Before the
Copyright Office
Washington, D.C.

In the Matter of
Section 302 Report to Congress
Regarding Cable and Satellite
Statutory Licenses

Docket No. RM 2010-10

COMMENTS OF DEVOTIONAL CLAIMANTS

On behalf of the Devotional Claimants,\(^1\) we submit the following comments in connection with the Notice of Inquiry regarding the statutory licensing requirements in Sections 111, 119 and 122 of the Copyright Act.

Since the inception of the current compulsory licensing system, the producers and distributors of religious programs have been advocates for and active participants in the cable and satellite royalty distribution proceedings. In 2007, many of these same Devotional Claimants filed comments in connection with the Section 109 Report to Congress, which

\(^{1}\) The Devotional Claimants joining in these comments are Amazing Facts, Inc.; American Religious Town Hall, Inc.; Billy Graham Evangelistic Association; Catholic Communications Corporation; The Christian Broadcasting Network, Inc.; Christian Television Corporation, Inc. and subsidiary or affiliated entities; Coral Ridge Ministries Media, Inc.; Cottonwood Christian Center; Crenshaw Christian Center; Crystal Cathedral Ministries, Inc.; Evangelical Lutheran Church in America; Faith For Today, Inc.; Family Worship Center Church, Inc.; It Is Written; John Hagee Ministries, Inc.; Joel Osteen Ministries, Inc.; Joyce Meyer Ministries, Inc.; Kerry Shook Ministries; Liberty Broadcasting Network, Inc.; In Touch Ministries, Inc.; New Psalmist Baptist Church; Oral Roberts Evangelistic Association, Inc.; Reginald B. Cherry Ministries; Rhema Bible Church aka Kenneth Hagin Ministries; RBC Ministries; Ron Phillips Ministries; Speak The Word Church International; St. Ann's Media; The Potter's House of Dallas, Inc., d/b/a T.D. Jakes Ministries; and Zola Levitt Ministries.
similarly sought the recommendations of the Copyright Office respecting retention of the copyright compulsory royalty systems.

At that time, the Devotional Claimants not only saw no need to replace the system, but also stressed the vital importance of compulsory licensing to their strategy for use of the television and cable television mediums for their public purposes. The comments filed in 2007 reflect the current position of the Devotional Claimants, who strongly believe that maintaining the cable and satellite compulsory licensing systems is in their interest and the best interests of the American viewing audience. The Devotional Claimants see no reason to replace the current system with untested and unwarranted marketplace solutions that could deny viewers the benefits of the religious programming carried locally and retransmitted to broader audiences. To that end, we resubmit the Comments of Devotional Claimants filed in 2007 as Attachment 1 hereto.

Regarding some of the pressing matters before the Copyright Office referenced in the Section 109 Comments of Devotional Claimants, some have been or are being addressed: notably, the phantom signal issue was addressed in the Satellite Television Extension and Localism Act of 2010, and the Copyright Office has initiated efforts to update the Statements of Account. While action is still required regarding fair compensation for digital signal retransmissions, some of the backlog of proceedings is being resolved by the Copyright Royalty Board. The Devotional Claimants are also gratified that their share of Phase I royalty distributions was increased in the 2004-2005 cable distribution proceeding, a step in the right direction.

While the Devotional Claimants keep an open mind and will review the comments of other interested parties, we underscore that the compulsory licensing systems are a vital part of the television and cable television landscape and should not be repealed.
Respectfully submitted,

DEVOTIONAL CLAIMANTS

By

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In the Matter of  
Section 109 Report to Congress  
Notice of Inquiry  
Docket No. 2007-1

COMMENTS OF DEVOTIONAL CLAIMANTS


I. Introduction

Since the inception of the cable and satellite compulsory licenses, Devotional Claimants have participated actively in the administrative proceedings designed to identify and compensate the copyright owners and distributors of programs carried on cable television and via satellite. Devotional Claimants produce and distribute a wide variety of programming with religious and family value themes to audiences throughout the United States. Our programming fare consists of a diverse collection of religious services, inspirational sermons, as well as musical performances, news, talk, public affairs and children’s programs. Devotional Claimants produce shows for audiences of all ages. The ever-growing need of Americans to relate their faith to the meaning of public events and everyday life has established the programs of Devotional Claimants as an enduring fixture on television stations throughout the United States.

1 The Devotional Claimants and Representative Programs they produce and distribute are set forth in Exhibit 1.
II. Importance of the Compulsory Licensing Systems

Common to all Devotional Claimants is the strategy for using the medium of television as the primary means to disseminate program offerings that bring a higher purpose and meaning to the lives of our audiences. In executing this strategy, the compulsory licenses for cable and satellite have been essential to ensure the broad reach and impact of the programs. Since Devotional Claimants’ programs are predominantly carried on local broadcast channels, the distant retransmission of those signals by cable and satellite expands public access to the ministries and their messages. Absent a compulsory license, the Devotional Claimants would have to individually negotiate licensing agreements covering numerous programs carried on hundreds of television stations which are retransmitted on thousands of cable systems—a practical impossibility. Devotional Claimants believe that without a robust compulsory licensing system for cable and satellite, many families would lack the opportunity to see religious programming. Therefore, maintenance of the copyright compulsory systems for cable and satellite is strongly endorsed by the Devotional Claimants.

III. Need for Fair Marketplace Value System of Compensation

Devotional Claimants, all who are IRC § 501(c)(3) public charities, rely on broad public financial support for continuation of their program offerings. Compulsory royalties paid by cable and satellite subscribers that are returned to Devotional Claimants aid in the fulfillment of their charitable missions. Thus, one of the guiding principles, which Devotionals Claimants share with other copyright owners, is the copyright law’s licensing system should ensure that the fair marketplace value of programming is rewarded.

Currently, the law falls short of that goal, as the compulsory systems undervalue the program retransmitted. Compulsory license valuations for many of the highly rated programs,
*Comments of Copyright Owners* filed separately in this proceeding. The Devotional Claimants join in those comments and herein underscore that they are ripe for action.

Furthermore, the time period between filing of royalties and conclusion of distribution proceedings is unduly long and protracted. There is no reasonable excuse for a system that collected royalties in Calendar 1998 and by Calendar 2007 still has not initiated, much less completed distribution proceedings. The Devotionals Claimants Phase II share for Calendar 1999 remains in limbo because no proceeding has been initiated. This delay is all the more unjust, because the cable and satellite royalties have funded the administrative costs of the Office and other compulsory systems. The copyright owners of programs retransmitted by cable and satellite deserve to have the long backlog of cases promptly addressed.

Respectfully submitted,

DEVOTIONAL CLAIMANTS

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EXHIBIT 1

Devotional Claimants and Representative Programs

Amazing Facts, Inc.
   Amazing Facts Ministry
American Religious Town Hall Meeting, Inc.
   American Religious Town Hall
Billy Graham Evangelistic Association
   Billy Graham
   Franklin Graham
Catholic Communications Corp.
   Chalice of Salvation
   Real to Reel
Christian Broadcasting Network
   700 Club
   Agua Viva
   Alabaster’s Song
   Christian World News
   Flying House
   Spunkey’s Series
   Storyteller’s Café
   Superbook
Coral Ridge Ministries Media, Inc.
   Coral Ridge Hour
Cottonwood Christian Center
   Bayless Conley
Crenshaw Christian Center
   Frederick K.C. Price
Crystal Cathedral Ministries
   Hour of Power
   Rev. Robert Schuller
Evangelical Lutheran Church in America
   Davey & Goliath
   Mosaic
Faith for Today
   Lifestyle Magazine
Family Worship Center Church
   Jimmy Swaggart Telecast
In Touch Ministries
   In Touch
It Is Written
   It Is Written
Joyce Meyer Ministries
   Joyce Meyer
   Life in the Word
Liberty Broadcasting Network
  Listen America
  Jerry Falwell
  Old Time Gospel Hour
Oral Roberts Evangelical Association
  Miracles Now
  Hour of Healing
  Make Your Day Count
RBC Ministries
  Day of Discovery
Reginald B. Cherry Ministries
  The Doctor and the Word
Rhema Bible Church
  Kenneth Hagin
  Rhema Praise
Ron Phillips Ministries
  Central Baptist Church
  The Central Message
Speak the Word Church International
  Exalted Word
The Potter's House of Dallas, Inc.
  T.D. Jakes
  The Potter's House
Zola Levitt Ministries, Inc.
  Zola Levitt