

**Before the
COPYRIGHT ROYALTY JUDGES
Washington, DC**

In the Matter of

**Distribution of the
2012 Satellite Royalty Funds**

**Docket No. 14-CRB-0008- SD
(2010-2012)**

**COMMENTS OF
THE PHASE I PARTIES**

The undersigned representatives of all the Phase I claimant categories to which Section 119 satellite royalties have been allocated in prior satellite distribution proceedings (“Phase I Parties”) submit the following Comments in response to the Notice published at 79 Fed. Reg. 59306-59307 (October 1, 2014) (“Notice”). The Notice seeks comments concerning the Motion of Phase I Claimants for Partial Distribution (filed July 25, 2014) (“Motion”), which requests an initial distribution of 60% of the 2012 satellite royalties (“2012 Fund”). In addition, the Notice seeks comments regarding the existence of Phase I and Phase II controversies as to the 2012 Fund.

1. As the Notice recognizes, the Motion requests a distribution pursuant to Section 801(b)(3)(C) of the Copyright Act, 17 U.S.C. § 801(b)(3)(C), which 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. § 801(b)(3)(C); *see* Notice at 59306.

In the Motion, the Phase I Parties stated that they (1) agree to the partial distribution; (2) would sign a separate agreement as contemplated by subparagraph (ii) of Section 801(b)(3)(C); (3) would file the agreement with the Judges; and (4) agree that the requested funds are available for distribution. Motion at 2. Consequently, under Section 801(b)(3)(C), the Judges may distribute the royalty fees sought by the Motion if, “based upon” responses timely received in response to the Notice, the Judges conclude that “no claimant entitled to receive such fees has stated a reasonable objection to the partial distribution.” 17 U.S.C. § 801(b)(3)(C). The Phase I Parties strongly support the Motion and do not believe there can be any reasonable objection to the partial distribution that the Motion requests. *See, e.g., Order Granting Phase I Claimants’ Motion for Partial Distribution of 2011 Satellite Royalty Funds*, Docket No. 2012-10 CRB SD 2011 (Mar. 13, 2013) (granting Phase I Parties’ request for a 50% partial distribution of the 2011 satellite funds, and noting that “[n]o commenter stated a reasonable objection to the proposed distribution”); *see also Order Granting Phase I Claimants’ Motion for Partial Distribution of 2010 Satellite Royalty Funds*, Docket No. 2012-5 CRB 2010 SD (Sept. 18, 2012) (noting the same and granting Phase I Parties’ request for a 50% partial distribution of the 2010 satellite royalty funds).

2. The Notice requested comments on the “existence and extent of any controversies to the 2012 satellite royalty funds at Phase I or Phase II with respect to those funds that would remain if the partial distribution is granted.” Notice at 59307. A Phase I controversy currently exists among the Phase I Parties. The individual Phase I Parties are filing separate comments concerning Phase II controversies regarding the 2012 Fund.

3. As discussed in the Phase I Parties’ Motion and in these comments, good cause exists to grant the Motion and proceed with an expeditious partial distribution of the 2012 Fund.

CONCLUSION

For the reasons set forth above, the Phase I Parties respectfully request that the Judges, after consideration of comments filed by any other interested claimants, grant the Motion and order a 60% partial distribution of the 2012 Fund pursuant to 17 U.S.C. § 801(b)(3)(C) prior to November 1, 2014.

Respectfully submitted,

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Dated: October 31, 2014

CERTIFICATE OF SERVICE

I hereby certify that on this 31st day of October, 2014, a copy of the foregoing Motion of Phase I Claimants for Partial Distribution of the 2012 Satellite Royalty Funds was sent by Federal Express to the individuals listed below:

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