

Before the  
UNITED STATES COPYRIGHT ROYALTY JUDGES  
Library of Congress  
Washington, D.C.

*In re*

Determination of Royalty Rates and Terms  
for Making and Distributing  
Phonorecords  
(Phonorecords IV)

Docket No. 21-CRB-0001-PR  
(2023–2027)

*In re*

Determination of Royalty Rates and Terms  
for Making and Distributing  
Phonorecords  
(Phonorecords III)

Docket No. 16-CRB-0003-PR  
(2018–2022) (Remand)

**GEO’S NOTICE OF INCREASED MONETARY INFLATION OF 7.0%  
PERCENT CPI-U OVER LAST YEAR BY BLS IN BOTH PROCEEDINGS**

Participant George Johnson (“GEO”), a *pro se* Appellant songwriter, respectfully submits this *Notice of Increased Monetary Inflation of 7.0% Percent Over Last Year by BLS in Both Proceedings* to the Copyright Royalty Board.

**U.S. BUREAU OF LABOR STATISTICS CPI-U AT 7.0% PERCENT IN 2022**

On January 12, 2022, The United States Bureau of Labor Statistics (“BLS”) released its regular, monthly inflation data which came in at 7.0% percent<sup>1</sup> over last year and *the largest increase since 1982*. The BLS press release reads:

<sup>1</sup> <https://www.bls.gov/news.release/pdf/cpi.pdf> January 12, 2022, press release from the United States Bureau of Labor Statistics which determined a 7.0% percent increase in CPI-U inflation over the past 12 months.

“The Consumer Price Index for All Urban Consumers (CPI-U) increased 0.5 percent in December on a seasonally adjusted basis after rising 0.8 percent in November, the U.S. Bureau of Labor Statistics reported today. Over the last 12 months, the all items index increased 7.0 percent before seasonal adjustment.”

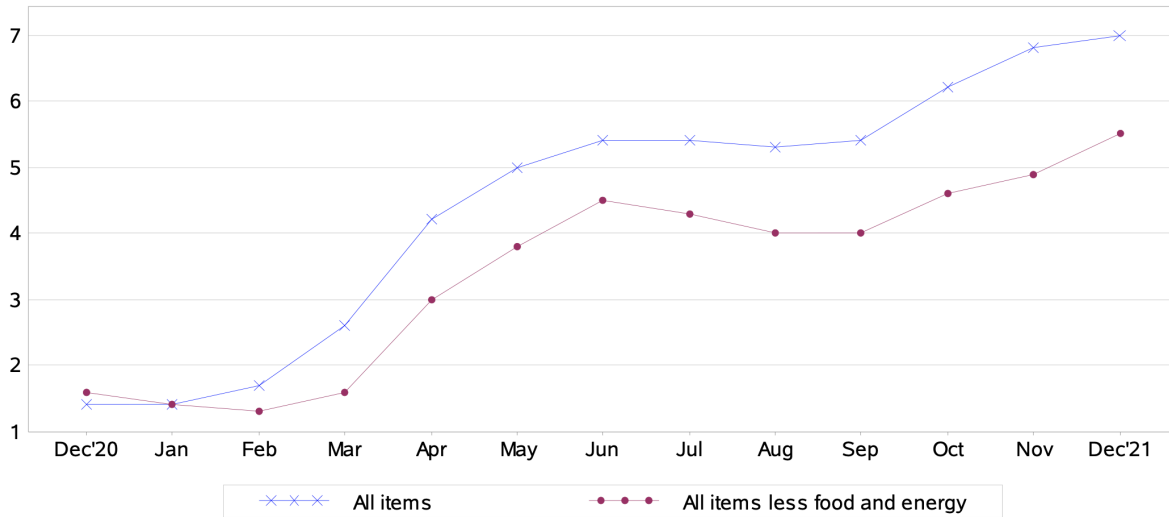
and...

"The all items index rose 7.0 percent for the 12 months ending December, the largest 12-month increase since the period ending June 1982.”

In February of 2021 the inflation rate was between a normal 1% to 2% percent but has gradually been increasing every month to 7.0% percent.

Again, this is the *largest inflation increase in 40 years*. See BLS chart below:

**Chart 2. 12-month percent change in CPI for All Urban Consumers (CPI-U), not seasonally adjusted, Dec. 2020 - Dec. 2021**  
Percent change



On November 11, 2021<sup>2</sup>, GEO also submitted a similar Notice in *Phonorecords IV* (at 6.2% percent) and on December 16, 2021, two similar Notices<sup>3</sup>

<sup>2</sup> <https://app.crb.gov/document/download/25918> Nov 11, 2021, GEO’s *Notice of Increased Monetary Inflation of 6.2% Percent Over Last Year — Phonorecords IV*.

<sup>3</sup> <https://app.crb.gov/document/download/25976> December 16, 2021, *George Johnson’s (“GEO”) Notice of Increased Monetary Inflation of 6.8% Percent CPI-U over Last Year by BLS*, submitted in *Phonorecords IV* (and also *Phonorecords III* <https://app.crb.gov/document/download/25982>).

in both *Phonorecords III* (remand) and *Phonorecords IV* (at 6.8% percent) regarding the 2 previous BLS monthly CPI-U inflation data (CPI-U or All Items CPI for All Urban Consumers).

On January 6, 2022 GEO filed duplicate Motions<sup>4</sup> in both proceedings to respectfully ask relief by requesting Your Honors index Subpart B interactive streaming rates to CPI-U inflation, just as the CRB has recently determined in other rate proceedings — with the exception of a possible retroactive adjustment.

GEO respectfully files this Notice to the CRB using government evidence to demonstrate that national monetary inflation continues to rise at unprecedented levels, not seen since the late 1970's and 1980's, and in this case, at 7.0% percent over last year.

This 7.0% percent inflation rate negatively affects all Americans, but also *all* American songwriters and music publishers subject to the compulsory licenses and microscopic statutory streaming rates under §115 and §385 Subparts A, B and C.

On October 13, 2021, GEO proposed a retroactive inflation adjustment to the frozen 9.1 cent mechanical royalty rate in my Written Direct Statement. I then proposed a yearly CPI-U indexing to the 9.1 cent mechanical going forward — exactly as this Panel determined in the most recent *Web V* rate proceeding<sup>5</sup>.

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<sup>4</sup> <https://app.crb.gov/document/download/26013> January 6, 2022, GEO's *Motions to Index Subpart B Interactive Streaming Rates to BLS CPI-U Inflation Rates in Both Proceedings (2nd Corrected)*, *Phonorecords III (and IV)*

<sup>5</sup> <https://app.crb.gov/document/download/25678> *Web V* Determination, July 22, 2021. A CPI-U inflation adjustment going forward for the webcasting of §114 digital sound recordings.

The following are the most recent Cost of Living Adjustments (“COLA”) or CPI-U indexing by the CRB:

GEO also argues that the following CPI-U adjustments are now *rate court precedent*:

1. the *Web IV*<sup>6</sup> Final Determination indexing on October 27, 2021.
2. for Public Broadcasting<sup>7</sup> and SESAC on November 23, 2021.
3. for Satellite Carriers<sup>8</sup> a 6.2% COLA adjustment on November 26, 2021.
4. the Webcaster Statutory License<sup>9</sup> COLA adjustment on December 1, 2021, indexing royalty rates for the public performance of and for the making of ephemeral reproductions of sound recordings.

We hope that this inflation indexing by the CRB in other rate proceedings is a good sign that Your Honors will also index the *Phonorecords IV*, and possibly *Phonorecords III* (remand), streaming rates to CPI-U inflation. GEO also prays Your Honors will index the 9.1 cent mechanical rate to CPI-U inflation as well.

Since both *Phonorecords III* and *IV* rate proceedings are connected, GEO is filing this duplicate Notice in both proceeding.

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<sup>6</sup> <https://www.govinfo.gov/content/pkg/FR-2021-10-27/pdf/2021-20621.pdf> *Web IV* inflation adjustment by CRB using CPI-U on October 27, 2021.

<sup>7</sup> <https://www.govinfo.gov/content/pkg/FR-2021-11-23/pdf/2021-25443.pdf> Federal Register, November 23, 2021. Public Broadcasting and SESAC.

<sup>8</sup> <https://www.govinfo.gov/content/pkg/FR-2021-11-26/pdf/2021-25719.pdf> Federal Register, November 26, 2021. Satellite Carriers 6.2% COLA adjustment

<sup>9</sup> <https://www.govinfo.gov/content/pkg/FR-2021-12-01/pdf/2021-26062.pdf> Federal Register, December 1, 2021. Webcaster Statutory License

As stated in my January 6, 2022 Motions, if appropriate and allowed, GEO would respectfully ask Your Honors, *sua sponte* or by GEO's Motion, to index all *interactive streams* for inflation in *Phonorecords IV*, and the *Phonorecords III* (remand) final determination — possibly “retroactively” from 2018 to 2022 — or even from 2006 since this rate was also frozen for 15 years.

GEO is requesting relief *exactly* like the CPI-U inflation adjustment the CRB determined in *Web V* with the only difference being a possible *retroactive* inflation adjustment to the Subpart B streaming rates.

GEO agrees with Your Honors' *Web V* finding located in footnote (356) on Page 300, whereby streaming rates that are adjusted based on the CPI-U “are clearly preferable to rates that are frozen arbitrarily for the duration of the five-year rate term.”

“(356)...The Judges find that rates adjusted based on the CPI-U are clearly preferable to rates that are frozen arbitrarily for the duration of the five-year rate term.”

Hopefully, this is now *rate court precedent* to be applied in both *Phonorecords* proceedings.

A CPI-U inflation indexing of musical works is also completely reasonable, especially since *all* American songwriters are under a *compulsory license* and forced to accept \$.00012 cents per-stream, with relatively no sales or downloads<sup>10</sup>, and with no other form of non-performing songwriter income.

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<sup>10</sup> Primarily due to the *substitution effect* of streams substituting for sales, but also 15 years of NMPA's “voluntary agreements” to freeze the 9.1 cent royalty rates — while inflation also effectively lowers the rate from 9.1 cents in 2006 to 5.4 cents in value in 2022.

Finally, just in case Your Honors are not able to index these Subpart B subscription streams, *sua sponte* or by GEO's Motion, in the *Phonorecords III* (remand) or in *Phonorecords IV*, GEO will also include this Subpart B interactive streaming indexing proposal in my future *Phonorecords IV* Amended Written Direct Statement by the March 8, 2022 deadline.

Respectfully,

By:           /s/ George D. Johnson            
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*George D. Johnson (GEO), an individual  
songwriter and music publisher d.b.a.  
George Johnson Music Publishing (GJMP)  
(formerly BMI)*

Friday, January 14, 2022

# Proof of Delivery

I hereby certify that on Friday, January 14, 2022, I provided a true and correct copy of the GEO'S NOTICE OF INCREASED MONETARY INFLATION OF 7.0% PERCENT CPI-U OVER LAST YEAR BY BLS IN BOTH PROCEEDINGS to the following:

Google LLC, represented by Gary R Greenstein, served via ESERVICE at gggreenstein@wsgr.com

Copyright Owners, represented by Benjamin K Semel, served via ESERVICE at Bsemel@pryorcashman.com

Spotify USA Inc., represented by Joseph Wetzel, served via ESERVICE at joe.wetzel@lw.com

Joint Record Company Participants, represented by Susan Chertkof, served via ESERVICE at susan.chertkof@riaa.com

Amazon.com Services LLC, represented by Joshua D Branson, served via ESERVICE at jbranson@kellogghansen.com

Zisk, Brian, represented by Brian Zisk, served via ESERVICE at brianzisk@gmail.com

Pandora Media, LLC, represented by Benjamin E. Marks, served via ESERVICE at benjamin.marks@weil.com

Apple Inc., represented by Mary C Mazzello, served via ESERVICE at mary.mazzello@kirkland.com

Powell, David, represented by David Powell, served via ESERVICE at davidpowell008@yahoo.com

Signed: /s/ George D Johnson