

UNITED STATES COPYRIGHT ROYALTY JUDGES

In the Matter of

Distribution of the 2011
Cable Royalty Funds

Docket No. 2012-9 CRB CD 2011

ORDER GRANTING PHASE I CLAIMANTS' MOTION
FOR PARTIAL DISTRIBUTION OF 2011 CABLE ROYALTY FUNDS

On January 18, 2013, the Copyright Royalty Judges (“Judges”) published in the **Federal Register** a Notice¹ soliciting comments on a December 12, 2012, Motion of Phase I Claimants for Partial Distribution of the 2011 cable royalty funds (“Motion”) under section 801(b)(3)(C) of the Copyright Act. The claimants are 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 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, Public Television Claimants, Commercial Television Claimants (represented by National Association of Broadcasters), Music Claimants (represented by American Society of Composers, Authors and Publishers, Broadcast Music, Inc., and SESAC, Inc.), Canadian Claimants, National Public Radio, and the 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, 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.

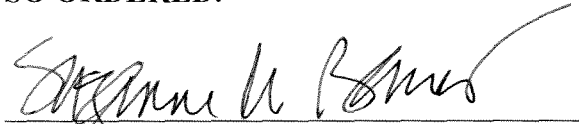
In response to the notice the Judges received joint comments from the Phase I Claimants and BMI and ASCAP, and individual comments from the Canadian Claimants Group, Commercial Television Claimants, Devotional Claimants, Joint Sports Claimants, National Public Radio, Program Suppliers, Public Television Claimants, Independent Producers Group (“IPG”), and Word of God Fellowship, Inc. (dba Daystar Television Network). No commenter stated a reasonable objection to the proposed distribution, although some noted various outstanding controversies with respect to the 2011 cable royalty funds.

Therefore, the Motion is **GRANTED**.

Wherefore, **THE JUDGES ORDER** that 50% of the cable royalties held in the 2011 funds shall be distributed in the manner set forth in Attachment A to the Motion, which is appended to this Order.

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 the recipient 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

ATTACHMENT A

**CABLE ROYALTY DISTRIBUTION
2004-2005 BLENDED PERCENTAGES¹**

A partial distribution of 50% of the 2011 Funds should be distributed in the following percentages: NPR should first receive 0.18% of the entire amount to be distributed after which the remaining amount should be distributed as follows:

<u>CLAIMANT GROUP</u>	<u>ROYALTY FUND</u>		
	<u>BASIC</u>	<u>3.75</u>	<u>SYNDEX</u>
Program Suppliers	33.7%	36.8%	96.2%
Joint Sports Claimants	33.8%	36.9%	0.0%
U.S. Commercial Television (NAB)	16.1%	17.5%	0.0%
Public Television	7.3%	0.0%	0.0%
Music Claimants	3.8%	3.8%	3.8%
Devotional Claimants	3.4%	3.7%	0.0%
Canadian Claimants	1.9%	1.3%	0.0%

¹ These percentages have been adjusted consistent with the Copyright Royalty Judges' Order for the final distribution of 2004-2005 cable royalties. See Order, *In the Matter of Distribution of the 2004 and 2005 Cable Royalty Funds*, Dkt. No. 2007-3 CRB CD 2004-2005 (July 21, 2010), 75 Fed. Reg. 57063 (Sept. 17, 2010).