

COPYRIGHT ROYALTY CLAIM INSTRUCTIONS

IT IS IMPORTANT THAT THE INDIVIDUAL(S) RESPONSIBLE FOR OVERSIGHT OF YOUR INSTITUTION’S BROADCAST AND MEDIA RIGHTS REVIEW THESE INSTRUCTIONS. YOUR ACTION MAY BE NECESSARY FOR YOUR INSTITUTION TO RECEIVE ROYALTY PAYMENTS TO WHICH IT MAY BE ENTITLED.

Colleges, universities, and collegiate athletic conferences whose team sports events (*i.e.*, football and/or basketball games) have been telecast “live” over-the-air during calendar year 2016 may qualify to receive money that certain cable and satellite TV providers have paid to the U.S. government in exchange for the right to distribute those sporting events. In order to receive this money, or licensing royalties, the owner of the copyright must file a claim with the designated federal agency responsible for distributing the royalties – the Copyright Royalty Board (“CRB”).

As a service to its members, the NCAA files and pursues claims for these licensing royalties on behalf of its Division I member institutions. In doing so, the NCAA participates in CRB royalty distribution proceedings, and distributes among those members the royalties received as a result of those proceedings.

However, to file such claims and distribute the royalties, the NCAA must receive telecast information from its member institutions. **Your institution or conference may only receive CRB royalties if you provide the NCAA with the required telecast information.** The NCAA requests this information via an online platform. Once your institution’s information is submitted online, the NCAA, on behalf of itself and as agent for the participating institutions, will file the copyright claims with the CRB.

Royalty payments become available for distribution to qualifying institutions and conferences each year. If your institution owns the copyright to athletic event broadcasts that qualify in 2016 (as described further below), you must take the steps described below to receive a share of the CRB royalty payments.

A Brief Explanation of the Statutory Copyright Royalty System

The Copyright Act requires cable television systems and satellite carriers to pay copyright royalty fees in exchange for the right – given to them by federal law – to retransmit sporting events that are televised “over-the-air” on broadcast television. The requirements for cable systems and satellite carriers are different. In general, cable systems pay royalties for the right to retransmit sporting events distributed on a non-network channel (*i.e.*, on a channel other than ABC, CBS, and NBC) telecasts. But satellite carriers pay royalties for the right to retransmit sporting events that are distributed on both non-network stations and network stations.

Cable and satellite providers pay these fees to the U.S. Copyright Office in two installments each year. The collected fees then form two pools that are available for distribution to those claimants whose qualifying programming was retransmitted by a cable or satellite provider during that calendar year. Claims for a given year must be filed the following year. For example, claims filed in 2017 would be related to telecasts that occurred in 2016.

Distribution of the fees is determined by a panel of judges, usually on the basis of settlements among the entities who claim the royalties. Due to the possibility of disputes, distributions tend to be irregular, and sometimes occur years after the year in which they were paid. In some cases, advance partial distributions may be made to the claimants while a final distribution is pending. Royalty funds accumulate interest while they are held by the Copyright Office.

Claims for 2016 Telecasts

It is now time to collect the information needed to submit royalty claims for telecasts of calendar year 2016 football, men's basketball, and women's basketball events that may qualify for statutory royalty fee distributions. After the NCAA collects its members' royalty claims information, it will submit them to the CRB for consideration. Accordingly, any institution or conference that would like the NCAA to file on its behalf should submit this information. As in the past, the NCAA office will collect and organize the data, and with the aid of legal counsel, file the formal claims on behalf of all participating institutions and conferences.

Do You Have Qualifying Events?

A. For Royalties Paid by Satellite Providers

(1) The following is a list of telecasts that **would** qualify for satellite royalties:

- Games originated by national broadcast networks (ABC, CBS, or NBC).
- Games originated by non-network broadcast stations or by a syndicator (e.g., FOX, Jefferson-Pilot, Raycom, ESPN Regional) and shown on any local over-the-air stations.
- Games originated by a local over-the-air station and shown by a cable service. For example, if you have a football game that was originated by an over-the-air station (e.g., WRTV) but was also shown on a regional cable network (e.g., Fox Sports Midwest), this would be a qualifying event.

(2) The following is a list of televised events that **would not** qualify for satellite royalties:

- Games originated by and shown only on ESPN, ESPN2, ESPNU, CST or Versus (*i.e.*, not shown on any over-the-air broadcast station).
- Games originated by and shown only on Turner, TNT, TBS or WGN (*i.e.*, not shown on any over-the-air broadcast station).

- Games originated by a regional cable network (e.g., MSG, FSN, Comcast Sports Net, Altitude, etc.), regardless whether the game was also carried on an over-the-air station.

B. For Royalties Paid by Cable Providers

(1) The following is a list of telecasts that **would** qualify for cable royalties:

- The games listed in A(1) above, but excluding games originated by national broadcast networks (ABC, CBS, or NBC).

(2) The following is a list of televised events that **would not** qualify for cable royalties:

- Games originated by national broadcast networks (ABC, CBS, or NBC).
- Any of the games listed in A(2) above.

What Should You Do Next?

- 1) If you do not have any qualifying events, please choose that option on the online form. It is not necessary to complete an authorization letter if you do not have qualifying events.
- 2) If you do have qualifying events, submit them to the NCAA via the online form by **May 20, 2017**. Further instructions are provided on the online form.

For questions, please contact Andrea Worlock at aworlock@ncaa.org or 317/ 917-6253, or Chris Termini (Associate General Counsel) at ctermini@ncaa.org or 317/ 917-6530.