



ORIGINAL

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**COPYRIGHT ROYALTY TRIBUNAL**

[Docket 89-1-87JB]

**1987 Jukebox Royalty Distribution Proceeding**

**AGENCY:** Copyright Royalty Tribunal

**ACTION:** Notice of controversy; notice of commencement of proceedings; notice of partial distribution

**SUMMARY:** Notice is given that a controversy exists regarding the distribution of the copyright royalties from the 1987 jukebox royalty fund. Accordingly, the Tribunal commences the 1987 jukebox distribution proceeding, and announces a partial distribution of 90% of the fund.

**DATE:** The effective date of the controversy is December 15, 1988. The date of the partial distribution shall be December 15, 1988.

**FOR FURTHER INFORMATION CONTACT:** Robert Cassler, General Counsel, Copyright Royalty Tribunal, 1111 20th Street, N.W., Suite 450, Washington, D.C. 20036 (202)653-5175.

**SUPPLEMENTARY INFORMATION:** Section 301.72(b) of the Tribunal's rules require that after October 1 of each year, the Tribunal shall ascertain whether a controversy exists with regard to the distribution of jukebox royalties to the copyright owner-claimants and to publish notice of its findings in the Federal Register.

The Tribunal has been informed that the American Society of Composers, Authors and Publishers (ASCAP), and Broadcast Music, Inc. (BMI) have reached a settlement and together they claim 100% of the 1987 jukebox royalty fund. Asociacion de Compositores y Editores de Musica Latinoamericana (ACEMLA) claims between 5% and

8% of the fund. SESAC, Inc. (SESAC), whose motion for acceptance of a late-filed claim is still pending with the Tribunal, has claimed 7% of the fund.


Accordingly, the Tribunal has determined that a controversy exists, and notice is hereby given that the 1987 jukebox royalty distribution proceeding is commenced, effective December 15, 1988. The structure of the 1987 proceeding will be announced in an order to the claimants at a later date.

ASCAP and BMI have moved for a partial distribution of 99% of the 1987 jukebox royalty fund pursuant to 17 U.S.C. 116(c) which provides for distribution of those portions of the fund that are not in controversy. ASCAP and BMI base their request on their belief that SESAC is not properly a party to the 1987 jukebox distribution proceeding, and that retention of 1% of the fund is sufficient to satisfy the claim of ACEMLA. ASCAP and BMI further state that in the event SESAC is admitted into the proceeding, they believe that retention of 5% of the fund by the Tribunal is sufficient to satisfy both the claims of SESAC and ACEMLA.

SESAC disagrees with ASCAP and BMI and states that the Tribunal should retain 7% to cover the controversy with SESAC and any additional amount the Tribunal considers necessary to cover the controversy with ACEMLA.

As stated above, the Tribunal has not acted on SESAC's motion for acceptance of its late-filed claim. Therefore, the Tribunal, while agreeing with ASCAP and BMI that the mere assertion of

percentage claims by parties do not, in and of themselves, describe the true extent of the controversy, has determined nonetheless, that a retention of 10% of the fund is prudent under these circumstances. Accordingly, the Tribunal orders a partial distribution to ASCAP and BMI collectively of 90% of the fund to take place on December 15, 1988.

  
Edward W. Ray, Chairman

Dated: December 5, 1988