In the Matter of

Distribution of the
2015 Satellite Royalty Funds


REPLY COMMENTS OF PROGRAM SUPPLIERS

On September 29, 2017, the Copyright Royalty Judges ("Judges") issued a Federal Register Notice in the referenced proceeding, 82 Fed. Reg. 45624 (Sept. 29, 2017) ("Notice"), seeking Reply Comments from interested parties to Multigroup Claimants’ Objection to Partial Distribution of 2015 Satellite Copyright Royalties Funds to Certain “Allocation Phase Claimants” which was filed on May 17, 2017 (“MGC Objection”) and Verified Motion Partial Distribution 2015 Satellite Unreasonable Decision which was filed on May 12, 2017 by David Powell (“Powell Objection”).

As requested by the Notice, the Motion Picture Association of America, Inc. ("MPAA"), on behalf of its member companies and other producers and/or syndicators of syndicated movies, series, specials, and non-team sports broadcast by television stations ("Program Suppliers"),

1 MGC feigns confusion over the identity of Program Suppliers in the MGC Objection. See MGC Objection at 1-3. However, as MGC’s predecessor (and real party in interest) Independent Producers Group ("IPG") should know from its participation in pending satellite royalty distribution proceedings, MPAA has historically been referred to as “Program Suppliers” in Allocation Phase (formerly known as Phase I) proceedings, and “MPAA-represented Program Suppliers” in Distribution Phase (formerly known as Phase II) proceedings. See, e.g., Written Direct Testimony of Jane Saunders, Docket No. 2012-7 CRB SD 1999-2009 (Phase II) at 4-5 (May 9, 2014) (”Since Section 119 was enacted in 1988, MPAA has been the de facto Phase I representative of all Program Suppliers claimants—the owners of series, movies, specials and non-team sports which air on commercial television broadcast stations retransmitted by satellite systems. In Phase II proceedings, MPAA represents those program suppliers who have agreed to representation by MPAA (‘MPAA-represented Program Suppliers.’)”). The Judges’ decision to adopt the terms “Allocation Phase” and “Distribution Phase” rather than “Phase I” and “Phase II” for royalty
hereby submits Reply Comments addressing the MGC Objection and the Powell Objection. Program Suppliers are a party to the Allocation Phase Claimants’ Motion For Partial Distribution Of 2015 Satellite Royalty Funds (“Motion”) which is currently pending before the Judges. See 82 Fed. Reg. at 45624, n.1. As explained herein, neither MGC nor Mr. Powell has raised a reasonable objection to the Motion. Accordingly, the Motion should be granted.

I. MGC Has Not Raised A Reasonable Objection To The Motion.

A. Program Suppliers Are Established Satellite Royalty Claimants.

Despite MGC’s misguided suggestion to the contrary, Program Suppliers have a long track record as established claimants entitled to receive partial distribution of satellite statutory license royalties. Indeed, Program Suppliers have consistently received a partial distribution in every satellite royalty distribution proceeding that has been docketed by the Judges since the Copyright Royalty Board was established by Congress. See, e.g., Order Granting Motion For Partial Distribution, Docket No. 16-CRB-0010 SD (2014) (August 24, 2016); Order Granting Motion Of Phase I Claimants For Partial Distribution Of 2013 Satellite Royalty Funds, Docket No. 14-CRB-0011 SD (2013) (May 28, 2015); Order Granting Motion Of Phase I Claimants For Partial Distribution Of 2012 Satellite Royalties, Docket No. 14-CRB-0008 SD (2010-2012) (March 3, 2015); Order Granting Phase I Claimants’ Motion For Partial Distribution Of 2011 Satellite Royalty Funds, Docket No. 2012-10 CRB SD 2011 (March 13, 2013); Order Granting Phase I Claimants’ Motion For Partial Distribution Of 2010 Satellite Royalty Funds, Docket No. 2012-5 CRB SD 2010 (September 18, 2012); Order Granting Phase I Claimants’ Motion For Partial Distribution Of 2009 Satellite Royalty Funds, Docket No. 2011-8 CRB SD 2009 (October 13, 2011); Order Granting Phase I Claimants’ Motion For Partial Distribution Of


MGC argues that the Judges’ Order Granting In Part And Denying In Part IPG’s Motion For Partial Distribution Of Program Suppliers’ Royalties, Docket Nos. 2012-6 CRB CD 2004-2009 (Phase II) and 2012-7 CRB SD 1999-2009 (Phase II) (September 29, 2016 Order”) should be read as precluding a partial distribution of satellite royalties to both the Program Suppliers and Devotional Claimants because the Judges have not yet issued final litigated Phase II satellite awards in that proceeding to MPAA-represented Program Suppliers and the Settling Devotional Claimants (“SDC”). See MGC Objection at 4-7. As an initial

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2 MGC fails to acknowledge the Judges’ order in that Phase II proceeding awarding a final Phase II distribution of 2008 satellite royalties to SDC. See Order Directing Final Distribution Of 2008 Satellite Royalties For The Devotional Category, Docket Nos. 2012-6 CRB CD 2004-2009 (Phase II) and 2012-7 CRB SD 1999-2009 (Phase II) at 1-2 (January 13, 2016). MGC also fails to acknowledge that MPAA-represented Program Suppliers have
matter, the September 29, 2016 Order does not even apply to the pending Motion, as it concerned a Phase II (or Distribution Phase) partial distribution to IPG within the Program Suppliers category, and did not concern an Allocation Phase partial distribution to claimant category representatives, which is the subject of the current Motion pending before the Judges. However, even if the September 29, 2016 Order does apply here, that order expressly rejects MGC’s argument that satellite partial distributions are contingent on receiving a litigated award in a royalty distribution proceeding. Indeed, the September 29, 2016 Order recognizes that satellite partial distribution awards in Phase II proceedings can also be made based on negotiated settlements or “compromise evaluations” between the parties. See September 29, 2016 Order at 10, n.11 (recognizing that, while no basis existed in the record of that Phase II proceeding for IPG to receive a partial distribution of satellite royalties, “IPG could have accepted MPAA’s pre-determination valuation of IPG’s satellite claims or could have agreed to a compromise valuation and received an allocation of satellite royalties in that amount. Had IPG done so, it would no doubt have been on firmer footing with respect to future partial distributions of satellite royalties in the Program Suppliers category.”). Here, the Allocation Phase Claimants have agreed to a partial distribution of royalties to Program Suppliers via a common agent, and have thus provided the Judges with a compromise evaluation on which to make the requested partial distribution. Accordingly, MGC’s argument does not set forth a reasonable objection to the Motion.

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B. The Judges Have Repeatedly Rejected MGC’s Arguments Seeking To Place Conditions On Allocation Phase Partial Distributions To Category Representatives.

The MGC Objection also makes references to IPG’s prior attempts to have the Judges either refrain from making partial distributions to claimant categories that have unresolved Distribution Phase controversies or to place restrictions on Allocation Phase partial distributions to prevent the further distribution of partial distribution funds by Allocation Phase category representatives. *See* MGC Objection at 2-3, 5-6. Although the MGC Objection is not clear on what exactly these arguments have to do with the pending Motion, the arguments have been repeatedly rejected by the Judges when IPG attempted to raise them in the context of prior partial distributions. *See, e.g.*, *Order Granting Phase I Claimants’ Motion For Partial Distribution Of 2008 Satellite Royalty Funds*, Docket No. 2010-7 CRB SD 2008 at 2, n.3 (January 11, 2011) (holding that IPG’s request would be “contrary to the policy of the Copyright Act to promote settlements because, as a practical matter, it would prevent the distribution of any funds to claimants”); *Order Granting Phase I Claimants’ Motion For Partial Distribution Of 2004 And 2005 Cable Royalty Funds*, Docket No. 2007-3 CRB CD 2004-2005 (April 10, 2008) (same). This MGC argument also fails to set forth a reasonable objection to the Motion, and must be rejected.

II. Mr. Powell Has Not Raised a Reasonable Objection To The Motion.

The Powell Objection appears to be identical in all material respects to a pleading that Mr. Powell filed in Docket No. 16-CRB-0020 CD (2015) setting forth his objection to the Allocation Phase Claimants’ motion for partial distribution of 2015 cable royalties. *See* Verified Motion Partial Distribution 2015 Cable Objection Unreasonable Decision, Docket No. 16-CRB-0020 CD (2015) (May 12, 2017) (“Powell Cable Objection”). Upon consideration of the Powell Cable
Objection, the Judges found “that Mr. Powell’s objection, which is virtually incomprehensible, fails to rise to the level of being a reasonable objection to the partial distribution.” See Order Granting Motion For Partial Distribution, Docket No. 16-CRB-0020 CD (2015) at 2 (June 6, 2017). The Judges should reach the same conclusion regarding the satellite version of the Powell Objection and reject it as unreasonable.

CONCLUSION

As explained in these Reply Comments, neither MGC nor Mr. Powell have stated a reasonable objection to the Motion. Accordingly, the Judges should proceed to grant the Motion and make the partial distribution of 2015 satellite royalties to the Allocation Phase Claimants, as requested in the Motion.

Respectfully submitted,

Dated: October 30, 2017

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CERTIFICATE OF SERVICE

I hereby certify that on this 30th day of October, 2017, a copy of Program Suppliers’ Reply Comments was served on the following parties, either electronically through eCRB, or via Federal Express overnight mail.

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EXHIBIT A
ORDER GRANTING MOTION FOR PARTIAL DISTRIBUTION

On March 11, 2016, representatives of certain groups of claimants (Moving Parties) filed with the Copyright Royalty Judges (Judges) a Motion for Partial Distribution of 2014 satellite royalties deposited with the United States Copyright Office (Motion). Specifically, the Moving Parties seek distribution of 60% of the royalties deposited by satellite transmitters for the compulsory license described in section 119, title 17, United States Code (Copyright Act).

The Judges published notice in the Federal Register in accordance with section 801(b)(3)(C) of the Copyright Act (Act) seeking comment on the requested partial distribution. The Judges received one communication, a multi-purpose pleading from Mr. David Powell, which included reference to the requested 60% satellite royalty distribution. To the extent Mr. Powell’s communication can be considered a comment in response to the public notice, nothing in that comment establishes that Mr. Powell is entitled to receive any satellite royalties for 2014, or states a reasonable objection to the requested partial distribution.

The Judges GRANT the Motion, subject to the terms and conditions of this Order.

Statutory Authorization for Partial Distributions of Funds in Controversy

Section 801(b)(3)(C) of the Copyright Act (Act) grants the Judges authority to authorize partial distributions of royalties on the motion of an interested claimant at any time after claims are filed. That subparagraph provides:

Notwithstanding section 804(b)(8), the Copyright Royalty Judges, at any time after the filing of claims under section 111, 119, or 1007, may, upon motion of one or more of the claimants and after publication in the Federal Register of a request for responses to the motion from interested claimants, make a partial distribution of such fees, if, based upon all responses received during the 30-day period beginning on the date of such publication, the Copyright Royalty Judges

1 The moving parties, referring to themselves as the “Phase I” parties, are: Program Suppliers, Joint Sports Claimants, Broadcaster Claimants Group, Music Claimants (ASCAP, BMI, SESAC, Inc.), and Devotional Claimants.

conclude that no claimant entitled to receive such fees has stated a reasonable objection to the partial distribution, and all such claimants—

(i) agree to the partial distribution;

(ii) sign an agreement obligating them to return any excess amounts to the extent necessary to comply with the final determination on the distribution of the fees made under subparagraph (B);

(iii) file the agreement with the Copyright Royalty Judges; and

(iv) agree that such funds are available for distribution.


Specific Considerations for this Partial Distribution

The deadline for filing claims for 2014 satellite royalties has passed. The Moving Parties represent that they are willing to sign a disgorgement agreement and file it with the Judges. Motion at 2. The Moving Parties also represent that the Judges have made prior partial distributions of 60% of deposited royalty funds and that the remaining funds on deposit have been sufficient in the past to make appropriate final distributions after resolution of any controversies. See Motion at 3. The Motion was effectively unopposed.

The Moving Parties assert that they represent “all the Phase I claimant categories to which Section 119 satellite royalties have been allocated in prior satellite distribution proceedings.” Motion at 1. Claimant categories for the instant proceeding are as yet undetermined. The Moving Parties do not assert that they represent all potential claimants to the 2014 satellite royalties. The Judges are aware of claimants that have not been represented historically by the Moving Parties.

Although the Moving Parties have agreed to a confidential allocation of the partial distribution among themselves, the Judges emphasize that the agreed allocation is not dispositive of the final 2014 satellite royalty allocations. The partial distribution is not binding on any participant or on the Judges as relates to future actions in this proceeding.

With that caveat, the Judges determine that distribution of 60% of the 2014 satellite royalty funds to the Moving Parties is reasonable and appropriate. Therefore, the Judges GRANT the Motion.

Order

The Judges ORDER that 60% of the royalties held in the 2014 satellite royalty fund be distributed to the Office of the Commissioner of Baseball as common agent for and on behalf of the Moving Parties.

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3 The Moving Parties have agreed and designated the Office of the Commissioner of Baseball as their common agent for receipt and further distributions of the 60% disbursement.
The Copyright Office shall make the ordered distribution *provided that* each of the parties receiving a share of these funds provides to the Copyright Office, with a copy to the Judges, a signed agreement in the form required by the Copyright Office stating that the recipient shall repay to the Copyright Office any overpayment that results from the distribution of these funds, together with interest in the amount that would have accrued if the principal had remained in the fund. All pertinent information to effect the transfer of funds must be provided to the Licensing Division of the Copyright Office no later than August 31, 2016. The distribution shall take place on or after September 8, 2016.

**SO ORDERED.**

Dated: August 24, 2016.

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Suzanne M. Barnett
Chief Copyright Royalty Judge
ORDER GRANTING MOTION OF PHASE I CLAIMANTS
FOR PARTIAL DISTRIBUTION OF 2013 SATELLITE ROYALTY FUNDS

On January 21, 2015, representatives of certain groups of claimants (the Phase I Claimants) to 2013 satellite royalties on deposit with the United States Copyright Office filed with the Copyright Royalty Judges (Judges) a motion for partial distribution of those royalties (Motion). Specifically, the Phase I Claimants seek a distribution of 60% of the 2013 satellite royalties.

On February 11, 2015, the Judges published a Federal Register notice in accordance with 17 U.S.C. § 801(b)(3)(C), seeking comment on the requested partial distribution and inquiring as to the existence of any Phase I or Phase II controversies with regard to 2013 satellite royalties. The Judges received six timely responses: one from National Public Radio, Inc., which did not file a claim for 2013 satellite royalties (and limited its comments to cable royalties), and the others from members of the Phase I Claimants group. The commenters assert that both Phase I and Phase II controversies exist. None stated, however, that the 40% of the 2013 satellite fund that would be withheld under the proposed partial distribution would be insufficient to satisfy any outstanding controversies.

The Judges GRANT the Motion for the reasons elaborated below.

Statutory Authorization for Partial Distributions of Funds in Controversy

Section 801(b)(3)(C) of the Copyright Act (Act) provides:

Notwithstanding section 804(b)(8), the Copyright Royalty Judges, at any time after the filing of claims under section 111, 119, or 1007, may, upon motion of one or more of the claimants and after publication in the Federal Register of a request for responses to the motion from interested claimants, make a partial distribution of such fees, if, based upon all responses received during the 30-day period beginning on the date of such publication, the Copyright Royalty Judges conclude that no

1 The Phase I Claimants are: Program Suppliers, Joint Sports Claimants, Broadcaster Claimants Group, Music Claimants (consisting of American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music, Inc. (BMI) and SESAC, Inc.), and Devotional Claimants.

claimant entitled to receive such fees has stated a reasonable objection to the partial distribution, and all such claimants—

(i) agree to the partial distribution;
(ii) sign an agreement obligating them to return any excess amounts to the extent necessary to comply with the final determination on the distribution of the fees made under subparagraph (B);
(iii) file the agreement with the Copyright Royalty Judges; and
(iv) agree that such funds are available for distribution.


The proposed partial distribution to the Phase I Claimants is unopposed. The Phase I Claimants represent that they are willing to sign a disgorgement or repayment agreement and file it with the Judges. Motion at 2-3. Therefore, the Judges determine that distribution of 60% of the 2013 satellite royalty funds to the Phase I Claimants is reasonable and appropriate and hereby GRANT the Motion.

The Judges ORDER that 60% of the royalties held in the 2013 satellite fund be distributed in the manner set forth in the Motion, i.e., to the Office of the Commissioner of Baseball as common agent for the Phase I Claimants to be distributed in the manner set forth in the confidential distribution agreement reached between the Phase I Claimants. See Motion at 5.

The Copyright Office shall make such distribution PROVIDED THAT each of the parties receiving a share of these funds provides to the Copyright Office a signed Repayment Agreement prepared by the Copyright Royalty Board stating that the recipient shall repay to the Copyright Office any overpayment that results from distribution of these funds, together with interest according to the amount that would have accrued if the principal had remained in the fund. All recipients must provide all pertinent information to effect the transfer of funds to the Licensing Division of the Copyright Office no later than June 11, 2015. The distribution shall take place on or after June 18, 2015.

SO ORDERED.

Suzanne M. Barnett
Chief Copyright Royalty Judge

Dated: May 28, 2015
ORDER GRANTING MOTION OF PHASE I CLAIMANTS FOR PARTIAL DISTRIBUTION OF 2012 SATELLITE ROYALTY FUNDS

On July 25, 2014, representatives of certain groups of claimants (the Phase I Claimants)\(^1\) to 2012 satellite royalties on deposit with the United States Copyright Office filed with the Copyright Royalty Judges (Judges) a motion for partial distribution of those royalties (Motion). Specifically, the Phase I Claimants seek a distribution of 60\% of the 2012 satellite royalties. The Phase I Claimants reiterated their request in a Joint Motion for Expedited Resolution of Pending Motion for Partial Distribution dated September 12, 2014.

On October 1, 2014, the Judges published a Federal Register notice in accordance with 17 U.S.C. § 801(b)(3)(C), seeking comment on the requested partial distribution and inquiring as to the existence of any Phase I or Phase II controversies with regard to 2012 satellite royalties.\(^2\) The Judges received eight timely responses: seven from the Phase I Claimants, collectively and individually, and one from Worldwide Subsidy Group LLC dba Independent Producers Group (IPG). The commenters assert that both Phase I and Phase II controversies exist. None stated, however, that the 40\% of the 2012 satellite fund that would be withheld under the proposal would be insufficient to satisfy any outstanding controversies.\(^3\) Unsurprisingly the self-styled Phase I Claimants’ support their Motion for partial distribution. IPG, which was not a signatory to the Motion, opposed the proposed partial distribution to the extent that it “is intended for later distribution to the Devotional Claimants.” IPG Comment at 2.

On February 28, 2015, the Judges received the Phase I Claimants’ Renewed Joint Motion for Partial Distribution (“Renewed Joint Motion”).

\(^1\) The Phase I Claimants are: Program Suppliers, Joint Sports Claimants, Broadcaster Claimants Group, Music Claimants (consisting of American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music, Inc. (BMI) and SESAC, Inc.), and Devotional Claimants.


\(^3\) See, e.g., Comments of Devotional Claimants at 2 (“the potential amount in controversy from all religious program owners’ claims would be less than 40\% of the religious program category funds”) and Comments of BMI and ASCAP on the Existence of Controversies at 2 (although a Phase II controversy currently exists between BMI and ASCAP on the one hand and SESAC on the other, it would likely involve less than 5\% of royalties in the Music category).
The Judges **GRANT** the Motion for the reasons elaborated below.

**Statutory Authorization for Partial Distributions of Funds in Controversy**

Section 801(b)(3)(C) of the Copyright Act (the Act) provides:

(C) Notwithstanding section 804(b)(8), the Copyright Royalty Judges, at any time after the filing of claims under section 111, 119, or 1007, may, upon motion of one or more of the claimants and after publication in the Federal Register of a request for responses to the motion from interested claimants, make a partial distribution of such fees, if, based upon all responses received during the 30-day period beginning on the date of such publication, the Copyright Royalty Judges conclude that no claimant entitled to receive such fees has stated a reasonable objection to the partial distribution, and all such claimants—

(i) agree to the partial distribution;

(ii) sign an agreement obligating them to return any excess amounts to the extent necessary to comply with the final determination on the distribution of the fees made under subparagraph (B);

(iii) file the agreement with the Copyright Royalty Judges; and

(iv) agree that such funds are available for distribution.


The proposed partial distribution to the Phase I Claimants, other than any share that would be allocated to the Devotional Claimants, is unopposed. The deadline for filing claims for 2012 royalties has passed and the Phase I Claimants represent that they are willing to sign a disgorgement or repayment agreement and file it with the Judges. **Motion** at 2. The Judges determine that distribution of 60% of the 2012 royalty funds to the Phase I Claimants, other than the Devotional Claimants, is reasonable and appropriate.

The proposed partial distribution to the Devotional Claimants, however, is opposed by IPG. As the Phase I Claimants correctly note in their **Renewed Joint Motion**, however, IPG’s objection in the current matter is identical to the argument that the Judges rejected in their **Order Granting Motion of Phase I Claimants for Partial Distribution**, Docket No. 14-CRB-0007 CD (2010-2012 ) (Dec. 23, 2014). The Judges see no reason to revisit that reasoning now.

Therefore, finding that no claimant entitled to receive such fees has stated a reasonable objection to the partial distribution, the Judges **GRANT** the Motion. The Judges **ORDER** that 60% of the royalties held in the 2012 satellite fund be distributed in the manner set forth in the Motion, **i.e.**, to the Office of the Commissioner of Baseball as common agent for the Phase I Claimants to be distributed in the manner set forth in the confidential distribution agreement reached between the Phase I Claimants.
The Copyright Office shall make such distribution **PROVIDED THAT** each of the parties receiving a share of these funds provides to the Copyright Office a signed Repayment Agreement prepared by the Copyright Royalty Board stating that the recipient shall repay to the Copyright Office any overpayment that results from distribution of these funds, together with interest according to the amount that would have accrued if the principal had remained in the fund. All recipients must provide all pertinent information to effect the transfer of funds to the Licensing Division of the Copyright Office no later than March 26, 2015. The distribution shall take place on or after April 2, 2015.

**SO ORDERED.**

[Suzanne M. Barnett's signature]

Suzanne M. Barnett  
Chief Copyright Royalty Judge

Dated: March 3, 2015
ORDER GRANTING PHASE I CLAIMANTS' MOTION FOR PARTIAL DISTRIBUTION OF 2011 SATELLITE ROYALTY FUNDS

On January 18, 2013, the Copyright Royalty Judges ("Judges") published in the Federal Register a Notice soliciting comments on a December 12, 2012, Motion of Phase I Claimants for Partial Distribution of the 2011 satellite royalty funds ("Motion") under section 801(b)(3)(C) of the Copyright Act. The claimants seek a partial distribution of 50 percent of those funds. In particular, the notice solicited comments on whether there are reasonable objections to the requested distribution. The notice also solicited comments on whether there would be any Phase I or Phase II controversies with respect to the remaining funds if the motion were granted.

1 78 FR 4169. The Phase I Claimants are the Program Suppliers, Joint Sports Claimants, Broadcaster Claimants Group, Music Claimants (American Society of Composers, Authors and Publishers, Broadcast Music, Inc., and SESAC, Inc.), and Devotional Claimants.

2 In support of their Motion, the Phase I Claimants assert that all of the preconditions of section 801(b)(3)(C) of the Copyright Act have been or will be satisfied prior to distribution.

That section provides that:

[T]he Judges, at any time after the filing of claims under section 111, 119, or 1007, may, upon motion of one or more of the claimants and after publication in the Federal Register of a request for responses to the motion from interested claimants, make a partial distribution of such fees, if, based upon all responses received during the 30-day period beginning on the date of such publication, the [Judges] conclude that no claimant entitled to receive such fees has stated a reasonable objection to the partial distribution, and all such claimants—

(i) agree to the partial distribution;
(ii) sign an agreement obligating them to return any excess amounts to the extent necessary to comply with the final determination on the distribution of the fees made under subparagraph (B);
(iii) file the agreement with the Copyright Royalty Judges; and
(iv) agree that such funds are available for distribution.

In response to the notice the Judges received joint comments from the Phase I Claimants and ASCAP and BMI and individual comments from Broadcaster Claimants Group, Devotional Claimants, Joint Sports Claimants, Program Suppliers, Word of God Fellowship, Inc. (dba Daystar Television Network) and Worldwide Subsidy Group LLC (dba Independent Producers Group). No commenter stated a reasonable objection to the proposed distribution, although controversies exist with respect to the 2011 satellite royalties.

Therefore, the Motion is GRANTED.

Wherefore, THE JUDGES ORDER that 50% of 2011 satellite royalties shall be distributed to a designated representative of the Office of the Commissioner of Baseball who will serve as the common agent for the distribution of royalties among the Phase I claimants, as set forth in the Motion.

The Copyright Office shall make such a distribution PROVIDED THAT each of the claimants receiving a share of these funds provides to the Copyright Office a signed agreement prepared by the Copyright Royalty Board stating that the recipients shall repay to the Copyright Office any overpayment that results from the distribution of these funds together with interest according to the amount that would have accrued if the principal had remained in the fund. In addition, all pertinent information to effect the transfer of funds must be provided to the Licensing Division of the Copyright Office no later than April 18, 2013. The distribution shall take place on or after April 25, 2013.

SO ORDERED.

Suzanne M. Barnett  
Chief, U.S. Copyright Royalty Judge

DATED: March 13, 2013
ORDER GRANTING PHASE I CLAIMANTS' MOTION
FOR PARTIAL DISTRIBUTION OF 2010 SATELLITE ROYALTY FUNDS

On August 3, 2012, the Copyright Royalty Judges ("Judges") published in the Federal Register a Notice soliciting comments on a June 20, 2012, Motion of Phase I Claimants for Partial Distribution of the 2010 satellite royalty funds ("Motion") under section 801(b)(3)(C) of the Copyright Act. The claimants seek a partial distribution of 50 percent of those funds. In particular, the notice solicited comments on whether there are reasonable objections to the requested distribution. The notice also solicited comments on whether there would be any Phase I or Phase II controversies with respect to the remaining funds if the motion were granted.

That section provides that:

[T]he Judges, at any time after the filing of claims under section 111...may, upon motion of one or more of the claimants and after publication in the Federal Register of a request for responses to the motion from interested claimants, make a partial distribution of such fees, if, based upon all responses received during the 30-day period beginning on the date of such publication, the Judges conclude that no claimant entitled to receive such fees has stated a reasonable objection to the partial distribution, and all such claimants—

(i) agree to the partial distribution;
(ii) sign an agreement obligating them to return any excess amounts to the extent necessary to comply with the final determination on the distribution of the fees made under subparagraph (B);
(iii) file the agreement with the Copyright Royalty Judges; and
(iv) agree that such funds are available for distribution.


1 77 FR 46526. The Phase I Claimants are the Program Suppliers, Joint Sports Claimants, Broadcaster Claimants Group, Music Claimants (American Society of Composers, Authors and Publishers, Broadcast Music, Inc., and SESAC, Inc.), and Devotional Claimants.

2 In support of their Motion, the Phase I Claimants assert that all of the preconditions of section 801(b)(3)(C) of the Copyright Act have been or will be satisfied prior to distribution.
In response to the notice the Judges received joint comments from the Phase I Claimants and ASCAP and BMI and individual comments from Broadcaster Claimants Group, Devotional Claimants, Joint Sports Claimants, Program Suppliers, SESAC, Word of God Fellowship, Inc. (dba Daystar Television Network) and Worldwide Subsidy Group LLC (dba Independent Producers Group). No commenter stated a reasonable objection to the proposed distribution, although controversies exist with respect to the 2010 satellite royalties.

Therefore, the Motion is **GRANTED**.

Wherefore, **THE JUDGES ORDER** that 50% of 2010 satellite royalties shall be distributed to a designated representative of the Office of the Commissioner of Baseball who will serve as the common agent for the distribution of royalties among the Phase I claimants, as set forth in the Motion.

The Copyright Office shall make such a distribution **PROVIDED THAT** each of the claimants receiving a share of these funds provides to the Copyright Office a signed agreement prepared by the Copyright Royalty Board stating that the recipients shall repay to the Copyright Office any overpayment that results from the distribution of these funds together with interest according to the amount that would have accrued if the principal had remained in the fund. In addition, all pertinent information to effect the transfer of funds must be provided to the Licensing Division of the Copyright Office no later than October 18, 2012. The distribution shall take place on or after October 25, 2012.

SO ORDERED.

Suzanne M. Barnett  
Chief, U.S. Copyright Royalty Judge

DATED: September 18, 2012
ORDER GRANTING PHASE I CLAIMANTS' MOTION FOR PARTIAL DISTRIBUTION OF 2009 SATELLITE ROYALTY FUNDS

On September 6, 2011, the Copyright Royalty Judges ("Judges") published in the Federal Register a Notice\(^1\) soliciting comments on a Motion of Phase I Claimants for Partial Distribution of the 2009 satellite royalty funds ("Motion") under section 801(b)(3)(C) of the Copyright Act, dated August 5, 2011, seeking a partial distribution of 50 percent of those funds.\(^2\) In particular, the notice solicited comments on whether there are reasonable objections to the requested distribution. The notice also solicited comments on whether there are any Phase I or Phase II controversies with respect to the remaining funds if the motion were granted.

\(^1\) 76 FR 55123. The Phase I Claimants are the Program Suppliers, Joint Sports Claimants, Broadcaster Claimants Group, Music Claimants (American Society of Composers, Authors and Publishers, Broadcast Music, Inc., and SESAC, Inc.), and Devotional Claimants.

\(^2\) In support of their Motion, the Phase I Claimants assert that all of the preconditions of section 801(b)(3)(C) of the Copyright Act have been or will be satisfied prior to distribution.

That section provides that:

[T]he [J]udges, at any time after the filing of claims under section 111...may, upon motion of one or more of the claimants and after publication in the Federal Register of a request for responses to the motion from interested claimants, make a partial distribution of such fees, if, based upon all responses received during the 30-day period beginning on the date of such publication, the [Judges] conclude that no claimant entitled to receive such fees has stated a reasonable objection to the partial distribution, and all such claimants—

(i) agree to the partial distribution;
(ii) sign an agreement obligating them to return any excess amounts to the extent necessary to comply with the final determination on the distribution of the fees made under subparagraph (B);
(iii) file the agreement with the Copyright Royalty Judges; and
(iv) agree that such funds are available for distribution.

In response to the notice the Judges received a joint comment from the Phase I Claimants, and individual comments from Broadcaster Claimants Group, Devotional Claimants, Joint Sports Claimants, Music Claimants, Program Suppliers, and Independent Producers Group ("IPG"). No commenter stated a reasonable objection to the proposed distribution, although controversies exist with respect to the 2009 satellite royalties.

Therefore, the Motion is **GRANTED**.

Wherefore, **IT IS ORDERED** that 50% of 2009 satellite royalties shall be distributed to a designated representative of the Office of the Commissioner of Baseball who will serve as the common agent for the distribution of royalties among the Phase I claimants, as set forth in the Motion.

The Copyright Office shall make such a distribution **PROVIDED THAT** each of the parties receiving a share of these funds provides to the Copyright Office a signed agreement prepared by the Copyright Royalty Board stating that any overpayment that results from the distribution of these funds shall be repaid to the Copyright Office with interest according to the amount that would have accrued if the principal had remained in the fund. In addition, all pertinent information to effect the transfer of funds must be provided to the Licensing Division of the Copyright Office no later than October 20, 2011. The distribution shall take place on or after October 27, 2011.

**SO ORDERED.**

[Signature]

James Scott Sledge
Chief U.S. Copyright Royalty Judge

DATED: October 13, 2011
ORDER GRANTING PHASE I CLAIMANTS' MOTION
FOR PARTIAL DISTRIBUTION OF 2008 SATELLITE ROYALTY FUNDS

On October 29, 2010, the Copyright Royalty Judges ("Judges") published in the Federal Register a Notice¹ soliciting comments on a Motion of Phase I Claimants for Partial Distribution of the 2008 satellite royalty funds ("Motion") under section 801(b)(3)(C) of the Copyright Act, dated October 6, 2010, seeking a partial distribution of 50 percent of those funds.² In particular, the notice solicited comments on whether there are reasonable objections to the requested distribution. The notice also solicited comments on whether there are any Phase I or Phase II controversies with respect to the remaining funds if the motion were granted.

¹ 75 FR 66799. The Phase I Claimants are the Program Suppliers, Joint Sports Claimants, Broadcaster Claimants Group, Music Claimants (American Society of Composers, Authors and Publishers, Broadcast Music, Inc., and SESAC, Inc.), and Devotional Claimants.

² In support of their Motion, the Phase I Claimants assert that all of the preconditions of section 801(b)(3)(C) of the Copyright Act have been or will be satisfied prior to distribution.

That section provides that:

[T]he [J]udges, at any time after the filing of claims under section 111...may, upon motion of one or more of the claimants and after publication in the Federal Register of a request for responses to the motion from interested claimants, make a partial distribution of such fees, if, based upon all responses received during the 30-day period beginning on the date of such publication, the [Judges] conclude that no claimant entitled to receive such fees has stated a reasonable objection to the partial distribution, and all such claimants—

(i) agree to the partial distribution;
(ii) sign an agreement obligating them to return any excess amounts to the extent necessary to comply with the final determination on the distribution of the fees made under subparagraph (B);
(iii) file the agreement with the Copyright Royalty Judges; and
(iv) agree that such funds are available for distribution.

In response to the notice the Judges received a joint comment from the Phase I Claimants, and individual comments from Broadcaster Claimants Group, Devotional Claimants, Joint Sports Claimants, Music Claimants, Program Suppliers, Independent Producers Group ("IPG"), and James Cannings. No commenter stated a reasonable objection to the proposed distribution, although controversies exist with respect to the 2008 satellite royalties.3

Therefore, the Motion is GRANTED.

Wherefore, IT IS ORDERED that 50% of 2008 satellite royalties shall be distributed to a designated representative of the Office of the Commissioner of Baseball who will serve as the common agent for the distribution of royalties among the Phase I claimants, as set forth in the Motion.

The Copyright Office shall make such a distribution PROVIDED THAT each of the parties receiving a share of these funds provides to the Copyright Office a signed agreement prepared by the Copyright Royalty Board stating that any overpayment that results from the distribution of these funds shall be repaid to the Copyright Office with interest according to the amount that would have accrued if the principal had remained in the fund. In addition, all pertinent information to effect the transfer of funds must be provided to the Licensing Division of the Copyright Office no later than February 3, 2011. The distribution shall take place on or after February 10, 2011.

SO ORDERED.

James Scott Sledge
Chief U.S. Copyright Royalty Judge

DATED: January 11, 2011

3 Although IPG does not object to the proposed partial distribution, it does challenge the subsequent distribution of such funds to parties within such Phase I categories “until there is either an agreement in place for such distribution between the Phase II claimants, or unless only such funds as are determined to be not in controversy are distributed.” IPG made a similar challenge in the past and the Judges rejected it on the ground that such a restriction on distribution of Phase I funds is contrary to the policy of the Copyright Act to promote settlements because, as a practical matter, it would prevent the distribution of any funds to claimants. We see no reason to revisit our earlier decision in this matter. See Order Granting Phase I Claimants’ Motion for Partial Distribution of 2004 and 2005 Cable Royalty Funds, Docket No. 2007-3 CRB CD 2004-2005 (Apr. 10, 2008).
UNITED STATES COPYRIGHT ROYALTY JUDGES

In the Matter of

Distribution of the 2004-2007 Satellite Royalty Funds


ORDER GRANTING PHASE I CLAIMANTS' MOTION FOR PARTIAL DISTRIBUTION OF 2004-2007 SATELLITE ROYALTY FUNDS

On January 27, 2010, the Copyright Royalty Judges ("Judges") published in the Federal Register a Notice¹ soliciting comments on a Motion of Phase I Claimants for Partial Distribution of the 2004-2007 satellite royalty funds ("Motion"), dated October 27, 2009, seeking a partial distribution of 50 percent of those funds. In response to the publication, the Judges received a single comment from the Phase I Claimants supporting their motion.

In support of their Motion, the Phase I Claimants assert that all of the preconditions of section 801(b)(3)(C) of the Copyright Act have been or will be satisfied prior to distribution. That section provides that:

[T]he copyright royalty judges, at any time after the filing of claims under section...119...may, upon motion of one or more of the claimants and after publication in the Federal Register of a request for responses to the motion from interested claimants, make a partial distribution of such fees, if, based upon all responses received during the 30-day period beginning on the date of such publication, the [Judges] conclude that no claimant entitled to receive such fees has stated a reasonable objection to the partial distribution, and all such claimants –

(i) agree to the partial distribution;
(ii) sign an agreement obligating them to return any excess amounts to the extent necessary to comply with the final determination on the distribution of the fees made under subparagraph (B);
(iii) file the agreement with the Copyright Royalty Judges; and
(iv) agree that such funds are available for distribution.

¹ 75 FR 4423. The Phase I Claimants are the Program Suppliers, Joint Sports Claimants, Broadcaster Claimants Group, Music Claimants (American Society of Composers, Authors and Publishers, Broadcast Music, Inc., and SESAC, Inc.), and Devotional Claimants.
Having received no objections, the Judges determine that a partial distribution of 50 percent of the 2004, 2005, 2006, and 2007 satellite royalty funds is reasonable and appropriate. In their motion, the Phase I Claimants represent that the amount of funds available for distribution from the satellite royalty fees collected for 2004 through 2007 totals approximately $352,758,219 and that a 50 percent partial distribution would approximate $176,379,108. The Phase I Claimants request that the funds be distributed as follows:2

<table>
<thead>
<tr>
<th>CLAIMANT GROUP</th>
<th>ROYALTY SHARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Suppliers</td>
<td>39.95050%</td>
</tr>
<tr>
<td>Joint Sports Claimants</td>
<td>39.73767%</td>
</tr>
<tr>
<td>Broadcaster Claimants Group (NAB)</td>
<td>15.01941%</td>
</tr>
<tr>
<td>Music Claimants</td>
<td>4.00000%</td>
</tr>
<tr>
<td>Devotional Claimants</td>
<td>1.29242%</td>
</tr>
</tbody>
</table>

2 Motion at 2.

The Phase I Claimants request that the percentage share of the 2004-2007 funds distributed to each Phase I Claimant be the same percentage as that of Basic cable royalties, on a relative basis, as that Claimant was awarded for the year 1999 in the 1998-1999 Cable Royalty Distribution Proceeding. See Motion at 5. In the case of the Devotional Claimants, the relative percentage share to be paid to them would be the same share as they received pursuant to the settlement among all Phase I Claimants to the 1998-99 proceeding. Motion at 5-6. The Phase I Claimants represent that the proposed distribution percentages have been adjusted to account for the fact that three claimant groups who were entitled to receive a share of the 1999 Cable Royalties—National Public Radio, the Canadian Claimants Group, and the Public Television Claimants—do not claim a share of the 2004-07 Satellite Royalty Funds.
Wherefore, IT IS ORDERED that the Motion of Phase I Claimants for Partial Distribution of the 2004-2007 satellite royalty funds IS GRANTED and the distribution shall be made in accordance with the above-described percentages. The Copyright Office shall make such a distribution PROVIDED THAT each of the parties receiving a share of these funds provides to the Copyright Office a signed agreement prepared by the Copyright Royalty Judges no later than April 15, 2010, stating that any overpayment that results from the distribution of these funds shall be repaid to the Copyright Office with interest according to the amount that would have accrued if the principal had remained in the fund. In addition, all pertinent information to effect the transfer of funds must be provided to the Licensing Division of the Copyright Office no later than April 15, 2010. The distribution shall take place on or after April 22, 2010.

SO ORDERED.

[Signature]

James Scott Sledge
Chief, U.S. Copyright Royalty Judge

DATED: March 23, 2010
COPYRIGHT ROYALTY BOARD

Library of Congress
Phone: 1-202-707-8380
Fax: 1-202-252-3423

FAX TRANSMITTAL SHEET
Page 1 of 4 pages

DATE: 15 September 2005
TO: Phase I Parties
FAX: See Service List
PHONE: N/A
FROM: Abioye E. Oyewole
       CRB Specialist

COMMENT: Distribution Order and Service List with this fax
In the Matter of

Distribution of the 2001, 2002 and 2003 Satellite Royalty Funds


DISTRIBUTION ORDER

Background

By motion received on June 20, 2005, representatives of the Phase I claimant categories (the "Phase I Parties") asked the Copyright Royalty Board to authorize a partial distribution of 50% of each of the 2001, 2002, and 2003 satellite royalty funds, asserting that the distribution of 50% of those funds was not in controversy. As set forth in the Motion, the proposed partial distribution would be preceded by a notice in the Federal Register, seeking comments with respect to the premise of the motion that 50% of the relevant royalty funds were not in controversy. On August 9, 2005, the Board published a notice in the Federal Register seeking, inter alia, comments on whether any controversy exists that would preclude distribution of 50% of the satellite royalty funds to the Phase I Parties. 70 FR 46193 (August 9, 2005). The Board stated that "[i]f no controversy exists with respect to 50% of the funds, or no comments are received, the Board will grant the Phase I Parties' Motion for partial distribution of the 2001-2003 satellite royalty funds, subject to the protective refund conditions required for partial distributions." Id.

Discussion

Much of the delay associated with addressing the Phase I Parties' Motion stems from the newly enacted provisions of section 801(b)(3) of the Copyright Act governing the distribution of royalties. Under the prior Copyright Arbitration Royalty Panel (CARP) process, the Phase I Parties would typically file a motion for partial distribution with the Librarian of Congress well in advance of the commencement of a CARP proceeding to determine the distribution of the funds at issue. Partial distributions were authorized under the old law under either section 111(d)(4)(C) for cable royalties or 119(b)(4)(B) for satellite royalties, as the case may be. The Reform Act, however, revised the statutory language by creating a process for partial

---

1 The "Phase I Parties" are the Program Suppliers, the Joint Sports Claimants, the Public Television Claimants, the Broadcaster Claimants Group, the American Society of Composers, Authors and Publishers, Broadcast Music, Inc., SESAC, Inc., and the Devotional Claimants.

2 Chapter 8 of the Copyright was completely revised by the Copyright Royalty and Distribution Reform Act of 2004.
distributions under new section 801(b)(3)(C). What troubled the Board, and prompted it to request the Phase I Parties to provide supplementary information to their Motion, was the language in section 801(b)(3)(C) that provided partial distributions could be made “during the pendency of the proceeding.” The “pendency” language did not exist in the old law and suggests that a distribution proceeding must be under way in order to make a partial distribution. The Phase I Parties, not wishing to trigger the commencement of the proceeding to distribute the 2001-2003 satellite royalties and invoke the 11 month completion time required by new section 803(c)(1), argued convincingly to the Board in their supplemental comments that a partial distribution of royalty funds not in controversy could be made under section 801(b)(3)(A) without commencing the proceeding. The Board accepted this position in the August 9 Federal Register notice and concluded that “section 801(b)(3)(A) should be construed to authorize the partial distribution of royalties not in controversy prior to the initiation of proceedings under section 803(b)(1).” Id.

The Board has reviewed the comments submitted in response to the August 9 Federal Register notice. Although controversies exist with respect to distribution of royalties at Phase I and Phase, all the commenters agree that at least 50% of the 2001-2003 royalties are not in controversy and none object to granting the Motion of the Phase I Parties. Consequently, the Board is granting the Motion.

Wherefore, IT IS ORDERED that the Motion of the Phase I Parties for distribution of 50% of the 2001, 2002 and 2003 satellite royalty funds, respectively, IS GRANTED according to the condition prescribed herein. The Copyright Office shall make a distribution of 50% of the 2001, 2002, and 2003 satellite royalty funds, respectively, on or after October 6, 2005, provided that each of the parties receiving a share of the funds provides a signed agreement prepared by the Copyright Office no later than September 29, 2005, stating that any overpayment that results from the distribution of these funds shall be repaid to the Copyright Office with interest according to the amounts that would have accrued if the principals had remained in their respective funds. In addition, all pertinent information to effect the transfer of the funds must be provided to the Licensing Division of the Copyright Office no later than September 29, 2005. The partial distributions made pursuant to this Order shall be without prejudice concerning the final distribution percentages that shall be determined at a future time.

SO ORDERED.

Bruce G. Forrest,
Interim Chief Copyright Royalty Judge.

DATED: September 13, 2005
<table>
<thead>
<tr>
<th>Participant</th>
<th>Contact(s)</th>
<th>First</th>
<th>Address 1</th>
<th>Address 2</th>
<th>City</th>
<th>State</th>
<th>Zip Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Suppliers</td>
<td>Greg Olomian; Lucy Holmes Plozovick</td>
<td>Shimon Morrison Hecker LLP</td>
<td>1150 18th Street, NW</td>
<td>Suite 800</td>
<td>Washington</td>
<td>DC</td>
<td>20036</td>
</tr>
<tr>
<td>Joint Sports Claimants</td>
<td>Robert Alan Garrett; Michelle J. Woods; Christopher Winters</td>
<td>Arnold &amp; Porter LLP</td>
<td>555 Twelfth Street, NW</td>
<td></td>
<td>Washington</td>
<td>DC</td>
<td>20004-1206</td>
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<tr>
<td>Public Television Claimants</td>
<td>Timothy C. Healer; Ronald G. Dove, Jr.</td>
<td>Covington &amp; Burling</td>
<td>1201 Pennsylvania Ave, NW</td>
<td></td>
<td>Washington</td>
<td>DC</td>
<td>20004-2401</td>
</tr>
<tr>
<td>Paul Green</td>
<td>PFS</td>
<td>1330 Braddock Place</td>
<td></td>
<td></td>
<td>Alexandria</td>
<td>VA</td>
<td>22314</td>
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<tr>
<td>Broadcaster Claimants Group</td>
<td>John L. Stewart; Michael Lazarus</td>
<td>Crowell &amp; Moring LLP</td>
<td>1001 Pennsylvania Ave, NW</td>
<td></td>
<td>Washington</td>
<td>DC</td>
<td>20004-2595</td>
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<tr>
<td>ASCAP</td>
<td>U. Kozlowski</td>
<td>White &amp; Case</td>
<td>1155 Avenue of the Americas</td>
<td></td>
<td>New York</td>
<td>NY</td>
<td>10036-2787</td>
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<tr>
<td></td>
<td>Joanna M. McGivern; Samuel Mosskis</td>
<td>ASCAP</td>
<td>One Lincoln Plaza</td>
<td></td>
<td>New York</td>
<td>NY</td>
<td>10036</td>
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<tr>
<td>BMI, Inc.</td>
<td>Marvin L. Berenson; Joseph J. DiMona</td>
<td>BMI</td>
<td>320 West 57th Street</td>
<td></td>
<td>New York</td>
<td>NY</td>
<td>10019</td>
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<td></td>
<td>Michael J. Remington; Jeffrey Lopez</td>
<td>Drinker Biddle &amp; Reath LLP</td>
<td>1500 15th Street, NW</td>
<td>Suite 1100</td>
<td>Washington</td>
<td>DC</td>
<td>20005</td>
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<tr>
<td>SESAC, Inc.</td>
<td>Patrick Collins</td>
<td>SESAC</td>
<td>55 Music Square East</td>
<td></td>
<td>Nashville</td>
<td>TN</td>
<td>37203</td>
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<td></td>
<td>John C. Beiter</td>
<td>Loeb &amp; Loeb LLP</td>
<td>240 South Second Avenue</td>
<td></td>
<td>Nashville</td>
<td>TN</td>
<td>37215</td>
</tr>
<tr>
<td>Devotional Claimants</td>
<td>George R. Grunewald</td>
<td>Garrison &amp; Grunow, PC</td>
<td>8280 Greensboro Drive, Suite 700</td>
<td></td>
<td>McLean</td>
<td>VA</td>
<td>22102</td>
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<td></td>
<td>Arnold P. Lutcher</td>
<td>Lutcher, Lutcher &amp; Lutcher</td>
<td>1000 Vermont Avenue, NW</td>
<td></td>
<td>Washington</td>
<td>DC</td>
<td>20005</td>
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<td></td>
<td>Clifford H. Harlington; Barry G. Gottfried</td>
<td>Pillsbury Winthrop Shaw Pittman LLP</td>
<td>2300 N Street, NW</td>
<td></td>
<td>Washington</td>
<td>DC</td>
<td>20037</td>
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<tr>
<td></td>
<td>Frank Kosznus, Jr.</td>
<td>Connolly, Rodgers &amp; Scharman</td>
<td>5028 Wisconsin Avenue, NW</td>
<td>Suite 300</td>
<td>Washington</td>
<td>DC</td>
<td>20016</td>
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<td></td>
<td>John H. Midken, Jr.</td>
<td>Midken Law Center</td>
<td>7610 Lynn</td>
<td></td>
<td>Chevy Chase</td>
<td>MD</td>
<td>20815</td>
</tr>
<tr>
<td></td>
<td>Edward S. Hammneman</td>
<td>Hammneman, PLLC</td>
<td>5335 Wisconsin Avenue, N.W.</td>
<td>Suite 440</td>
<td>Washington</td>
<td>DC</td>
<td>20015-1053</td>
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<tr>
<td></td>
<td>Jonathan T. McCants</td>
<td>Bird &amp; Loehr, LLC</td>
<td>1150 Monarch Plaza</td>
<td></td>
<td>Atlanta</td>
<td>GA</td>
<td>30326</td>
</tr>
</tbody>
</table>
EXHIBIT B
FAX TRANSMITTAL SHEET
Page 1 of 3 pages

DATE: January 12, 2006

TO: Gregory Olaniran
Lucy Holmes Plovnick
Stinson Morrison Hecker LLP

FAX: 202/785-9163
PHONE: 202/785-9100

FROM: Gina Giuffreda
Attorney Advisor

SUBJECT: Docket No. 2000-7 CARP SD 96-98
DISTRIBUTION ORDER

COMMENT: Please deliver immediately upon receipt.
In the Matter of

Distribution of the 1996-1998 Satellite Royalty Fund

Docket No. 2000-7 CARP SD 96-98

DISTRIBUTION ORDER

On August 8, 2005, the Copyright Office issued an order requesting an update on the status of outstanding Phase II controversies in the Program Suppliers category regarding satellite royalty fees for the years 1996, 1997, and 1998 in an effort to ascertain whether any or all of these remaining funds could be distributed. According to the Office's records, a Phase II controversy existed between Program Suppliers and certain broadcast station claimants for each of the fund years 1996 and 1997; and a Phase II controversy existed between Program Suppliers and Hearst-Argyle Television Production, Inc. ("Hearst-Argyle") for fund year 1998. In response to this Order, Program Suppliers and the Broadcaster Claimants filed separate comments stating that while no controversies remained as to the 1996 and 1997 satellite royalty funds a single controversy still existed between Program Suppliers and Hearst-Argyle with respect to the 1998 funds. However, the parties did not provide any new information on the extent of the remaining controversy regarding the 1998 funds nor did they file a formal notice of settlement or a motion requesting distribution of the 1996 and 1997 funds.

Consequently, on September 20, 2005, the Office issued an Order setting a negotiation period to resolve the outstanding Phase II controversy with respect to the 1998 satellite royalty funds. In addition, the Office set a deadline for the parties to file comments on the remaining controversy regarding the 1998 funds and/or to file any notices of settlement and motions seeking a distribution of the 1996, 1997, and/or 1998 satellite royalty funds.

In response to its September 20 Order, the Office received from Program Suppliers a motion for final distribution of the 1996 and 1997 satellite royalties as well as a joint notice from Program Suppliers and Hearst-Argyle that they reached a settlement of all outstanding Phase II controversies. In light of their settlement, they moved for a final distribution of the 1998 satellite royalties, requesting that distribution be made to the Motion Picture Association of America, Inc. ("MPAA") as a common agent for both the MPAA-represented Program Suppliers and Hearst-Argyle.

Both motions are unopposed.

1 The Office also received separate comments from the Devotional Claimants and HSN, LP, Home Shopping En Espangol GP and AST LLC, jointly, confirming that they had resolved all controversies with respect to all three years.
Discussion

Section 119(b)(4)(C) of the Copyright Act, title 17 of the United States Code, as it was in effect prior to May 31, 2005, authorizes the Librarian of Congress to distribute royalty fees to the copyright owners entitled to receive them, after deducting reasonable administrative costs, upon making a determination that no controversy exists in regard to the distribution of the funds. Because all known controversies for the years 1996, 1997, and 1998 concerning the funds allocated to the Program Suppliers' category have now been settled and no party has opposed either motion for distribution of these funds, the Register determines that it is appropriate to make a final distribution of the 1996, 1997, and 1998 satellite royalty fees.

Determination

Wherefore, IT IS ORDERED that the motions for a final distribution of the 1996, 1997, and 1998 satellite royalty fees are hereby GRANTED. The 1996, 1997, and 1998 satellite royalty fees are to be distributed to the MPAA as a common agent. A full and final distribution of these funds shall be distributed on or after January 26, 2006, provided that the Copyright Office receives all pertinent information to effect the transfer of funds no later than 7 days before the day of distribution.

SO ORDERED.

Marybeth Peters,
Register of Copyrights.

DATED: January 12, 2006

---

2 The Copyright Royalty and Distribution Reform Act of 2004 ("CRDRA"), which became effective on May 31, 2005, replaces the Copyright Arbitration Royalty Panels ("CARPs") with a new system for making distribution of satellite royalty fees. However, section 6(b)(1) of the CRDRA allows proceedings initiated prior to the date of the CRDRA's enactment, November 30, 2004, to continue under the jurisdiction of the Library of Congress until such time as they are terminated by the Librarian. Since this proceeding commenced prior to November 30, 2004, and has not been terminated by the Librarian, the Library retains jurisdiction over this proceeding.
Certificate of Service

I hereby certify that on Monday, October 30, 2017 I provided a true and correct copy of the Reply Comments Of Program Suppliers to the following:

Powell, David, represented by david powell served via Electronic Service at davidpowell008@yahoo.com

Devotional Claimants, represented by Matthew J MacLean served via Electronic Service at matthew.maclean@pillsburylaw.com

Broadcast Music, Inc. (BMI), represented by Jennifer T. Criss served via Electronic Service at jennifer.criss@dbr.com

Joint Sports Claimants, represented by Bryan L Adkins served via Electronic Service at Bryan.Adkins@apks.com

American Society of Composers, Authors and Publishers (ASCAP), represented by Sam Mosenkis served via Electronic Service at smosenkis@ascap.com

SESAC, Inc., represented by John C. Beiter served via Electronic Service at jbeiter@lsglegal.com

Multigroup Claimants, represented by Brian D Boydston served via Electronic Service at brianb@ix.netcom.com

Broadcaster Claimants Group, represented by David J Ervin served via Electronic Service at dervin@crowell.com

Signed: /s/ Lucy H Plovnick