

Before the  
COPYRIGHT ROYALTY JUDGES  
Washington, D.C.

In the Matter of	)	
	)	
Distribution of 2018	)	Docket No. 19-CRB-0010-CD
Cable Royalty Funds	)	(2018)
_____	)	
In the Matter of	)	
	)	
Distribution of 2019	)	Docket No. 20-CRB-0010-CD
Cable Royalty Funds	)	(2019)
_____	)	
In the Matter of	)	
	)	
Distribution of 2020	)	Docket No. 21-CRB-0008-CD
Cable Royalty Funds	)	(2020)
_____	)	

**Multigroup Claimants' Motion for  
Partial Distribution of 2018, 2019, and 2020 Cable Royalties**

Worldwide Subsidy Group LLC (a Texas limited liability company) dba

Multigroup Claimants ("MGC") hereby submits a motion for the Copyright Royalty Judges to order a partial distribution to MGC of the 2018, 2019, and 2020 cable royalty funds (the "Cable Funds").

On August 20, 2020, the Judges granted the "Allocation Parties" motion for distribution of 40% of the 2018 Cable Funds. *Order Granting Moving Parties' Motion for Partial Distribution of 2018 Cable Royalties* (Aug. 20, 2020), Docket no. 19-CRB-0010-CD (2018).

On August 9, 2021, the Judges granted the "Allocation Parties" motion for distribution of 40% of the 2019 Cable Funds. *Order Granting Moving Parties' Motion*

*for Partial Distribution of 2019 Cable Royalties* (Aug. 9, 2021), Docket no. 20-CRB-0010-CD (2019).

On March 22, 2023, the Judges published in the Federal Register a notice requesting comments on the “Allocation Phase Parties” motion for distribution of 40% of the 2020 Cable Funds. 88 Fed. Reg. 17272 (Mar. 22, 2023) Docket no. -CRB-0009-CD (2020).

The circumstances warrant a partial distribution of the 2018, 2019, and 2020 Cable Funds to MGC, in an amount commensurate with 50% of the average percentage amounts previously awarded to MGC in the 2010-2013 cable proceedings, as soon as feasible.

**I. THE JUDGES HAVE AUTHORITY TO ORDER PRECONTROVERSY PARTIAL DISTRIBUTIONS.**

Section 111 of the Copyright Act favors the early distribution of cable royalties. See 17 U.S.C. § 111(d)(4)(C). Chapter 8 of the Copyright Act vests the Judges with ample statutory authority to order the precontroversy distribution of cable royalties. In the Copyright Royalty Judges Program Technical Corrections Act, Congress amended Section 801(b)(3)(C) to clarify that a partial distribution of royalties can be made at any time after the filing of claims. See Pub. L. No. 109-303 §§ 3, 5, 109<sup>th</sup> Cong., 2d Sess. (2006), 120 Stat. 1478. Congress affirmed the Judges’ authority to order partial distributions of statutory royalties in advance of the declaration of a controversy. Section 801(b)(3)(C) 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 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.

17 U.S.C. § 111(d)(4)(C).

**II. DISTRIBUTION OF THE 2018, 2019, AND 2020, CABLE FUNDS TO MULTIGROUP CLAIMANTS COMMENSURATE WITH 50% OF PERCENTAGE AMOUNTS PREVIOUSLY AWARDED IS REASONABLE AND APPROPRIATE.**

The statutorily prescribed deadline for filing claims has now passed. MGC is an established claimant that agrees to sign the separate agreement contemplated by Section 801(b)(3)(C)(ii) obligating it to return any excess royalty amounts received, in a form to be provided by the Office or the Copyright Royalty Judges, in advance of the requested distribution, and agrees to file such an agreement with the Copyright Royalty Judges or as otherwise directed. All other participants to the 2018 and 2019 proceedings have received partial distributions of 40% of those royalty pools, and the Judges have requested public comments to those parties' request for 40% of the 2020 royalty pool.

**A. Multigroup Claimants' computation of its proportionate royalties based on its award of 2010-2013 cable royalties in the devotional programming category.**

On February 12, 2019, the Judges issued their determination for distribution of the devotional programming category, awarding the following percentages of the Basic Fund, 3.75% Fund, and Syndex Fund, for the 2010-2013 cable royalty pools:

	<u>Basic Fund</u>	<u>3.75% Fund</u>	<u>Syndex Fund</u>
2010:	4.0%	4.7%	0%
2011:	5.5%	6.8%	0%
2012:	5.5%	6.7%	0%
2013:	4.3%	5.3%	0%

On multiple occasions over an extended period of time, Multigroup Claimants has requested that the Licensing Division provide Multigroup Claimants the amounts allocable to the Basic Fund, 3.75% Fund, and Syndex Fund, for 2010-2013. Multigroup Claimants sought such information in order to obtain a “blended” award rate for the devotional programming category for 2010-2013. Notwithstanding multiple requests, no information was provided.

In order to estimate the relative amounts allocable to the Basic Fund, 3.75% Fund, and Syndex Fund, Multigroup Claimants drew information from the 2004-2009 cable royalty funds. From 2004 to 2009, the Basic Fund averaged 88.46% of the aggregate royalties collected; the 3.75% Fund averaged 11.52% of the aggregate royalties collected, and; the Syndex Fund averaged 0.02% of the aggregate royalties collected.

Applying the relative percentages of Basic Fund, 3.75% Fund, and Syndex Fund from 2004-2009, to the devotional programming award for 2010-2013, the *blended* percentage of royalties attributable solely to the devotional programming category for all 2010-2013 cable funds was as follows:

2010:	4.08%
2011:	5.65%

2012: 5.64%  
2013: 4.41%  
Avg.: 4.95%

On May 26, 2021, the Judges granted MGC's motion for final distribution of 2010-2013 Cable Royalty Funds. MGC's average award of the devotional cable royalties for 2010-2013 equals 16.6%. See *Order Granting Multigroup Claimants' Motion for Final Distribution of 2010-2013 Cable Royalty Funds* (May 26, 2021), Docket no. 14-CRB-0010-CD/SD (2010-2013). Consequently, MGC's blended percentage of the aggregate cable funds attributable to 2010-2013 attributable to MGC's devotional programming claims resulted in an average blended rate of **0.8217%**.

According to the Licensing Division of the Copyright Office, as of April 1, 2023, the amount of 2018, 2019, and 2020 Cable Funds collected equal the following amounts:

2018 funds: \$224,358,863  
2019 funds: \$234,505,711  
2020 funds: \$225,912,701

Applying MGC's previous average percentage award of the aggregate royalties to the aggregate royalties collected for 2015-2017 equals the following figures, to which MGC moves for a partial distribution of 50% thereof:

	<u>Avg. 2010-2013 blended Rate % against Cable Funds</u>	<u>50% of figure</u>
2018 funds:	\$1,843,556	\$921,778
2019 funds:	\$1,926,933	\$963,466
2020 funds:	\$1,856,324	\$928,162

**III. THE JUDGES HAVE CONSISTENTLY FAILED TO RULE ON MOTIONS FOR ADVANCE DISTRIBUTION FILED BY MGC AND ITS RELATED ENTITIES.**

Attached hereto as Exhibit A is a spreadsheet that compares the Judges responses to motions for advance distribution filed by MGC and its related entities, compared to those of other parties that have sought partial distribution, demonstrating that on literally every front – e.g., the time by which the CRB issues a *Federal Register* notice, the time by which the CRB rules -- MGC’s motions for partial distribution have been addressed by the Judges on a basis dramatically less timely than other parties’ motions for partial distribution. For MGC’s motions for partial distribution, the running tally for the Judges to issue an order for publication of a notice for comments on the motion in the Federal Register for MGC is an average of **21 months and climbing**, compared to the **1.68 months** for all other parties’ motions for partial distribution. For MGC’s motions for partial distribution, the running tally for the Judges to issue an order for partial distribution is an average of **34 months and climbing**, compared to **4.18** months for all other parties’ motions for partial distribution. This is despite MGC and its related entities being an “established claimant” in each of those circumstances.

# # #

## CONCLUSION

For the reasons set forth above, Multigroup Claimants respectfully requests that the Judges immediately issue a notice requesting comments to Multigroup Claimants' motion, and for such notice to be published in the Federal Register pursuant to 17 U.S.C. § 801(b)(3)(C),

Respectfully submitted,

Dated: April 3, 2023

\_\_\_\_\_/s/\_\_\_\_\_  
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**CERTIFICATE OF SERVICE**

I certify that on April 3, 2023, I caused a copy of the foregoing pleading to be served on all parties registered to receive notice by eCRB by filing through the eCRB filing system.

\_\_\_\_\_  
/s/  
Brian D. Boydston, Esq.



# **EXHIBIT A**

Comparison of CRB response times for motions for partial distribution

Docket #	Docket	Motion for Distribution - Date	Renewed Motion for Distribution - Date	Second Renewed Motion for Distribution - Date	Federal Register Notice - Date	Federal Register Notice - Months after Motion for Distribution	Renewed Motion for Distribution - Date	Second Renewed Motion for Distribution - Date	Order Granting/Denying Partial Distribution - Date	Order Granting/Denying Distribution - Months after close of Federal Register Notice	Aggregate months in hands of CRB	NOTES
<b>Phase I claimants motion for partial distribution</b>												
14-CRB-0007 CD (2010-2012)	2012 Cable	07/25/14	09/12/14		10/01/14	2.25			12/23/14	1.75	4.00	
14-CRB-0008 SD (2010-2012)	2012 Satellite	07/25/14	09/12/14		10/01/14	2.25	02/26/15		03/03/15	4.00	6.25	Delay in order due to oversight.
14-CRB-0010 CD (2013)	2013 Cable	01/21/15			03/04/15	1.50			05/28/15	1.75	3.25	
14-CRB-0011 SD (2013)	2013 Satellite	01/21/15			02/11/15	1.00			05/28/15	2.50	3.50	
16-CRB-0009-CD (2014)	2014 Cable	02/05/16			02/29/16	0.75			08/15/16	4.50	5.25	
16-CRB-0010-SD (2014)	2014 Satellite	03/11/16			04/29/16	1.50			08/24/16	2.75	4.25	
16-CRB-0020 (2015)	2015 Cable	02/17/17			04/25/17	2.00			06/06/17	0.50	3.50	
17-CRB-0011-SD (2015)	2015 Satellite	02/17/17			04/17/17	2.00						
					09/29/17	7.00			11/07/18	0.50	17.00	
17-CRB-0017-CD (2016)	2016 Cable	05/18/18			06/04/18	0.50			unknown	unknown	unknown	
16-CRB-0010-SD (2014-17)	2016 Satellite	06/28/19			07/16/19	0.50			08/23/19	0.25	1.75	
16-CRB-0009-CD (2014-17)	2017 Cable	03/15/19			04/10/19	1.00			05/22/19	0.25	2.25	
16-CRB-0010-SD (2014-17)	2017 Satellite	06/28/19			07/16/19	0.50			08/23/19	0.25	1.75	
16-CRB-0010-SD (2014-17)	2014-2017 Satellite	09/15/21			03/14/22	6.00			05/04/22	1.00	8.00	
16-CRB-0010-SD (2014-17)	2014-2017 Satellite	08/17/22			12/13/22	4.00				7.00+	7.00	
19-CRB-0010-CD (2018)	2018 Cable	05/11/20			05/18/20	0.25			08/20/20	2.00	3.00	
19-CRB-0011-SD (2018)	2018 Satellite	05/11/20			05/18/20	0.25			08/20/20	2.00	3.00	
20-CRB-0010-CD (2019)	2019 Cable	06/10/21			06/24/21	0.50			08/09/21	0.50	2.00	
20-CRB-0009-SD (2019)	2019 Satellite	06/10/21			06/24/21	0.50			08/10/21	0.50	2.00	
21-CRB-0008-CD (2020)	2020 Cable	12/30/22			03/22/23							
21-CRB-0009-SD (2020)	2020 Satellite	03/09/23			03/22/23							
					<b>Average</b>	<b>1.80</b>			<b>Average</b>	<b>1.56</b>	<b>4.57</b>	
<b>IPG/MGC motions for partial distribution</b>												
2012-6 CRB CD (2004-2009), 2012-7 CRB SD (1999-2009)	2004-2009 Cable, 1999-2009 Satellite	09/18/15			12/16/15	3.00	06/06/15	08/25/16	11/09/16	10.00	14.00	
2008-2 CRB CD 2000-2003 (Phase 2)	2000-2003 Cable (Devotional)	04/19/17			04/01/19	24.00	10/24/19		n/a	68.00	68.00	Order never issued. Final distribution order issued December 5, 2022.
16-CRB-0009-CD (2014-17)	2014-2017 Cable	07/23/21	01/28/22	04/03/23		21.00+				21.00+	21.00+	Order not yet issued
19-CRB-0010-CD (2018)	2018 Cable	04/03/23										
20-CRB-0010-CD (2019)	2019 Cable	04/03/23										
21-CRB-0008-CD (2020)	2020 Cable	04/03/23										
					<b>Average</b>	<b>16.00+</b>			<b>Average</b>	<b>33.00+</b>	<b>34.30+</b>	