



ANNOUNCEMENT

from the Copyright Office, Library of Congress,
101 Independence Avenue, S.E., Washington, D.C. 20559-6000

NOTICE WITH REQUEST FOR COMMENTS..

ASCERTAINMENT OF CONTROVERSY FOR 1997 CABLE ROYALTY FUNDS

The following excerpt is taken from Volume 64, Number 146 of the
Federal Register for Friday, July 30, 1999 (p. 41473)

LIBRARY OF CONGRESS

Copyright Office

[Docket No. 99-5 CARP CD 97]

Ascertainment of Controversy for 1997 Cable Royalty Funds

AGENCY: Copyright Office, Library of
Congress

ACTION: Notice with request for
comments.

SUMMARY: The Copyright Office of the
Library of Congress directs all claimants to
royalty fees collected for secondary
transmission by cable systems in 1997 to
submit comments as to whether a Phase I or a
Phase II controversy exists as to the
distribution of these funds.

DATES: Comments are due September 28,
1999.

ADDRESSES: If sent by mail, an original
and five copies of written comments and a
Notice of Intent to Participate should be
addressed to: Copyright Arbitration Royalty
Panel (CARP), PO Box 70977, Southwest
Station, Washington, DC 20024. If hand-
delivered, an original and five copies of
written comments and a Notice of Intent to
Participate should be brought to: Office of
the Copyright General Counsel, James
Madison Memorial Building, LM-403, First
and Independence Avenue, SE, Washington,
D.C. 20559-6000.

FOR FURTHER INFORMATION

CONTACT: David O. Carson, General
Counsel, or Tanya M. Sandros, Attorney
Advisor, Copyright Arbitration Royalty
Panels, PO Box 70977, Southwest Station,
Washington, DC 20024. Telephone: (202)
707-8380. Telefax: (202) 252-3423.

SUPPLEMENTARY INFORMATION:

Each year, cable systems submit royalties to
the U.S. Copyright Office under a statutory
license which allows cable systems to
retransmit broadcast signals to their
subscribers. 17 U.S.C. 111. These royalties
are distributed, in turn, in one of two ways to
copyright owners whose works were included
in a cable system's secondary transmission
and who timely filed a claim with the
Copyright Office.

These copyright owners may either
negotiate a settlement agreement among
themselves as to the distribution of the
royalty fees, or the Librarian of Congress
may convene an ad hoc Copyright Arbitration
Royalty Panel (CARP) to determine the final
distribution of the royalty fees which remain
in controversy. See 17 U.S.C. chapter 8. The
Copyright Act also allows the copyright
owners to receive a partial distribution of the
royalty fees prior to the final determination
so long as sufficient funds are withheld from
distribution "to satisfy all claims with respect
to which a controversy exists." 17 U.S.C.
111(d)(4)(C).

Each year since 1996, representatives of
the Phase I claimant categories to which
royalties have been allocated in prior
distribution proceedings have filed with the
Copyright Office a motion for partial
distribution of the cable royalties collected
two years prior to the requested distribution.
However, before beginning a distribution
proceeding or making a partial distribution,
the Librarian of Congress must first ascertain
whether a controversy exists as to the
distribution of the funds. 17 U.S.C. 803(d).

In anticipation of a similar filing in 1999,
the Office is requesting comment on the
existence of any controversies as to the
distribution of the 1997 cable royalties. The
Office also requests that those claimants
intending to participate in the 1997
distribution proceeding file a Notice of Intent

to Participate, noting whether they anticipate
participating in a Phase I proceeding, a Phase
II proceeding, or both.

In a Phase I proceeding, the arbitrators
ascertain the distribution of royalties among
the categories of broadcast programming
represented in the proceeding, and in a Phase
II proceeding, the arbitrators settle disputes
between claimants within a particular
category concerning the distribution of
royalty fees within the group. If a claimant
anticipates a Phase II controversy, the
claimant must state each program category in
which he or she has an interest which by the
end of the comment period has not yet been
satisfied by private agreement.

Participants must advise the Office of the
existence of all controversies, Phase I or
Phase II, by the end of the comment period.
The Office will not consider controversies
which come to its attention after the close of
the comment period. Failure to file a timely
Notice of Intent to Participate shall also
preclude a party from participating in this
proceeding.

Dated: July 26, 1999.

Marybeth Peters,
Register of Copyrights.

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