

Before the
U.S. COPYRIGHT OFFICE
HE LIBRARY OF CONGRESS
Washington, D.C.

DOCKET NO.
RM 2005/7
COMMENT NO.

In the Matter of

Satellite Home Viewer Extension and Reauthorization Act of 2004

: Docket No. RM 2005-7

JOINT COMMENTS OF BROADCAST MUSIC, INC. AND THE AMERICAN SOCIETY OF COMPOSERS, AUTHORS, AND PUBLISHERS

Broadcast Music, Inc. ("BMI") and the American Society of Composers, Authors, and Publishers ("ASCAP") hereby submit their comments in the above docket pursuant to the notice of inquiry issued by the U.S. Copyright Office ("Office") on June 30, 2005, 70 Fed. Reg. 39343-45 (July 7, 2005). The notice of inquiry is authorized by the Satellite Home Viewer Extension and Reauthorization Act of 2004 ("SHVERA"), Pub. L. No. 108-447, which requires the Office to conduct a two-pronged study, due by December 31, 2005, first on the unserved household limitation, and second on the general matter of harm to copyright owners.

ASCAP and BMI collectively represent hundreds of thousands of composer, songwriter and music publisher members and affiliates with combined repertories of millions of copyrighted musical works. On behalf of their respective members and affiliates, ASCAP and BMI license the public performance rights granted to them by their

respective members and affiliates as copyright owners under section 106(4) of the Copyright Act. ASCAP and BMI are also each affiliated with about 70 foreign performing rights societies around the world and license the repertories of those societies in the United States. On behalf of their members and affiliates, ASCAP and BMI annually file claims for cable compulsory license royalties under 17 U.S.C. §111, satellite carrier compulsory license royalties under 17 U.S.C. §119 and DART royalties pursuant to 17 U.S.C. §§ 1001 et seq. ASCAP and BMI each separately file joint claims covering their respective membership and affiliates.

Ever since enactment of the Satellite Home Viewer Act of 1988, Pub. L. No. 100-667, Title II, ASCAP and BMI have participated in the various proceedings that have arisen. ASCAP and BMI have no comment at this time in response to Part One of the notice of inquiry (which seeks comments concerning the "unserved household limitation" to the statutory satellite retransmission license).

With respect to Part Two of the notice of inquiry (requesting comments concerning the harm to copyright owners associated with satellite retransmissions under the Section 119 license), ASCAP and BMI submit that the effect of the Section 119 license is to make programming (including the music contained in such programming) available to satellite carriers at below market rates. The effect of this is to undercompensate all copyright owners, including ASCAP and BMI. The existence of this impact has been established in prior proceedings and has been acknowledged by the Copyright Office in its studies of the compulsory licenses over the years. *See, e.g.*, A Report of the Register of Copyrights, "A Review of the Copyright Licensing Regimes Covering Retransmission of Broadcast Signals" (U.S. Copyright Office, Aug. 1, 1997). ASCAP and BMI support the Joint Sports

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Claimants to the extent that they demonstrate that rates are below marketplace. Any action taken by Congress to fund the Copyright Royalty Board from royalty funds will only exacerbate the problem. ASCAP and BMI reserve the right to reply to comments of other parties concerning Part Two of the notice of inquiry.

## Respectfully submitted,

BROADCAST MUSIC, INC.

AMERICAN SOCIETY OF COMPOSERS. AUTHORS, AND PUBLISHERS

Marvin L. Berenson Joseph J. DiMona 320 West 57th Street

New York, New York 10019-3705

Telephone: 212-830-3847

Fax: 212-397-0789

Samuel Mosenkis

**ASCAP** 

One Lincoln Plaza

New York, New York 10023-7097

Telephone: 212-621-6450

Fax: 212-787-1381

Michael J. Remington

Philip J. Mause Jeffrey J. Lopez

Drinker Biddle & Reath, LLP 1500 K Street, NW, Suite 1100 Washington, D.C. 20005-1209

Telephone: 202-842-8800

Fax: 202-842-8465

I. Fred Koenigsberg

Carol Witschel White & Case

1155 Avenue of the Americas

New York, New York 10036-2787

Telephone: 212-819-8806

Fax: 212-354-8113