



## LIBRARY OF CONGRESS

### Copyright Office

[Docket No. 2017–3]

### Notice of Intent to Audit

**AGENCY:** Copyright Office, Library of Congress.

**ACTION:** Public Notice.

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**SUMMARY:** The U.S. Copyright Office is announcing receipt of eight notices of intent to audit certain statements of account filed by cable operators and satellite carriers pursuant to the section 111 and 119 statutory licenses.

**FOR FURTHER INFORMATION CONTACT:** Regan A. Smith, Deputy General Counsel, by email at [resm@loc.gov](mailto:resm@loc.gov) or by telephone at 202-707-8350; or Jason E. Sloan, Attorney-Advisor, by email at [jslo@loc.gov](mailto:jslo@loc.gov) or by telephone at 202-707-8350.

### SUPPLEMENTARY INFORMATION:

#### I. Background

Sections 111 and 119 of the Copyright Act (“Act”), Title 17 of the United States Code, establish compulsory licenses under which cable operators and satellite carriers may, by complying with the license terms, retransmit copyrighted over-the-air broadcast programming. Among other requirements, cable and satellite licensees must file statements of account and deposit royalty fees with the U.S. Copyright Office (“Office”) on a semi-annual basis.

The Satellite Television Extension and Localism Act of 2010, Pub. L. No. 111-175 (2010), amended the Act by directing the Register of Copyrights (“Register”) to issue regulations to allow copyright owners to audit the statements of account and royalty fees that cable operators and satellite carriers file with the Office. *See* 17 USC 119(b)(2) (directing the Register to “issue

regulations to permit interested parties to verify and audit the statements of account and royalty fees submitted by satellite carriers under this subsection”); 17 USC 111(d)(6) (directing the Register to “issue regulations to provide for the confidential verification by copyright owners whose works were embodied in the secondary transmissions of primary transmissions pursuant to [section 111] of the information reported on the semiannual statements of account filed under this subsection for accounting periods beginning on or after January 1, 2010, in order that the auditor designated under subparagraph [111(d)(6)(A)] is able to confirm the correctness of the calculations and royalty payments reported therein”). Following a lengthy rulemaking proceeding, the Office issued such regulations, adopting the audit process now set forth in 37 CFR 201.16. *See* 79 Fed. Reg. 68623 (Nov. 18, 2014). Section 201.16(c)(1) requires any copyright owner who intends to audit a statement of account to provide written notice to the Register no later than three years after the last day of the year in which the statement of account was filed with the Office. 37 CFR 201.16(c)(1). Such notice may be submitted by an individual copyright owner or a designated agent that represents a group or multiple groups of copyright owners. *Id.* The notice must be received in the Office on or after December 1st and no later than December 31st. *Id.*

While the Office is supposed to publish a notice in the Federal Register announcing the receipt of any notices of intent to audit between January 1st and January 31st of the following calendar year, due to an internal mail-processing delay affecting the Office of the General Counsel’s receipt of such notices, this year’s publication of otherwise timely-received notices in the Federal Register was delayed. Consequently, the November 1 deadline for delivery of the final audit report is extended to November 4, 2017. *See id.* 201.16(i)(3). All other deadlines concerning the audit process shall remain as prescribed in 37 CFR 201.16, meaning, for example,

that notices to participate in these audits are due within 30 days after the publication of this notice. *See id.* 201.16(c)(3).

## **II. Notices**

On December 31, 2016, the Office received the below notices of intent to audit statements of account. The notices were submitted jointly by the Office of the Commissioner of Baseball, National Football League, National Basketball Association, Women's National Basketball Association, National Hockey League, and National Collegiate Athletics Association pursuant to 37 CFR 201.16(c):

1. Notice of intent to audit the statements of account filed by DISH Network, LLC for the accounting periods January 1 – June 30, 2013 and July 1 – December 31, 2014.
2. Notice of intent to audit the statement of account filed by Bright House Networks LLC for the cable system serving Orlando, Florida and the surrounding area (Licensing Division No. 10444) for the accounting period July 1 – December 31, 2014.
3. Notice of intent to audit the statement of account filed by Bright House Networks LLC for the cable system serving Hillsborough, Florida and the surrounding area (Licensing Division No. 20503) for the accounting period July 1 – December 31, 2014.
4. Notice of intent to audit the statements of account filed by Comcast of Boston, Inc. for the cable system serving Boston, Massachusetts and the surrounding area (Licensing Division No. 1240) for the accounting periods July 1 – December 31, 2014 and January 1 – June 30, 2016.
5. Notice of intent to audit the statements of account filed by Time Warner Cable New York City, LLC for the cable system serving the borough of Manhattan in New York, New

York and the surrounding area (Licensing Division No. 7761) for the accounting periods July 1 – December 31, 2014 and January 1 – June 30, 2016.

6. Notice of intent to audit the statements of account filed by Charter Communications Entertainment 1 LLC for the cable system serving St. Louis, Missouri and the surrounding area (Licensing Division No. 20437) for the accounting periods July 1 – December 31, 2014 and July 1 – December 31, 2015.
7. Notice of intent to audit the statement of account filed by MCC Iowa, LLC for the cable system serving Des Moines, Iowa and the surrounding area (Licensing Division No. 7649) for the accounting period July 1 – December 31, 2014.
8. Notice of intent to audit the statement of account filed by Cox Communications Gulf Coast LLC for the cable system serving Pensacola, Florida and the surrounding area (Licensing Division No. 34160) for the accounting period July 1 – December 31, 2014.

Dated: January 31, 2017.

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**Sarang V. Damle,**  
*General Counsel and*  
*Associate Register of Copyrights*  
U.S. Copyright Office

**[BILLING CODE 1410-30-P]**

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