists and the music industry. To put it simply, without net neutrality, I probably would not be offering these comments.

This principle extends beyond the realm of music, it applies to everything on the internet: we cannot allow a system of gatekeepers to be built into the network as a whole. We must protect the basic equality that has made the internet so great, and make sure the few existing broadband providers can't use their market power to erect new bottlenecks for music or any other industry. The failure to produce meaningful net neutrality rules could lead to an internet that exists for the profit of a few, rather than the good of the many; a society where value comes not from the quality of information, but from the control of access to it.

Creativity and innovation are the lifeblood of any successful endeavor, whether artistic, commercial, or political. There are only two guitar companies who make the majority of guitars sold in America, but luckily they don't control what we play on those guitars. Whether we use Macs or a PC doesn't govern what our minds can bring to life with our computers. The telephone company doesn't get to decide what we discuss over our phone lines. Similarly, the companies who deal with the nuts and bolts of the internet should not determine what we can do, or make, or access, or dream up while we're using it. The internet has always been a place for freedom of speech, art, and commerce. We should keep it that way.

Until now, the internet has fostered an explosion of creativity, innovation, and progress not in spite of its level playing field — but precisely because of it. It's as close to a genuine meritocracy as we've ever seen. It's a place where my band's \$20 video found a wider audience than the industry's million-dollar productions, because ours was simply better.

Regulation to preserve this level playing field is essential not just for the music community, but for all of us. The world of tomorrow must be built on our society's best ideas, not just those ideas that align with interests of a powerful few.

I'm pleased that the FCC is taking steps to ensure the internet remains open to all, and I thank you for the opportunity to submit these comments as you continue these important efforts.