Before the COPYRIGHT ROYALTY BOARD Washington, D.C

In the Matter of)	
Distribution - £2012 DADE)	D-1-4N-14 CDD 0006 DART CD (2012)
Distribution of 2013 DART)	Docket No.14-CRB-0006 DART SR (2013)
Sound Recordings Fund Royalties)	
	_)	

AARC'S REPLY TO COMMENTS OF GEORGE CLINTON AND RONALD FORD

The Alliance of Artists and Recording Companies ("AARC"), on behalf of itself, and the Settling Parties, submits this reply opposing the comments filed on November 5, 2014, by George Clinton ("Clinton") and Ronald Ford ("Ford") in response to the Copyright Royalty Board's ("CRB") Notice soliciting comments on motion for partial distribution, ("CRB Notice"), Notice, In the Matter of Distribution of 2013 DART Sound Recordings Fund Royalties, Docket No.14-CRB-0006 DART SR (2013), 79 Fed. Reg. 60,185 (Oct. 6, 2014). The comments filed by Clinton and Ford are procedurally defective and fail to provide any evidence of Clinton's and Ford's titles' sales to justify denying AARC's request for partial distribution. Alliance of Artists and Recording Companies, Notice of Settlement and Request for Partial Distribution of the 2013 DART Sound Recordings Fund Featured Recording Artists and Copyright Owners Subfunds Royalties, No. 14-CRB-0006 DART SR (2013) (regarding 2013 DART Sound Recordings Fund Featured Recording Artists and Copyright Owners Subfunds, 79 Fed. Reg. 60,185 (2014)) ("Request for Partial Distribution").

I. Clinton's and Ford's Claims Are Procedurally Defective

Clinton and Ford have again ignored the CRB's regulations specifying the service method. Section 350.4(h) of the CRB's regulations requires that each party serve all motions, oppositions and replies on the other parties by means no slower than overnight express mail on the same day the pleading is filed. The rule provides an exception, in lieu of express mail or other expedited delivery, only if the party to be served "is willing to accept service of a document electronically (i.e., by email), followed by a hard copy, first-class mail of the hard copy". 37 C.F.R. § 350.4(h) (2014). AARC never received a copy of the comments filed by Clinton and Ford. Instead, AARC had to contact the CRB directly and request a copy of the comments, as it had to do with regard to their informal objections. Since Clinton and Ford again have ignored the CRB's method of service requirements, the comments should be denied as procedurally defective. Order, In the Matter of Distribution of 2010 Digital Audio Recording Royalty Funds, Docket No. 2011-6 CRB DD 2010 (Copyright Royalty Bd. Mar. 6, 2012) (denying Treasa Fennie's motion for 2% partial distribution of the 2010 DART Sound Recordings Fund in part because she did not serve other parties with her filing).

II. Clinton's and Ford's Comments Fail to Include a Reasonable Objection to AARC's Request for Partial Distribution

Even if the comments filed by Clinton and Ford survive their procedural defects, they should be denied based on the absence of any evidence of titles' sales that rebuts AARC's Request for Partial Distribution. Clinton and Ford merely make unsubstantiated accusations as to the inaccuracy of AARC's calculation of their titles' sales. However, nowhere in their comments do Clinton or Ford provide one scintilla of data establishing

their sales during the royalty year 2013, as is required by the Audio Home Recording Act of 1992 ("AHRA"). Audio Home Recording Act of 1992 § 1006, 17 U.S.C. § 1006(c)(1) (2011); Order, In the Matter of Distribution of the 1992, 1993, and 1994 Musical Works Funds, 62 Fed. Reg. 6,558, 6,561 (Copyright Office Feb. 12, 1997).

Both Clinton and Ford make the same baseless allegations. First, they argue that AARC's calculations did not include all the "Funkadelic Masters," which Clinton identifies as the masters he owns. George Clinton, Comments 4 n.7, Docket No. 14-CRB-0006 DART SR (2013) (regarding 2013 DART Sound Recordings Fund Featured Recording Artists and Copyright Owners Subfunds, 79 Fed. Reg. 60185 (2014)). They allege that it is insufficient for "AARC's calculations to exclude recordings that Clinton expressly identified in his CRB claim filings." George Clinton, Comments at 6; Ronald Ford, Comments at 4. No. 14-CRB-0006 DART SR (2013) (regarding 2013 DART Sound Recordings Fund Featured Recording Artists and Copyright Owners Subfunds, 79 Fed. Reg. 60,185 (2014)). However, they provide no evidence to show that all the Funkadelic Masters actually had any sales during the 2013 royalty year. Instead Clinton and Ford erroneously argue that it is AARC and its members that have the obligation to make Clinton's and Ford's cases for them by providing sales and royalty data for their works. George Clinton, Comments at 9; Ronald Ford, Comments at 6.

Clinton and Ford seem oblivious to the fact that being featured or having ownership in a sound recording does not necessarily equate to sales during a particular royalty year. Moreover, in our Request for Partial Distribution calculations, we did credit Clinton as a Featured Recording Artist, with every possible sale under every version of

¹ In fact, Clinton's and Ford's comments are almost identical.

Clinton's performing names and the sales, as reported in the 2013 SoundScan sales data, of the title he listed in his claim. Request for Partial Distribution 4 nn.5 & 6; see also Seltzer Decl. Ex. A, July 25, 2014, Attachment A. Specifically, although Clinton filed his 2013 DART Sound Recordings Fund Featured Recording Artists Subfund ("2013 Featured Recording Artists") claim only in his name, "George Clinton," and he listed one title, "Not Just Knee Deep," AARC's independent research revealed that he also performs with the following groups: P-Funk Allstars, The Parliaments, Parliament, Parliament-Funkadelic, and Brides of Funkenstein. AARC searched all these names in SoundScan's 2013 data and credited the title sales found for all these names to Clinton, solely for purposes of the Request for Partial Distribution.² See Seltzer Decl. Ex. A, July 25, 2014, Attach. A.

Also, as was we explained in the Request for Partial Distribution, AARC searched for all the titles that were listed in Ford's claim and any title for which SoundScan identified Ford as the Featured Recording Artist. No titles were found that identified Ford as the Featured Recording Artist. Solely for the purposes of the Request for Partial Distribution, we did credit Ford with any sales SoundScan reported for the titles he listed

² Richard Seltzer included with his declaration an attachment, in which he listed the titles that the non-settling claimants, including Clinton and Ford, had listed in their claims as filed with the CRB. However, as Mr. Seltzer notes in his declaration, "I searched the name George Clinton, P-Funk Allstars, The Parliaments, Parliament, Parlet, Funkadelic, and Brides of Funkenstein *and* I searched for the title listed in Mr. Clinton's Featured Recording Artist claim (see attachment to my declaration). I found 74,243.86 record sales for Mr. Clinton." "I searched the name Ronald Ford *and* I searched for the titles listed in Mr. Ford's Featured Recording Artist claim (see attachment to my declaration). I found 2,026 record sales for Mr. Ford. Seltzer Decl. Ex. A, July 25, 2014 (emphasis added). It has just come to our attention that the attachment to Mr. Seltzer's declaration that included the list of titles provided in Ford's claim was inadvertently left out. However, as indicated in his declaration, Mr. Seltzer did search for the titles in Ford's claim. We have attached the list of the titles listed in Ford's claim that Mr. Seltzer searched in July and should have been included with his July declaration. *See* Attach. A.

in his claim, unless another Featured Recording Artist was identified or Ford was only identified as the writer and/or composer.³ See id.

Moreover, with regard to Clinton's 2013 DART Sound Recordings Fund Copyright Owners Subfund ("2013 Copyright Owners") claim, AARC explained in its Request for Partial Distribution that the 2013 SoundScan data did not report sales for any label named "George Clinton". Request for Partial Distribution 4 n.6. AARC, however, also searched, in the 2013 SoundScan titles' sales data, the title, "One Nation Under A Groove," listed in Mr. Clinton's Copyright Owners Subfund claim. SoundScan reported titles' sales under this title. The label identified for this title is Warner Music Group. *See id.* But in an abundance of caution, and solely for purposes of the Request for Partial Distribution, AARC credited the sales found for this title to Mr. Clinton in our July calculations. *See* Attach. A.

In response to Clinton's and Ford's unsubstantiated claims and, again, in an attempt to calculate the maximum royalties that they might be entitled to, AARC has now repeated its search of the 2013 SoundScan data using the list of song titles in Exhibit A of Ford's Comments. Most of the titles listed in Ford's Exhibit A were already searched and, unless another Featured Recording Artist was reported or Ford was listed solely as the writer and/or composer, the 2013 titles' sales have already been credited to Clinton and Ford as the Featured Recording Artists in our Request for Partial Distribution calculations. *See* Seltzer Decl. Ex. B, November 13, 2014, Attachment B, 2. Assuming that Clinton and Ford were entitled to credit for the sales of these additional titles, many of which do not list Ford, Clinton or any of Clinton's performing names as either a

³ See supra note 2.

Featured Recording Artist or a Copyright Owner, Clinton's total titles' sales as a Featured Recording Artist are 298,367.95. *See* Attach. B, 1. Ford's total titles' sales as a Featured Recording Artist are 5,501. *See* Attach. B, 2.

Regarding Clinton's Copyright Owner's claim, we have researched the titles' sales for the sound recordings that he identifies in his comments as the "Funkadelic Masters," Hardcore Jollies, One Nation Under A Groove, Uncle Jam Wants You and The Electric Spanking of War Babies albums and associated tracks. Clinton represents that these are the master recordings for which he was been judicially determined to be the sole Copyright Owner. George Clinton, Comments 4 n.7. Therefore, these are the sound recordings whose 2013 titles' sales he would be entitled to be credited for in determining his share of the 2013 Copyright Right Owners Subfund royalties. We researched the titles' sales of the Funkadelic Masters and found a total of 14,402 titles' sales. With these additional sales, Clinton's new total Copyright Owners titles' sales are 23,655. *See* Attach. B, 2.

Next, Clinton and Ford make bald assertions regarding the inaccuracy of SoundScan data. As AARC has established in detail in its Request for Partial Distribution, SoundScan is the industry-recognized source for sound recording sales in the United States and has been recognized in every DART proceeding as credible evidence of distribution for allocation of royalties. Order, In the Matter of Distribution of 1995, 1996, 1997 and 1998 Digital Audio Recording Technology Royalties, 66 Fed. Reg. 9360, 9362 ¶ 61 (Feb. 7, 2001); see also Order, In the Matter of Distribution of 1992, 1993 and 1994 Musical Works Funds, 62 Fed. Reg. 6,558, 6,562 ("The [Copyright Arbitration Royalty] Panel's decision to reject the titles' sales data submitted by Mr.

Curry and rely upon the SoundScan data was not arbitrary."). Clinton and Ford fail to provide any evidence that rebuts SoundScan's reputation. More importantly, they fail to provide any evidence of their own titles' sales and the percent of the 2013 DART Sound Recordings Fund/Featured Recording Artists and Copyright Owners Subfunds ("2013 Featured Recording Artists and Copyright Owners Subfunds") to which they claim to be entitled. Instead, they make ambiguous statements such as, "Clinton is entitled to a significantly higher share of the Subfunds distribution than AARC claims" and "Clinton and Ford are entitled to receive a significantly higher share of the distribution than AARC claims." George Clinton, Comments at 6; Ronald Ford, Comments at 4.

Clinton and Ford also allege that they should get credit for the titles' sales of all the sound recordings that have sampled Clinton's sound recordings and so, the 2013 Featured Recording Artists and/or the Copyright Owners Subfunds royalties earned by these sound recordings. Clinton's and Ford's assumptions are simply wrong.

The AHRA specifically states that the DART Sound Recordings Fund royalties can solely be distributed to any "interested copyright party" which, in the case of the Sound Recordings Fund, is defined as including, inter alia, the Featured Recording Artist who performs on the sound recording and the owner of the exclusive right to reproduce the sound recording. Audio Home Recording Act of 1992 § 1001(7)(A), (C). The DART Sound Recordings Fund royalties for the works that have sampled Clinton's sound recordings, therefore, are available only to the Featured Recording Artists and Copyright Owners of those new titles.

Congress defines a Featured Recording Artist as "the performing group or ensemble, or if not a group or ensemble, the individual performer, identified most prominently in print on, or otherwise in connection with, the phonorecord actually being performed . . . except in the case of a sound recording consisting of a compilation of sound recordings by more than one performer or group ensemble, there will ordinarily be only one 'featured recording artist' per phonorecord." U.S. Senate, Committee on the Judiciary, Digital Performance Right in Sound Recordings Act of 1995 (S. Rpt. 104-28), available at http://www.gpo.gov/fdsys/pkg/CRPT-104srpt128/html/CRPT-104srpt128.htm (emphasis added). The AHRA defines the Copyright Owner as "the owner of the exclusive right under section 106(1) of this title to reproduce a sound recording of a musical work that has been embodied in a digital musical recording or analog musical recoding lawfully made under this title that has been distributed." Audio Home Recording Act § 1001(7)(A). Therefore, to qualify for the 2013 Featured Recording Artists Subfund royalties, Clinton and Ford must qualify as the Featured Recording Artist. Similarly, for Clinton to qualify for the 2013 Copyright Owners Subfund royalties, he must qualify as the Copyright Owner of these new sound recordings that sample the Clinton owned sound recordings.

Sampling is the use of short segments of prior recordings, which are incorporated into a new recording, composition or song. *Newton v. Diamond*, 349 F.3d 591, 593 (9th Cir. 2003) (defining sampling as the "incorporation of short segments of prior sound recordings into new recordings"); *see also* John Schietinger, Note and Comment, *Bridgeport Music, Inc. v. Dimension Films: How the Sixth Circuit Missed a Beat on Digital Music Sampling*, 55 DEPAUL L. REV. 209, 211 (2005) (defining sampling as "the incorporation of portions of an existing song into a new song"); Michael McCready, The Law Regarding Music Sampling, *available at*

http://www.copynot.org/Pages/Music%20sampling.htm. The new recording that includes samples legally taken from the recordings of others is by definition a derivative work. Bridgeport Music et al. b. Dimension Films et al., 410 F.3d 792, 802 n.15 (6th Cir. Tenn. 2005).

Moreover, a review of the titles listed in Clinton's Sampleography⁴ reveals that he is **not** most prominently identified in any but one (1) of these titles. *See* Sampleography Artwork, Attachment C. The few sales for this one title have been now added to Clinton's total Featured Recording Artists titles' sales. *See* Attach. B, 1. This conforms to the common industry practice of not prominently identifying the performer of a sampled work in the new work. Therefore, since to qualify as a Featured Recording Artist, the performer must be most prominently associated with the sound recording, the use of short segments of Clinton's works do not necessarily qualify him as the Featured Recording Artist.

With regard to the Copyright Owners royalties for sound recordings in which Clinton's sound recordings are sampled, he must first have ownership in the sound recording that is sampled. In his comments, Clinton lists the Funkadelic Masters, which he claims to own. George Clinton, Comments 4 n.7. Notably, when we check the titles of these recordings, both album and track titles, against the Sampleography of over 100 titles that Clinton includes with his comments, we find that only three (3) of the Funkadelic Masters, Cosmic Slop of Hardcore Jollies, Freak of the Week of Uncle Jam Wants You and (Not Just) Knee Deep also of Uncle Jam Wants You, were sampled in a total of nine (9) of the Sampleography titles. Therefore, by Clinton's own admission, he

⁴ George Clinton, Comments, Exhibit A.

is not the copyright owner of the other P-Funk recordings listed in his Sampleography and would not be entitled to 2013 Copyright Owners royalties for the new derivative work. *Newton v. Diamond*, 349 F.3d at 593 (the work in which another copyright owner's work is sampled is a new sound recording); Audio Home Recording Act §§ 1001(7)(A), 1006(b)(1).

Additionally, as noted above, a sound recording that samples a Clinton owned master is a new sound recording. Therefore, to establish that Clinton is entitled to the Copyright Owners royalties for that new sound recording, Clinton must prove that he is the owner of the right to reproduce it. Audio Home Recording Act § 1001(7)(A). Establishing copyright ownership of this new work requires proof of a contractual sampling relationship and the negotiated participation percentage in the new derivative work if the sampling is authorized, or court determination of infringement if it is not authorized. Clinton provides neither. Instead, he makes unsubstantiated claims regarding the "[h]undreds of hip hop artists" that he alleges have sampled his recordings.

Moreover, he insinuates that his works may have been sampled without his permission: "Clinton's hit records, and the hit records that sample them (from which Clinton has received nothing)." George Clinton, Comments at 9; see also George Clinton, Comments at 8.

Finally, Clinton provides no titles' sales data for any of the works that have allegedly sampled his works. In fact, he concedes that he has no and is unable to get evidence to substantiate his allegations of "significantly higher share[s] of the Subfunds' distribution," arguing instead that "AARC's members include record labels that are in the best position to disclose and account for any and all licenses issued and settlements

generated with respect to Clinton's works and recordings sampling Clinton's works, as well as who has received royalties from those works and recordings (when Clinton has not), and how much." George Clinton, Comments at 9. Clinton's unsupported allegations, however, are not evidence. Order, In the Matter of Distribution of 1995, 1996, 1997 and 1998 Digital Audio Recording Technology Royalties, 66 Fed. Reg. at 9364 (Feb. 7, 2001) (where the Librarian of Congress, upholding the decision of the Copyright Arbitrations Royalty Panel ("CARP") found that a party's unsubstantiated assertion, of having sales entitling her to 1% of the royalty fees is not evidence); see also Order, In the Matter of Distribution of 1992, 1993 and 1994 Musical Works Funds, 62 Fed. Reg. at 6562 (where the Librarian of Congress upheld the CARP distribution decision based on the sales data provided by the Settling Parties because the non-settling party objecting had provided "no credible evidence of sales . . . in the U.S. during the relevant period."). Moreover, it is not the responsibility of AARC to provide evidence to substantiate Clinton's case. Cf. id. (where the Librarian of Congress, in response to a claimant's allegation that the CARP had made a procedural error by failing to specifically request that she submit sales information for the list of the works she submitted, held that, "[i]t is not the function of the Panel to search for new evidence that favors a party's case. This is and remains each party's prime responsibility throughout the proceeding." [Emphasis added]).

Although it is not AARC's obligation to provide proof of the titles' sales of Clinton's sampled works, we have researched the titles' sales for the nine (9)

Sampleography sound recordings, which sample a total of three (3) Funkadelic Masters.

Solely for purposes of the Request for Partial Distribution, we have added the sales of

these nine (9) titles to Clinton's recalculated Copyright Owner sales. It should be noted that we have credited Clinton with all the titles' sales for these nine (9) titles, even though the Copyright Owner of the new derivative work along with the copyright owners of any other recordings sampled in those nine (9) titles would also be entitled to some percentage of the credit for those titles' sales.

Adjusting our calculations to include the sales of the one (1) additional Featured Recording Artist title and the nine (9) additional Copyright Owner titles, as detailed above, Clinton's total titles' sales as a Featured Recording Artist are 298,367.95, which translates to \$47.54 and his total sales as a Copyright Owner are 112,690, which translates to \$25.05. *See* Seltzer Decl. Ex. B, November 13, 2014, Attach. B. Ford's total titles' sales as a Featured Recording Artist are 5,501, which translates to \$0.88. *Id.* Therefore, based on our recalculations, rather than Clinton and Ford being entitled to \$12⁵ combined as we reported in our Request for Partial Distribution, they are entitled to 2013 Sound Recordings Fund royalties totaling \$73.47 combined.

The Request for Partial Distribution if granted would leave approximately \$10,000 in the Sound Recordings Fund. Copyright Office, Licensing Div. Rep. of Receipts 3 (Oct. 24, 2014). This is quite a bit more money than the \$16 Clinton alleges would remain if AARC's Request for Partial Distribution is granted. George Clinton, Comments at 8. Based upon the foregoing, we continue to believe, as we expressed in the Request for Partial Distribution, "that the Non-Settling Claimants could [not] plausibly claim even 1% of the 2013 Sound Recordings Fund." Request for Partial Distribution at 6.

⁵ See Request for Partial Distribution 4.

Moreover, AARC and the other Settling Parties have agreed to return any excess royalty amounts plus interest to the extent necessary to comply with the CRB's final determination regarding the distribution of the 2013 Sound Recordings Fund. Request for Partial Distribution 6-7; *see also* 17 U.S.C. § 801(b)(3)(C)(ii). By agreeing to this condition, AARC and the other Settling Parties ensure that non-settling claimants, such as Clinton and Ford are protected from any risk that might result from the partial distribution, while also ensuring that the Settling Parties, who represent the vast majority of entitled interested copyright parties, receive the royalties to which they are entitled in a timely fashion. Therefore, we continue to believe that the request for a 98% partial distribution is warranted.

Whereas Clinton and Ford are correct in that their right to royalties is not limited to the works identified in their respective claims, they overlook the fact that their right to royalties is limited to the royalty year 2013 titles' sales of the titles in which they are the Featured Recording Artists and/or Copyright Owners. Only AARC has provided evidence of these titles' sales and so, the Request for Partial Distribution should be granted. *See* Order, In the Matter of Distribution of 2010 Digital Audio Recording Royalty Funds, Docket No. 2011-6 CRB DD 2010 (Copyright Royalty Bd. Nov. 17, 2011) (granting AARC's request for partial distribution of the 2010 DART Sound Recordings Fund based on the SoundScan data AARC provided where parties objecting did not provide any sales data); Order, In the Matter of Distribution of 2008 DART Sound Recordings Fund, 2009-3 CRB DD 2008 (Copyright Royalty Bd. Aug. 19, 2009) (rejecting an objection to a request for partial distribution because the objection was baseless and "facially implausible").

Clinton's and Ford's unsupported assertions should not be allowed to impede a settlement and request for partial distribution that the other claimants have worked diligently to achieve. Historically, the CRB has found such baseless objections to be unreasonable and not worthy of blocking a settlement and request for partial distribution. See Order, In the Matter of Distribution of 2010 Digital Audio Recording Royalty Funds, Docket No. 2011-6 CRB DD 2010 (Mar. 6, 2012) (denying Treasa Fennie's motion for 2% partial distribution of the 2010 DART Sound Recordings Fund because her filings were considered "bald assertions"); Order, In the Matter of Distribution of 2010 Digital Audio Recording Royalty Funds, Docket No. 2011-6 CRB DD 2010 (Nov. 17, 2011) (concluding that it could grant AARC's request for partial distribution, even though one of the Non-Settling Parties had objected because "no claimant entitled to receive a share of the 2010 DART Sound Recordings Fund royalties [had] stated a reasonable objection to AARC's request"); Order, In the Matter of Distribution of 2008 DART Sound Recordings Fund, 2009-3 CRB DD 2008 (Aug. 19, 2009) (rejecting an objection to a request for partial distribution because the objection was baseless and "facially implausible"); Order, In the Matter of Distribution of 2005-2008 DART Musical Works Funds Royalties, Docket No. 2010-8 CRB DD 2005-2008 (April 14, 2011) (concluding that 95% of the Musical Works Funds should be distributed because "no claimant entitled to receive the royalties at issue has stated a reasonable objection to the proposed partial distribution"); Order, In the Matter of Distribution of the 2008 Satellite Royalty Funds, Docket No. 2010-7 CRB SD 2008 (Jan. 11, 2011) (noting that while controversies exist regarding the royalties, no reasonable objection to the distribution was delivered via comment). It is equally well established by regulation and precedent that claims of

controversy and oppositions to partial distribution must be "reasonable," which means substantiated. See 17 U.S.C. § 801(b)(3)(C) (2011); see also, Order, In the Matter of Distribution of 2008 Digital Audio Recording Royalty Funds, Docket No. 2009-3 CRB DD 2008 (Aug. 19, 2009) (rejecting an objection to AARC's request for partial distribution because the claim was baseless); Order, In the Matter of Distribution of the 2008 Cable Royalty Funds, Docket No. 2010-6 CRB CD 2008 (Jan. 11, 2011) (granting the motion for partial distribution because no reasonable objections were stated).

Finally, we address certain erroneous allegations made by Clinton and/or Ford in their comments. First, both Clinton and Ford argue that the CRB should deny the Request for Partial Distribution because it "does not provide a reasonable basis for setting statutory rates or terms, insofar as it does not provide a reasonable basis for the CRB to determine that its terms are adequate or equitable." George Clinton, Comments at 5; Ronald Ford, Comments at 3. The current proceeding, however, is a royalty distribution proceeding not a rate and terms adjustment proceeding. In fact, the AHRA does not allow for the adjustment of rates and terms. Audio Home Recording Act §§ 1001-1010. Therefore, we see no relevance in these allegations.

Next, Clinton alleges that AARC has denied him "a full accounting and distribution of his due royalties." George Clinton, Comments at 9. This is not correct. Clinton has been signed up with AARC, only as a Featured Recording Artist, since 2002 and just recently resigned. He has never been signed up with AARC as a Copyright Owner. Although any issues that Clinton might have with regard to his affiliation with AARC are not germane to this proceeding, AARC will respond to Clinton's specious allegations. Clinton received Featured Recording Artist statements and payments during

the years 2002-2009. He cashed his checks for the years 2002-2005 and 2008 (the 2008 check included the payments for 2006-2007 for which checks had been issued to him, but which he had not cashed in those years). In January 2011, Hendricks & Lewis, who had received a judgment against Clinton for approximately \$1.6 million, notified AARC that a preliminary injunction had been granted by the Federal District Court for the Central District of California to permit Hendricks & Lewis to motion for assignment of Clinton's royalties. In response to the district court's order, AARC placed Clinton's royalties on hold, where they remain until we receive direction as to how to distribute them. We have contacted Clinton's representatives on numerous occasions to resolve the royalties on hold matter.

III. Conclusion

Based upon the procedural and substantive defects of Clinton's and Ford's filings,

AARC and the other Settling Parties respectfully request that these filings be rejected.

WHEREFORE, for the reasons set forth above, and because no claimant entitled to a share of the 2013 Featured Recording Artists and Copyright Owners Subfunds has stated a reasonable objection to the Settling Parties' Request for Partial Distribution, AARC and the other Settling Parties respectfully request that the CRB approve the partial distribution of 98% of the 2013 Featured Recording Artists and Copyright Owners Subfunds.

Respectfully submitted,

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November 13, 2014

CERTIFICATE OF SERVICE

I, Sarah Koons, Royalty Administrator of the Alliance of Artists and Recording Companies, certify that on this November 13, 2014, a copy of the foregoing "AARC's Reply To Comments of George Clinton and Ronald Ford" was served, by the designated delivery method, on the following parties:

Sarah Koons

NON-SETTLING CLAIMANTS BY OVERNIGHT MAIL:

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¹ USPS alerted AARC that it was unable to deliver "AARC's Comments Addressing Informal Objections of Eugene Curry/Tajai Music, Inc. and George Clinton and Ronald Ford" to the 1300 Hendrix Street, Tallahassee FL address provided on the CRB's service list. AARC immediately forwarded the mailing to Clinton's Counsel and will use that address for our Reply.