

Before the
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GENERAL COUNSEL
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In the Matter of)
)

DISTRIBUTION OF THE 1996-1998)
SATELLITE ROYALTY FUNDS)
_____)

Docket No. 2000-7 CALP SD 96-98

MOTION OF PHASE I CLAIMANTS
FOR PARTIAL DISTRIBUTION

The undersigned representatives of the Phase I claimant categories to which royalties have been allocated in prior satellite distribution proceedings ("Phase I Parties") submit the following motion for partial distribution of 75% of the 1996, 1997 and 1998 satellite royalty funds.

According to the Licensing Division of the Copyright Office (the "Office"), as of September 1, 2000 the 1996 satellite royalty fund totaled \$35,008,211, the 1997 satellite royalty fund totaled \$48,916,564 and the 1998 satellite royalty fund totaled \$119,585,112, and such funds are currently invested in securities that mature on September 7, 2000. The Office estimated on September 13, 2000 that by October 12, 2000, the amounts available for distribution would total approximately: \$35,213,000 in 1996 satellite royalties, \$49,203,000 in 1997 satellite royalties and \$120,287,000 in 1998 satellite royalties. We believe that circumstances warrant a partial distribution of 75% of the 1996-1998 satellite royalties on October 12, 2000, or as soon thereafter as the funds are able to be distributed, but prior to October 31, 2000.

I. The Office Has Authority to Order Precontroversy Distributions

There is ample precedent for partial distribution of statutory royalties in advance of the declaration of a controversy. Order, In the Matter of Distribution of the 1996 Cable Royalty Fund, Docket No. 98-2 CARP-CD 96 (Oct. 8, 1998); Order, In the Matter of Distribution of the 1995 Cable Royalty Fund, Docket No. 97-2 CARP-CD 95 (Oct. 20, 1997); Order, In the Matter of Distribution of the 1994 Cable Royalty Fund, Docket No. 96-CARP-CD 94 (Oct. 23, 1996); Order, In the Matter of Distribution of the 1992 Cable Royalty Fund, Docket No. 94 CARP (92-CD); In the Matter of Distribution of the 1993 Cable Royalty Fund, Docket No. 94 CARP (93-CD) (Sept. 12, 1994); see also Order, In the Matter of Distribution of the 1992-1995 Satellite Royalty Fund, Docket No. 97-1 CARP-SD 92-95 (March 17, 1997). The Office in those proceedings reasoned that the delays between the collection of royalties, the filing of claims and the expected initiation of proceedings justified partial distribution of the cable royalty funds in advance of the declaration of a controversy.

The delays between collection of satellite royalties and distribution, likewise, warrant a partial distribution; a delay would substantially deprive the owners of such royalties. Accordingly, the Phase I Parties believe that the Office should distribute 75% of the 1996-1998 funds.

II. Partial Distribution of 75% of the 1996-1998 Funds Is Warranted

We request that the Office distribute 75% of the 1996-1998 royalties when those royalties next become available for distribution. As the amounts to be distributed to each Phase I Party are confidential, we move to have the distribution made in bulk to a common distribution agent for all the Parties, to be selected by the Parties prior to such distribution.

Distribution of less than 75% of the 1996-1998 funds would deprive the Phase I Parties of a substantial amount of royalties that belong to them, collectively, during a period that may be several years long. Moreover, all Phase I Parties have agreed as to the amount of the partial distribution.

Furthermore, we believe that a sufficient amount would remain with the Office to satisfy all claims and proceedings.

Finally, the Phase I Parties also hereby agree that the 1996-1998 royalties should be distributed by the Office subject to the condition uniformly imposed in such circumstances that, in the event that the final 1996-1998 percentage shares to the Phase I Parties differ from the distributions made pursuant to this motion, “any party who has received more than its share [must] return the overpayment plus interest [that] the payments would have earned had they remained in the fund to the proper party.” Order, In the Matter of Distribution of the 1992-1995 Satellite Royalty Fund, Docket No. 97-1 CARP-SD 92-95 (March 17, 1997); see also Orders, In the Matter of Distribution of the 1992 Cable Royalty Fund, Docket No. 94 CARP (92-CD) and In the Matter of Distribution of the 1993 Cable Royalty Fund, Docket No. 94 CARP (93-CD) (Sept. 12, 1994 and Sept. 24, 1994); Order, In the Matter of Distribution of the 1994 Cable Royalty Fund, Docket No. 96 CARP-CD 94 (Oct. 23, 1996); Order, In the Matter of Distribution of the 1995 Cable Royalty Fund, Docket No. 97-2 CARP-CD 95 (Oct. 20, 1997); Order, In the Matter of Distribution of the 1996 Cable Royalty Fund, Docket No. 98-2 CARP-CD 96 (Oct. 9, 1998).

III. There is No Administrative Obstacle to Partial Distribution of the 1996-1998 Funds

Although the recent passage of the Satellite Home Viewer Improvement Act of 1999 rolled back the statutory satellite royalty rates, the rollback does not affect the 1996-

1998 funds. Therefore, the Office should be prepared administratively to make the partial distribution requested herein.

CONCLUSION

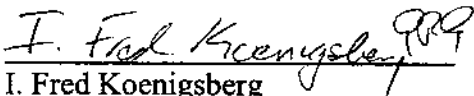
For the reasons set forth above, the Phase I Parties respectively urge that, when the securities in which the 1996-1998 satellite royalties are invested mature on September 7, 2000, the Office reinvest the 1996-1998 satellite royalty funds for a period of time not to exceed thirty days and that the Office publish for comment in the Federal Register the proposed partial distribution of the 1996-1998 satellite royalty funds. Thereafter, the Phase I Parties respectfully request that the Office make a prompt partial distribution of 75% of the 1996-1998 cable royalty fund to the Phase I Parties prior to October 31, 2000.


Date: September 15, 2000

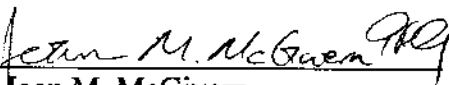
Respectfully submitted,

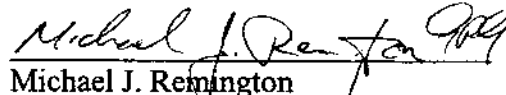
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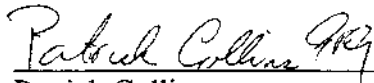

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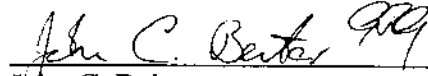

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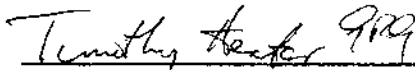
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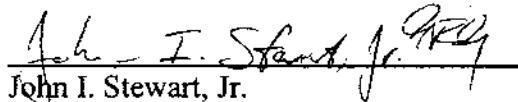
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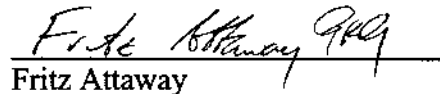
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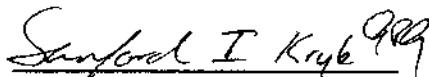
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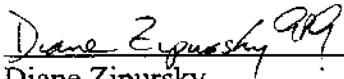


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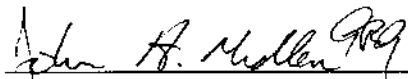
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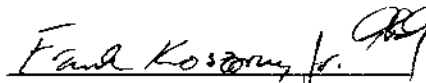


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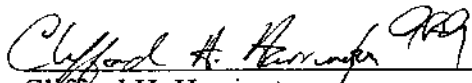
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