

U.S. COPYRIGHT OFFICE

FISCAL 2013 ANNUAL REPORT



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MESSAGE FROM THE REGISTER

“We owe it to the next generation of creators and innovators and the public to plan for the future.”

— REGISTER OF COPYRIGHTS,
WORLD CREATORS SUMMIT,
JUNE 2013



Maria A. Pallante

Fiscal 2013 was a year of great excitement and promise for both the copyright law and the Copyright Office. Review and examination of the current law was no longer just a topic of discussion within copyright circles but the product of a full-fledged legislative process within the United States Congress. As Congress considered its vision of a 21st-century copyright law, it became clear that the needs and goals of a 21st-century Copyright Office are an essential part of the discussion.

Early in the year, I delivered the Horace S. Manges Lecture at Columbia University Law School. I called for a comprehensive review of the copyright law in light of widespread recognition that it is showing the strain of its age, and to ensure that any specific provisions or proposals for change would be analyzed with the balance and foresight that a larger legal framework provides. The law as written was negotiated in the

1950s and 1960s and enacted in 1976. Its Internet overlay, the Digital Millennium Copyright Act, was enacted in 1998, long before cloud storage, personal tablets, and smartphone applications. Shortly thereafter, Rep. Bob Goodlatte, chairman of the House Judiciary Committee, announced the committee’s intention to assess the law. The chairman invited me to testify before the committee, and during the course of fiscal 2013, held four additional policy hearings. This leadership is gratifying, because it is Congress, and Congress alone, that has the authority to weigh the public good and broader equities of authorship and access in the digital age.

Meanwhile, the Register’s Office continued its focus on the operation and production of the Copyright Office itself. One project team began the first overarching revision of the *Compendium of U.S. Copyright Office Practices* in 30 years, a high-priority item that I identified

in *Priorities and Special Projects of the United States Copyright Office, 2011–2013*. Another project team solicited comments and met with stakeholders to inform an upgrade of the Office’s information technology platforms, including with respect to copyright registration processes. This public dialogue was essential and illuminating. Among other issues, it focused on possible strategies to update document recordation—still a paper-based 20th-century system—and the digitization, searchability, and interoperability of Copyright Office records more generally. This work reflects the cooperative and energetic spirit that our staff is known for and the particular leadership of our Copyright Office chief operating officer, our chief information officer, and our Associate Register and Director of Registration Policy and Practice.



Left, Maria A. Pallante, testifies before Congress about the state of the U.S. copyright law, March 20, 2013.

In September 2013, the Copyright Office released a major report and recommendations regarding small copyright claims, conducted by the Office of the General Counsel. The report recommends a voluntary system of adjudication to be housed within the Office to resolve infringement claims likely to result in small monetary rewards. The Policy Office continued a study on a federal resale royalty right for visual artists and invited public comment in ongoing inquiries into orphan works, exceptions to the copyright law for libraries and archives, and Copyright Office fees.

Internationally, the Associate Register and Director of Policy and International Affairs joined the U.S. delegation to a World Intellectual Property Organization diplomatic conference in Marrakesh, Morocco, that adopted a historic treaty to improve access to copyrighted works by individuals who are blind, visually impaired, or print disabled. Staff also participated in a U.S. interagency

process related to free trade agreements signed into law with Colombia, Korea, and Panama, and served on U.S. delegations and negotiating teams for the proposed Trans-Pacific Partnership Agreement and the Trans-Atlantic Trade and Investment Partnership.

As always, the Office administered the copyright law by conducting rulemakings, implementing regulations, registering hundreds of thousands of copyright claims, managing certain statutory licenses, and carrying out other responsibilities required by statute.

We accomplished all this against a backdrop of fiscal austerity and staffing shortfalls. The Office's base budget continued its disturbing decrease from 2010 levels, and overall staffing levels suffered further reductions. Across-the-board federal spending cuts, better known as sequestration, resulted in existing staff being compelled to take unpaid leave during the spring and summer of the year, hampering our ability to

reach predetermined goals. That the Office nevertheless achieved such significant successes in the face of these challenging circumstances is due to the dedication and professionalism of our staff and the talent and participation of our stakeholder community. I look forward to continuing our work together as we build the 21st-century Copyright Office.

Register of Copyrights
Maria A. Pallante

UNITED STATES COPYRIGHT OFFICE HIGHLIGHTS

“The next great copyright act must be forward thinking but flexible, and, no matter what, it must serve the public interest.”

—REGISTER OF COPYRIGHTS,
HORACE S. MANGES LECTURE,
MARCH 2013

577,000

Claims for registration Copyright Office processed

9,672

Documents Copyright Office recorded

The United States Copyright Office is the principal advisor to Congress on national and international copyright matters. It provides leadership and impartial expertise on copyright law and policy and administers the national copyright system as set forth in the Copyright Act.

The Office was founded in 1870, when Congress removed copyright registration from the district courts and centralized it in the Library of Congress. In 1897, Congress established the Copyright Office as a separate department within the Library and created the position of Register of Copyrights to lead it. Today, the Office's registration system and its companion recordation system constitute the world's largest database of copyrighted works and copyright ownership information. This database constitutes an unparalleled record of American cultural heritage.

Works deposited with copyright registrations and acquired through the mandatory deposit provision of the copyright law have helped to make the Library of Congress the largest library in the world. In fiscal 2013, the Library obtained more than 641,000 copies of works with a net value of \$30 million through the copyright system. About half these works were acquired through registration; the other half arrived through mandatory deposit.

In fiscal 2013, the Office continued to face serious budgetary and staffing challenges. Since 2010, the Office has experienced a reduction of nearly 10 percent to its base budget, and the number of employees remains below 400. In addition, across-the-board federal budget cuts known as “sequestration” required all Library of Congress employees, including Copyright Office staff, to take unpaid leave in spring and summer 2013. Despite

these reductions, the Office processed more than 577,000 claims for registration and recorded 9,672 documents containing hundreds of thousands of titles of works. Office staff answered 219,596 inquiries by phone and email; retrieved and copied 2,290 copyright deposit records for parties involved in litigation; and assisted 8,504 in-person visitors.

The Office also provided critical law and policy services in fiscal 2013, among them domestic and international policy analysis; litigation support; assistance to courts and executive branch agencies; participation on U.S. delegations to international meetings; and public information and education. Since spring 2013, the Copyright Office has actively supported an ongoing review by Congress of U.S. copyright law that began following a major lecture by the Register of Copyrights at Columbia University Law School.

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The Subcommittee on Courts, Intellectual Property, and the Internet of the House Judiciary Committee hears testimony about the need to review the copyright law, May 16, 2013.



The Copyright Office also continued to administer statutory licenses in the copyright law, collecting, managing, and dispersing royalty fees paid by cable and satellite systems and providers of digital audio recording technology. In fiscal 2013, the Office collected \$315.5 million in royalty fees and distributed more than \$324 million from prior years to copyright owners whose works were used under these licenses.

In all its work, the Office has promoted and sustained the copyright system as set forth in the law and the directives of the federal government.

Copyright Law Review

On March 4, 2013, the Register of Copyrights delivered “[The Next Great Copyright Act](#),” the Twenty-sixth Horace S. Manges Lecture at Columbia University Law School. In the lecture, she called for a comprehensive review of

U.S. copyright law, noting that the last major revision of the law concluded in 1976. Although Congress has since updated the law, most notably in the Digital Millennium Copyright Act of 1998, policy making has not kept pace with the evolution of technology and the copyright marketplace, she stated.

She remarked that Congress has already laid the groundwork for many core issues through studies and analyses it has requested from the Copyright Office in recent years. These studies have examined topics such as expanded performance rights for sound recordings, exceptions to copyright law for libraries, criminal penalties for illegal streaming, and treatment of “orphan works” (copyrighted works whose authors cannot be identified or located).

On March 20, 2013, Rep. Bob Goodlatte, chair of the House Judiciary Committee, invited the Register to testify before the Subcommittee on Courts, Intellectual Property, and the Internet in a hearing titled “[The](#)

[Register’s Call for Updates to U.S. Copyright Law.](#)”

Subsequently, in a speech at the Library of Congress in recognition of World Intellectual Property Day, Rep. Goodlatte announced that the subcommittee would hold a comprehensive series of hearings on the copyright law.

Four hearings occurred in fiscal 2013: “A Case Study for Consensus Building: The Copyright Principles Project,” May 16; “Innovation in America: The Role of Copyrights,” July 25; “Innovation in America: The Role of Technology,” August 1; and “The Role of Voluntary Agreements in the U.S. Intellectual Property System,” September 18.

Copyright Office lawyers helped congressional members and staff prepare for hearings by providing briefings, background materials, and other requested assistance, and Office staff attended each hearing. In fiscal 2014, the subcommittee will hear testimony about additional topics.

Two-Year Plan

The Register of Copyrights announced an ambitious two-year work plan in October 2011 in *Priorities and Special Projects of the United States Copyright Office 2011–2013*. The document articulates the Office’s goals in copyright policy and administrative practice and describes 10 special projects to improve the quality and efficiency of the Office’s services in the 21st century. Focusing on these priorities, the Office achieved important milestones in fiscal 2013 and completed substantive projects. The Office will draw on findings and recommendations from these varied initiatives in constructing future strategic plans.

Studies and Analyses

The Copyright Office regularly studies and reports on matters of domestic and international copyright policy, often at the request of Congress. In fiscal 2013, the Office studied or reported on the following topics.

Section 108 Reform

The Copyright Office remains engaged in an ongoing discussion of how to improve and update section 108 of the Copyright Act. Section 108 sets forth exceptions to the law to permit libraries and archives to make and distribute copies of copyrighted materials in their collections under certain conditions without obtaining permission from copyright owners. The exceptions are meant to help preserve works and ensure their availability over time.

Enacted in 1976, section 108 has become outdated, especially with the rise of digital media and technologies. In 2006, the Copyright Office and the Library of Congress convened an independent committee, known as the Section 108 Study Group, to recommend ways to update section 108. The committee included librarians, copyright owners, archivists, academics, and other experts. It



Chris Weston of the General Counsel’s Office (far right) with panelists from a symposium exploring section 108 reform.

released a report in March 2008, concluding that section 108 fails to meet the needs of libraries, archives, and other entities in dealing with born-digital works, digital preservation, and uses and lending of digital copies of works. Since the report’s publication, ways in which copyrighted works are distributed, preserved, and accessed have continued to evolve.

On February 8, 2013, the Copyright Office cosponsored a symposium in New York City with the Kernochan Center for Law, Media, and the Arts at Columbia Law School to address section 108 and mass digitization by libraries. Office lawyers attended the symposium and moderated panels. The Office will continue in fiscal 2014 to support development of updated exceptions for libraries and archives to help them to meet their responsibilities in the digital era without undermining the incentives in copyright law that encourage authors to create and disseminate works. For more information, visit the Office’s [website](#).

Orphan Works and Mass Digitization

The Copyright Office is reviewing the problem of orphan works—original works of authorship whose owners cannot be identified or located by parties seeking to request permission to use the works. The Office’s review includes a focus on use of orphan works in mass digitization projects.

The Copyright Office submitted a report on orphan works to Congress in 2006, and it supported Congress in drafting bills that were proposed in 2006 and 2008 but not ultimately enacted. Since 2008, technology has helped to alleviate some impediments to identifying copyright owners. At the same time, mass digitization projects have become more prevalent. Such projects have scanned and stored millions of books, including orphan works, and made “snippets” of them available online without authorization from copyright owners.

In October 2012, the Copyright Office invited public comment on the current status of the orphan works problem and on potential legislative, regulatory, or voluntary solutions that address mass digitization projects and the rapidly expanding digital marketplace.

The Office will continue its inquiry in fiscal 2014. For more information, visit the Office’s [website](#).

Small Copyright Claims

On September 30, 2013, the Copyright Office released a report detailing findings from a two-year study of copyright small claims. Congress had asked the Office to analyze ways to resolve these claims outside federal courts. Although copyright owners whose works are used without their authorization can file infringement actions in federal district courts, the high cost of doing so deters owners with limited resources from filing claims likely to result in small monetary awards. The Office’s report documents the significant costs involved in pursuing such claims and recommends establishment of an alternative, voluntary system of adjudication to be housed within the Copyright Office.

Resale Royalty Right for Artists

The Copyright Office invited public comment and conducted public roundtables in fiscal 2013 on the topic of an artist resale royalty right. Known as a *droit de suite* in Europe, a resale royalty right provides artists with an opportunity to benefit from the increased value of their works over time by granting them a percentage of the proceeds from the resale of their original works of arts. The royalty is in general practice throughout Europe but is not part of U.S. copyright law. At the request of Congress, the Copyright Office initiated an inquiry in September 2012 into how visual artists exploit their works under existing copyright law and the issues and obstacles that may be encountered when considering a federal resale royalty right in the United States. For more information, visit the Office's [website](#).

Legislative Work

On March 20, 2013, the Register of Copyrights testified before the House Judiciary Committee's Subcommittee on Courts, Intellectual Property, and the Internet in a hearing titled "[The Register's Call for Updates to U.S. Copyright Law](#)."

Trade and Foreign Relations

Lawyers in the Copyright Office's policy and international affairs group are experts in foreign copyright law and the copyright treaty obligations of the United States. They regularly participate in conferences sponsored by the World Intellectual Property Organization (WIPO), and they serve on U.S. government delegations for bilateral and regional trade and copyright treaty negotiations between the United States and other countries.

In October 2012, the Register of Copyrights was a member of the U.S. delegation to the annual WIPO general

assemblies meeting in Geneva, where topics of discussion included access to copyrighted works by individuals who have print disabilities, copyright exceptions for libraries and archives, and protection for broadcasts.

In June 2013, Karyn Temple Claggett, Associate Register of Copyrights and Director of Policy and International Affairs, served on the U.S. delegation to a WIPO diplomatic conference in Marrakesh, Morocco, that adopted a historic treaty to improve access to copyrighted works by individuals who are blind, visually impaired, or print disabled. It establishes international standards for exceptions and limitations to copyright legal regimes to achieve such access, and it addresses domestic and international cross-border exchange of printed materials in accessible formats.

The Office continued to assist the Office of the United States Trade Representative (USTR) and other

Karyn Temple Claggett of the Office of Policy and International Affairs addresses a conference exploring the future of creative industries in the digital environment, June 5, 2013.



executive branch agencies in fiscal 2013 by serving on official delegations and negotiating teams for the proposed Trans-Pacific Partnership Agreement and the Transatlantic Trade and Investment Partnership.

Also under the auspices of the USTR, Office lawyers participated in bilateral negotiations and consultations with other countries and contributed to an annual interagency review of the adequacy and effectiveness of intellectual property protection and enforcement in other countries. In addition, the Office engaged in activities related to U.S. passage of free trade agreements with Colombia, the Republic of Korea, and Panama.

The Office also assisted with World Trade Organization trade policy reviews and worked with U.S. interagency colleagues to develop U.S. positions related to copyright and intellectual property in other international venues, including the OECD (Organisation for Economic Co-operation and Development) and APEC (Asia-Pacific Economic Cooperation).

Litigation Activities

Throughout fiscal 2013, the Copyright Office assisted the U.S. Department of Justice in several important court cases. In *Kirtsaeng v. John Wiley and Sons*, the U.S. Supreme Court held that a student who imported copyrighted textbooks from Thailand to sell in the United States did not violate the copyright law. Arguments in the case centered on the relationship between the first-sale doctrine, which permits the owner of a copy of a work to sell it without permission of the copyright owner, and the prohibition in copyright law against importing works without the consent of the copyright owner. The Supreme Court declined to hear *Capital Records v. Jammie Thomas-Rasset*, in which a jury found Thomas-Rasset liable for copyright infringement for downloading and sharing music files over the Internet. The Copyright Office advised the Justice

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Department when the department filed a brief before the Supreme Court asserting the constitutionality of the damages awarded in that case.

A digest of other important cases from fiscal 2013 is included in the appendix to this report.

Administrative Law

The Copyright Office carries out an administrative law practice pursuant to its technical and substantive authority under the Copyright Act and other provisions of title 17. Among other duties, the Register of Copyrights conducts rulemakings, implements regulations, and publishes practices related to copyright registration, documents recordation, and administration of statutory licenses.

In October 2012, a final rule was published in the fifth triennial rulemaking proceeding under section 1201 of the copyright law. Section 1201 provides that, upon the recommendation of the Register of Copyrights, the Librarian of Congress may designate certain classes of works as exempt from the prohibition against circumventing technological measures that control access to copyrighted works.

The Register of Copyrights addressed two novel questions of law in fiscal 2013 referred to her by the Copyright Royalty Judges; the questions related to the statutory license for making and distributing phonorecords. The judges are responsible for adjusting royalty rates for statutory licenses in the copyright law; when they encounter novel questions of law during the course of a rate adjustment or distribution proceeding, they must refer such questions to the Register. The Office prepared and published the Register's determinations in both instances within the time frame prescribed by law.

In June 2013, the Office amended its regulations on an interim basis to offer a new electronic registration option for single copyright applications, partly to make

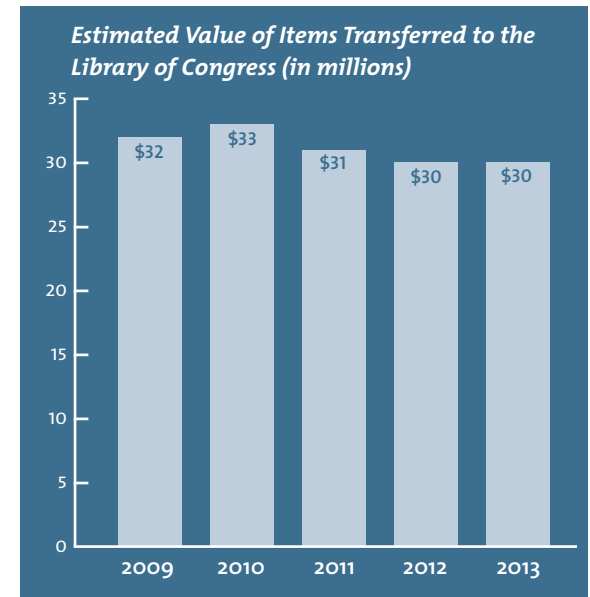
registration more attractive to individual authors of single works.

In other regulatory actions, the Office clarified its practices for providing refunds of cable royalties under provisions of the Satellite Television Extension and Localism Act (STELA) of 2010. The Office also proposed a revised fee schedule for public comment in relation to a filing fee STELA authorized the Office to implement. The fee must be submitted with the semiannual statements of account that cable and satellite systems file; it is separate from any royalty fees that must be paid. The revised fee schedule responds to feedback the Office received from interested parties in fiscal 2012. Regarding a new regulation to allow copyright owners to audit cable and satellite statements of account, a right provided to copyright owners by STELA, the Office published a notice of proposed rulemaking and invited public comment.

In addition, the Office amended its regulations in fiscal 2013 for filing notices of intention to use the copyright statutory license for making and distributing phonorecords to provide an option for electronic filing, and it published a notice of proposed rulemaking pertaining to use of electronic signatures for statutory license filings.

Acquisitions of Copyright Works

Through the registration and mandatory deposit provisions of the copyright law, the Copyright Office plays a role in acquiring published copyrightable works for the collections of the Library of Congress. Mandatory deposit requires owners of copyrightable works published in the United States to submit copies of their works within three months of publication. In fiscal 2013, the Office transferred more than 641,000 copies and phonorecords of published works to the Library with a net value of more than \$30 million. Of these works, more than 333,000 were received from publishers through mandatory deposit.



Special Projects

The Copyright Office made significant progress in fiscal 2013 on special projects the Register announced [Priorities and Special Projects of the United States Copyright Office 2011–2013](#).

Fees and Services

The Copyright Office revisits its fee schedule every few years to align its fees with the cost of providing services, as required by the Copyright Act. In fiscal 2013, the Office continued an inquiry initiated the previous fiscal year to examine the costs the Office incurs and the fees it charges for copyright registration, documents recordation, and other services. The Office solicited comments on a proposed revised fee schedule and is carefully considering the comments received. In setting fees, the Office must take into account the needs of

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U.S. Copyright Office
card catalog

all constituents who benefit from copyright services, including the public and users of copyrighted works.

Compendium of Copyright Office Practices

The Office made substantial progress in fiscal 2013 in its overhaul of the *Compendium of U.S. Copyright Office Practices*. The *Compendium* is the Register's administrative manual that is followed by the Office's registration specialists. Copyright owners, legal practitioners, and the courts also consult the *Compendium* as an authoritative source of Office practices. In fiscal 2013, an Office project team continued to draft and refine text that updates existing practices and establishes practices for new forms of authorship to meet the needs of the 21st-century copyright community.

Technical Upgrades

The Office is comprehensively evaluating the information technology platforms that support its

registration and recordation functions, including its online registration system. In fiscal 2013, the Office invited public comment on the utility of current platforms and potential improvements to them. A technical upgrades project team also solicited recommendations in meetings with Copyright Office staff and external stakeholders, including rights holders, collective rights management organizations, trade associations, and practitioners.

Reengineering of Documents Recordation

The Office continued in fiscal 2013 to meet with frequent users of the Office's documents recordation function as part of its project to reengineer documents recordation and introduce electronic processing of documents. At the same time, Office technical staff analyzed requirements for an electronic recordation system, and legal staff considered policy and regulatory changes that may be needed to achieve the Office's goals. Each year, authors,

heirs, and other copyright owners submit documents to the Office for public recordation, including copyright assignments, licenses, and other records related to chain of title. In developing the reengineered system, the Office aims to encourage more recordations to create a more robust public record of copyright ownership.

Public Access to Historical Records

By the end of fiscal 2013, the Office had digitized 30 million catalog cards out of an estimated 40 million in a multiyear project to make historical copyright records created between 1870 and 1977 accessible online; post-1978 records are already searchable on the Office's website. Following quality checking, the newly digitized card images are placed in secure storage as the Office explores how best to make them accessible. In fiscal 2013, the Office also obtained from outside repositories digital copies of seven volumes that supplement the *Catalog of Copyright Entries* (CCE), a 667-volume index to copyright

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Country music artists (from left) Lee Thomas Miller, Jessi Alexander, and Brett James perform at a “Copyright Matters” program recognizing World Intellectual Property Day, April 24, 2013.



registrations and renewals published from 1891 through 1977. The Office completed digitization of all 667 volumes in fiscal 2012. Five of the supplementary volumes contain motion picture registrations from 1894 to 1969, and two volumes contain dramatic composition registrations from 1870 to 1916. Receipt of the digital copies allowed the Office to avoid the cost of scanning the volumes.

Public Outreach and Copyright Education

In support of its role as a primary source of authoritative information about copyright law and policy, the Copyright Office continued in fiscal 2013 to identify innovative ways to reach new audiences. At the start of the fiscal year, the Office introduced remote copyright training by “webinar,” or videoconferencing; shortly thereafter, Office staff offered a multipart copyright webinar training for the National Aeronautics and Space Administration. Other remote trainings were developed for librarians and archivists. The Office also provided copyright education in fiscal 2013 by welcoming

domestic and foreign visitors and engaging public audiences through presentations.

Skills Training

The Copyright Office launched the Copyright Academy in fiscal 2012, a training program for Office staff. In fiscal 2013, the Office offered two sessions of a course introducing staff to the 1909 Copyright Act. The course examined the continued viability of the 1909 Act and differences between it and the 1976 Copyright Act, among other topics. Also in fiscal 2013, the Office introduced a program of “afternoon teas” and roundtables for Copyright Office and Library of Congress staff to deepen knowledge about copyright and the Office’s activities. At these sessions, Copyright Office staff share details about their work and answer questions. Topics covered in fiscal 2013 included registration of motion pictures, photographs, and holiday cards; fair use; orphan works; statutory licensing; notices of termination; and traditional cultural expressions.

In addition, the Register of Copyrights continued the “Copyright Matters” lecture series started in fiscal 2012 to acquaint staff and others with the practical implications of copyright law. Fiscal 2013 presentations highlighted fair use, the future of the author, copyright in the United Kingdom, and the copyright treatise *Nimmer on Copyright*. The Office engaged in partnerships with the copyright community to produce these and other events during the fiscal year.

Staffing

The Register continued to build a leadership team in fiscal 2013, appointing four senior staff members. [David J. Christopher](#) was named chief of operations in December 2012 after serving as chief of the Office’s Information and Records Division for 18 months. Since joining the Copyright Office in 2006, Christopher has been involved in almost all the Office’s business functions,

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Noted copyright lawyers Robert Clarida (left) and Thomas Kjellberg presented a “Copyright Matters” program on December 4, 2013.

including registration processes, budgeting, external communications, strategic planning, and reengineering. [Karyn Temple Claggett](#) was appointed Associate Register of Copyrights and Director of Policy and International Affairs in January 2013 after serving as senior counsel. Immediately before joining the Copyright Office, Temple Claggett was senior counsel to the deputy attorney general of the United States. In April 2013, [Robert J. Kasunic](#) was appointed Associate Register of Copyrights and Director of Registration Policy and Practice. He joined the Copyright Office in 2000 as a senior attorney after having engaged in private practice. He also currently serves as adjunct professor of law at Georgetown University Law Center and American University’s Washington College of Law. [Jacqueline C. Charlesworth](#) was named general counsel and Associate Register of Copyrights in July 2013 after serving as senior counsel to

the Register since 2012. Previously, she worked in private practice in New York City, including at Morrison and Foerster, where she represented copyright owners and users of copyrighted works in litigation, regulatory, and transactional matters.

In September 2013, the Register announced the creation of two new fellowship programs: the [Barbara A. Ringer Copyright Honors Program](#) and the [Abraham L. Kaminstein Scholar in Residence Program](#). The Ringer Honors Program offers paid fellowships for recent law school graduates and other attorneys in the early stages of their careers. It complements the Copyright Office’s law clerk program, through which law students and recent graduates spend a semester or summer volunteering in one of the Office’s legal divisions, often for academic credit. The Kaminstein Scholar in Residence Program allows the Register to bring leading academics

to the Copyright Office to work on mutually beneficial projects for a sustained period. Robert Brauneis, professor of law at George Washington University, took up residency in the Copyright Office in September 2013 as the first Kaminstein Scholar. Brauneis is contributing to the Office’s efforts to [reengineer documents recordation](#) and to introduce electronic processing of documents.

Both of these programs honor former Registers of Copyright. Barbara A. Ringer was the eighth Register, serving from 1973 to 1980; Abraham L. Kaminstein was the sixth Register, serving from 1960 to 1971.

REGISTRATION AND RECORDATION

“When we talk about section 108 reform, what we’re really doing is affirming the critical importance of libraries and archives...and museums in the copyright system.”

— REGISTER OF COPYRIGHTS,
SYMPOSIUM ON SECTION 108 REFORM,
FEBRUARY 2013

224,795

Literary works registered

116,102

Performing arts works registered

The Copyright Office registers creative works and records copyright-related documents for the benefit of owners and users of copyrighted works. It does so under provisions of U.S. copyright law and according to Office regulations.

Registration

The Copyright Office’s Registration Program is made up of the Literary, Performing Arts, and Visual Arts Divisions. Staff in these divisions examine creative works of authorship to determine whether they are copyrightable and whether claimants have complied with copyright law and regulations.¹

The Registration Program closed 577,438 claims in fiscal 2013. The year started with 194,689 open claims on hand in the online registration system; 83,410 of those

awaited additional information from applicants before staff could finish examining them. The year ended with 187,207 claims on hand in the system, 37,553 of which required more information from applicants.

Some registrations had to be processed outside the online system, because it does not yet accommodate all registration options. Fiscal 2013 began with 3,639 such claims awaiting examining and 18,160 requiring cataloging. At year’s end, 4,461 claims awaited examining, and 17,816 required cataloging.

The Office continued in fiscal 2013 to expand online registration and improve electronic processing of claims. In June, the Office amended its regulations on an interim basis to establish a new registration option called the “single application.” It provides an additional option for individual author-claimants who use the Office’s registration system to register a single work

that is not a work made for hire. Administratively, single applications are simple for the Office to process and may make copyright registration more attractive to individual authors of single works.

Refusals to Register

The Copyright Office is required to refuse to register a claim to copyright when it determines that the material submitted does not constitute copyrightable subject matter or for other legal or procedural reasons. In fiscal 2013, it rejected 9,103 claims.

1. Under the law, the Office also registers claims in mask works and vessel designs. In fiscal 2013, the Office registered 279 mask works and 12 vessel designs.



Karyn Temple Claggett of the Office of Policy and International Affairs (third from left), noted copyright lawyer David Nimmer (third from right), and other panelists at a “Copyright Matters” program focusing on the copyright treatise *Nimmer on Copyright*, May 6, 2013.

Appeals

Applicants whose claims for registration are rejected can seek two levels of appeal. Senior staff in the Registration Program consider first appeals. If a refusal is upheld, the applicant can bring a request for a second consideration to the Copyright Office Review Board.

In fiscal 2013, the Office received requests for first reconsideration of 347 claims rejected for registration. The Office sustained rejections for 310 and reversed and approved the remaining 37. First requests affecting 57 claims were pending at year’s end.

The Copyright Office Review Board decided on second requests involving 123 claims, of which the Board upheld 104, reversed 8, and dismissed 11 for failure to respond.

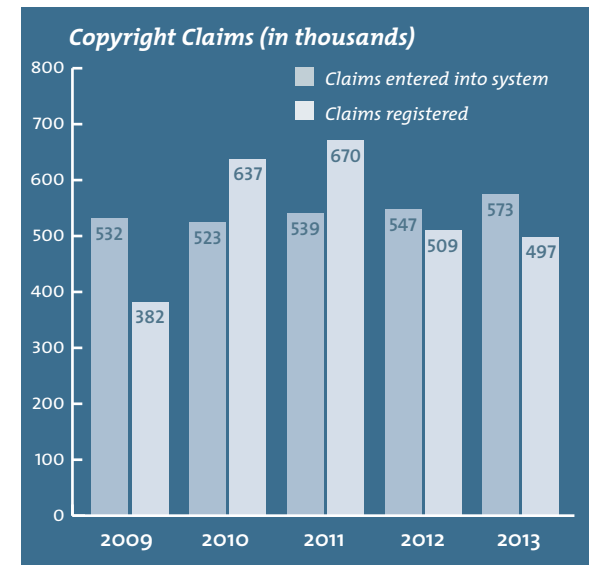
Recordation

Each year, authors, heirs, copyright owners, and others submit thousands of documents to the Copyright

Office for public recordation. The documents contain information about copyright assignments, licenses, and other transactions related to chain of title. In fiscal 2013, the Office recorded 9,672 documents containing hundreds of thousands of titles of works.

Online Service Provider Designations of Agent

Congress amended the copyright law in 1998 to limit potential liability of service providers for copyright infringement for certain activities carried out on their systems or networks. A service provider must file a statement identifying an agent to receive notification of claims of infringement and also post the information on its publicly accessible website. The Office processes these online service provider designations of agents and makes them available on its website. In fiscal 2013, the Office posted 2,023 agent designations on the directory.



STATUTORY LICENSING

“Copyright law, and respect for that law, contributes to our culture and the world economy. It drives free expression and innovation, not merely symbolically, but in ways that advance our progress as a people.”

—REGISTER OF COPYRIGHTS,
WORLD CREATORS SUMMIT,
JUNE 2013

\$315.5 million
Royalties collected from users of
copyright statutory licenses

The Copyright Office administers copyright statutory licenses, several of which require the Office to manage and disperse private monies. The Office’s Licensing Division collects royalty fees from cable operators, satellite carriers, and importers and manufacturers of digital audio recording devices, investing the fees in interest-bearing securities with the U.S. Treasury. The fees, less reasonable operating costs, are distributed to copyright owners.

The division also handles other matters related to administration of the statutory licenses.

Since 2005, the Copyright Royalty Board, an independent and separate unit housed in the Library of Congress, has set royalty rates and determined terms and conditions for use of the licenses. The Board also rules on royalty allocations among copyright owners.

Royalty Collections and Distributions

In fiscal 2013, the Licensing Division collected \$315.5 million in royalties from users of copyright statutory licenses. More than 70 percent of the fees collected came from cable television companies. Satellite carriers and importers and manufacturers of digital recording devices submitted the remainder.

In accordance with rulings of the Copyright Royalty Board, the Office made eight separate distributions in fiscal 2013 totaling more than \$324 million collected in previous years.

The law requires the Copyright Office to compile and audit financial statements for royalty fees on a calendar-year basis. The total royalty receipts and distributions shown in calendar-year statements vary from fiscal-year totals. The appendices to this report include calendar-year 2012 financial statements; calendar-year 2013 statements will appear in the fiscal 2014 report.

Licensing Reengineering

The Copyright Office is reengineering the Licensing Division to improve efficiency and public access to licensing records. The project involves building a new electronic system for filing, processing, searching, and archiving statements of account.

In fiscal 2013, the division continued to test a prototype electronic system for submitting cable statements of account, inviting feedback from stakeholders about system navigation, ease of use, and related matters. The division also made significant progress during the fiscal year toward building an infrastructure to allow the new electronic system to be hosted off site in a cloud environment.

In addition, the division solicited comments from external stakeholders about other aspects of reengineering and worked with Copyright Office legal staff to determine regulatory changes or additions necessitated by reengineering.

INFORMATION AND EDUCATION

“As the first beneficiaries of the copyright law, authors are not a counterweight to the public interest but are instead at the very center of the equation.”

—REGISTER OF COPYRIGHTS,
HORACE S. MANGES LECTURE,
MARCH 2013

154,571

Phone inquiries answered

8,504

Public visitors assisted

The Copyright Office disseminates information about the copyright law and copyright services, educates the public, and responds to requests for information.

Public Information

The Office accommodated 255,078 requests from the public for copyright information in fiscal 2013. Requests came by email, regular mail, and telephone, and more than 8,504 individuals visited the Office. In addition, the Office responded to more than 14,000 requests for printed material.

The Office distributed 52 issues of *NewsNet*, an electronic news service covering legislative and regulatory developments and general Copyright Office news, to more than 22,000 subscribers in fiscal 2013.

Copyright Office Website

The Copyright Office's website supports the Office's mission to improve public understanding of copyright and copyright law. Through it, visitors can learn about the Office's services and search copyright records. The website is also the portal to the electronic system through which users can register claims and upload copies of their works. Compared with fiscal 2012, use of the website increased by 27 percent, with 25.6 million visits.

Outreach

The Register of Copyrights and other senior staff made presentations at domestic and international events and symposia, law schools, and law and trade association meetings.

In April 2013, the Register presented the David Nelson Memorial Keynote Address at a conference,

“Reformatizing Copyright for the Internet Age,” hosted by the Berkeley Center for Law and Technology at the University of California at Berkeley. In June, the Register was a keynote speaker at the Fourth Biennial International World Creators Summit in Washington, D.C., organized by the International Confederation of Authors and Composers Societies.

Senior policy and legal staff delivered presentations in the United States and abroad on topics including collective rights management, fair use, foreign intellectual property laws, the future of creative industries in the digital era, and litigation related to Google's mass book digitization project.

Office staff welcomed international visitors throughout fiscal 2013, speaking to them about U.S. copyright law and policy and the Office's programs and services.

Many domestic groups also visited the Office in fiscal 2013, including law students, intellectual property lawyers, teachers, and staff from other federal agencies.

APPENDICES

“The Internet has enabled copyright owners to make available their works to consumers around the world, but has also enabled others to do so without any compensation for copyright owners.”

—REP. BOB GOODLATTE,
WORLD INTELLECTUAL PROPERTY DAY,
APRIL 2014

\$44.2 million

Copyright Office’s total basic
appropriation for fiscal 2013

Litigation

Page 7 of this report cites a case the U.S. Supreme Court decided and one it declined to hear. The Copyright Office assisted the U.S. Department of Justice on both cases. The following is a digest of other important cases from 2013.

Ahern v. Scholz

This case questioned the constitutionality of the termination provision in section 203 of the Copyright Act. Tom Scholz of the rock band Boston filed for termination of a 1975 grant of copyright ownership to Paul Ahern that covered songs Scholz composed in 1978, among other things. Ahern filed for a declaratory judgment that Scholz had no right to seek a section 203 termination, because applying section 203 to works subject to a 1975 grant but not created until 1978 would constitute an unconstitutional “taking” under the Fifth Amendment.

Section 203 was enacted in 1976, and by its terms governs only grants “executed” on or after January 1, 1978. In August 2013, the U.S. Department of Justice notified the Copyright Office that a question had been certified to the U.S. attorney general from the Southern District of New York regarding the constitutionality of the section 203 termination provision. The question was whether Ahern had a cognizable property interest in the entire 56-year term of ownership under the 1975 grant, such that allowing Scholz to terminate this grant after 35 years, as allowed by section 203, would unconstitutionally deprive Ahern of 21 years of enjoyment of the grant. One subsidiary issue in answering this query was determining at what point in a contractual relationship a grant of rights could be said to be executed: when the grant was signed, or when the works covered by the grant were created? Copyright Office lawyers researched and considered these issues in cooperation with Justice

Department staff, but the case settled before the Justice Department was required to respond to the court. *Ahern v. Scholz*, No. 13 Civ. 1812 (S.D.N.Y. filed Mar. 18, 2013).

American Institute of Physics v. Schwegman Lundberg and Woessner and American Institute of Physics v. Winstead

These two infringement cases, filed in 2012, involved the intersection between copyright law and patent law. Publishers John Wiley and Sons, the American Institute of Physics, and Blackwell Publishing sued two law firms specializing in patent prosecution. The publishers alleged that the law firms copied scientific articles without permission and submitted them to the U.S. Patent and Trademark Office (PTO) in connection with patent applications the firms filed on behalf of their clients. The publishers further alleged that the law firms copied articles for their own internal use, apparently

referring to “file copies” the firms made for their clients or for their own records in addition to “research copies,” or copies considered for use in patent applications but never filed with the PTO. The publishers asserted that the law firms charged their clients for these copies and used them for their own commercial benefit even though the publishers offer a license for these types of uses. The law firms argued that using a scientific article in a patent prosecution is a fair use, and the PTO intervened in the case to express its support for the law firms’ position. The Copyright Office assisted the U.S. Department of Justice in presenting the cases to the presiding district courts. In 2013, in both cases, the court granted the defendant’s motion for summary judgment, holding that copying scientific articles for the purpose of submitting them to the PTO constitutes a fair use. The publisher in the Schwegman case appealed the court’s decision to the Court of Appeals for the Eighth Circuit. Subsequently, the parties settled their dispute, and the appeal has been dismissed. *American Institute of Physics v. Schwegman Lundberg & Woessner, P.A.*, No. 12 Civ. 528, 2013 U.S. Dist. LEXIS 124578 (D. Minn. July 30, 2013); *American Institute of Physics v. Winstead PC*, No. 12 Civ. 1230, 2013 U.S. Dist. LEXIS 169929 (N.D. Tex. Dec. 3, 2013).

DeliverMed Holdings v. Schaltenbrand

This infringement lawsuit involves the issue of fraud on the Copyright Office. The plaintiff submitted an application to register a corporate logo, stating that it obtained the copyright in the work through a written agreement with the author. Following a bench trial, the U.S. District Court for the Southern District of Illinois found that the plaintiff knowingly made a material misrepresentation in its application regarding the authorship and ownership of the work. The court dismissed the plaintiff’s copyright infringement action and issued a declaratory judgment invalidating the plaintiff’s registration. The plaintiff appealed to the Court of Appeals for the Seventh Circuit, which heard

arguments in the case on May 28, 2013. Although the appellate court generally agreed with the district court’s findings, it found that the district court should have consulted with the Register of Copyrights pursuant to section 411(b)(1) of the Copyright Act before invalidating the registration. The Seventh Circuit vacated the declaratory judgment, remanded the case to the district court, and stated that “if [d]efendants desire to pursue the declaratory judgment action further, the district court must ask the Register whether [she] would have refused [the plaintiff’s] application had [she] been aware that [the plaintiff] had no written ownership transfer agreement at the time of its application.” On November 11, 2013, the district court issued an order asking for the Register’s advice on this issue. On January 23, 2014, the Register notified the district court that if the Office had been aware that the plaintiff was not in fact the author of the work, or that the plaintiff did not own the copyright in it as of the date the application was filed, the Office would have refused to register the claim. On January 29, 2014, the district court entered judgment in favor of the defendant and granted the defendant’s request for a declaration that the plaintiff’s registration is invalid. *DeliverMed Holdings LLC v. Schaltenbrand*, 734 F.3d 616 (7th Cir. 2013).

Proline Concrete Tools v. Dennis

In 2012, Proline, the owner of rock and stone sculptures used to make decorative concrete stamps, prevailed in an infringement action in the U.S. District Court for the Southern District of California. The court found that the works at issue were copyrightable and had been infringed, and it issued an order compelling the Office to register them. In 2008, the Office had refused to register the works on the grounds that they were useful articles and have minimal creative authorship. Upon discovering the existence of the court’s order, the Office received leave from the court to file a motion for reconsideration, not only of the court’s order, but of the finding that the

works at issue were copyrightable. The Office filed its motion in December 2012; in March 2013, the court issued an opinion and order vacating its earlier order. The court agreed with the Office that its power in the context of an infringement suit to find, contrary to the Office, that a particular work is copyrightable did not also confer upon it authority to compel the registration of a work. The court held that if an author wishes to challenge the Office’s refusal of registration after the exhaustion of administrative remedies, it must file an action under the Administrative Procedure Act (APA), not an infringement action. In the interest of efficiency, the court evaluated whether the Office’s 2008 refusal was “arbitrary, capricious, or an abuse of discretion” under the APA and found that it was not given the evidence available to the Office at the time. *Proline Concrete Tools, Inc. v. Dennis*, No. 7 Civ. 2310, 2012 WL 2886953 (S.D. Cal. July 13, 2012), vacated, No. 7 Civ. 2310 (S.D. Cal. Mar. 28, 2013).

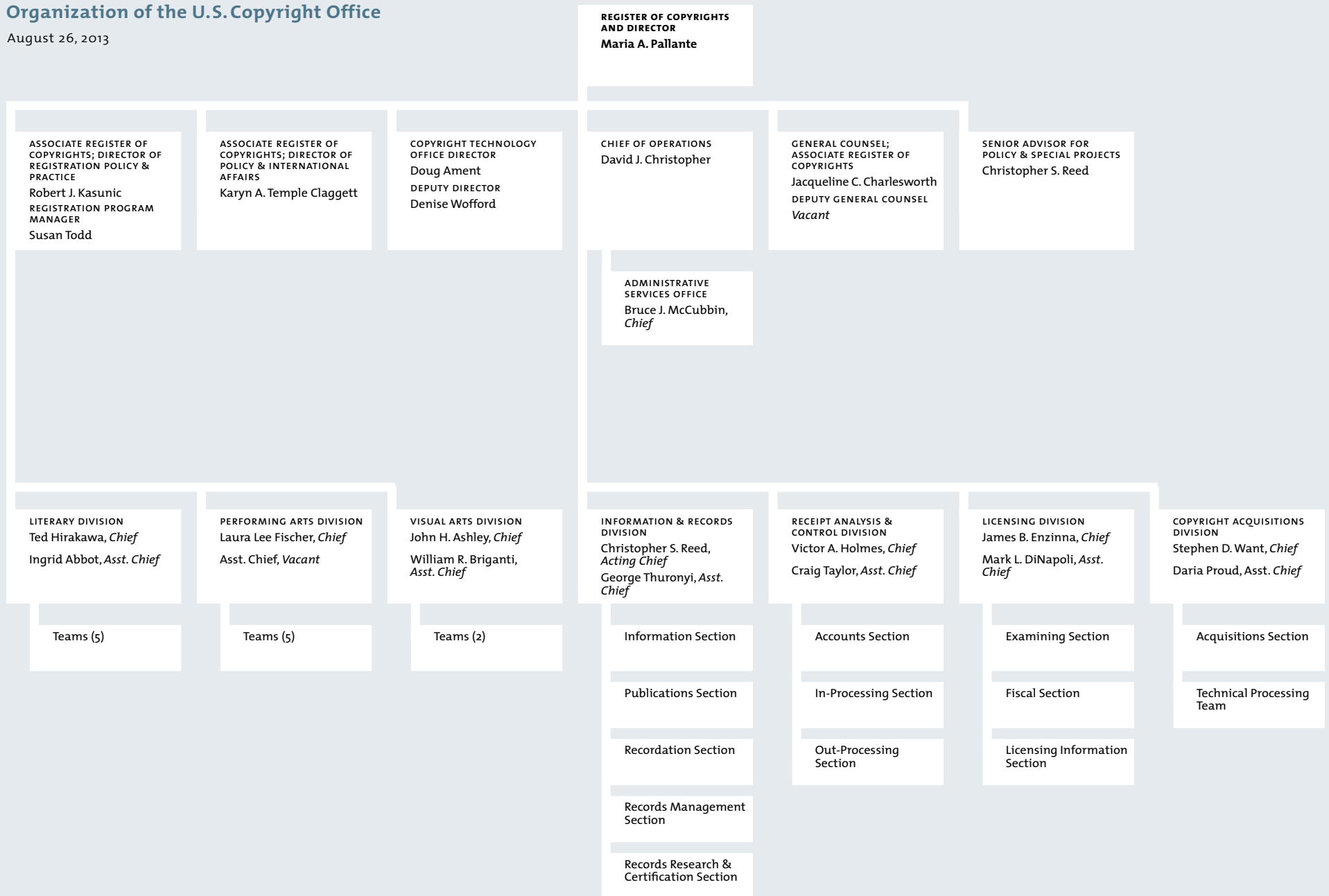
Funding

About 65 percent of the Copyright Office’s annual budget comes from fees for services, collected by the Office on a partial cost-recovery basis. Each year, Congress determines what portion of the Office’s income the Office can spend or reinvest. The Office receives the remainder of its funding from federal appropriations.

The Office’s total basic appropriation for fiscal 2013 was \$44.2 million; it derived from two revenue sources: net appropriations from the U.S. Treasury in the amount of \$15.5 million and authority to spend user fees and prior-year reserves in the amount of \$28.7 million. The Office’s Licensing Division was fully funded from user fees withdrawn from royalty pools in the amount of \$5.1 million.

Organization of the U.S. Copyright Office

August 26, 2013



Registrations, 1790–2013

<i>Date</i>	<i>Total</i>	<i>Date</i>	<i>Total</i>	<i>Date</i>	<i>Total</i>	<i>Date</i>	<i>Total</i>	<i>Date</i>	<i>Total</i>
1790–1869	150,000 ¹	1900	95,573	1931	167,107	1962	254,776	1992	606,253
1870	5,600	1901	93,299	1932	153,710	1963	264,845	1993	604,894
1871	12,688	1902	93,891	1933	139,361	1964	278,987	1994	530,332
1872	14,164	1903	99,122	1934	141,217	1965	293,617	1995	609,195
1873	15,352	1904	104,431	1935	144,439	1966	286,866	1996	550,422
1874	16,283	1905	114,747	1936	159,268	1967	294,406	1997	569,226
1875	16,194	1906	118,799	1937	156,930	1968	303,451	1998	558,645
1876	15,392	1907	124,814	1938	168,663	1969	301,258	1999	594,501
1877	16,082	1908	120,657	1939	175,450	1970	316,466	2000	515,612
1878	16,290	1909	121,141	1940	179,467	1971	329,696	2001	601,659
1879	18,528	1910	109,309	1941	180,647	1972	344,574	2002	521,041
1880	20,993	1911	115,955	1942	182,232	1973	353,648	2003	534,122
1881	21,256	1912	121,824	1943	160,789	1974	372,832	2004	661,469
1882	23,141	1913	120,413	1944	169,269	1975	401,274	2005	531,720
1883	25,892	1914	124,213	1945	178,848	1976	410,969 ²	2006	520,906
1884	27,727	1915	116,276	1946	202,144	1976	108,762 ²	2007	526,378
1885	28,748	1916	117,202	1947	230,215	1977	452,702	2008	232,907 ⁵
1886	31,638	1917	112,561	1948	238,121	1978	331,942	2009	382,086
1887	35,467	1918	107,436	1949	201,190	1979	429,004	2010	636,527
1888	38,907	1919	113,771	1950	210,564	1980	464,743	2011	670,044
1889	41,297	1920	127,342	1951	200,354	1981	471,178	2012	509,112
1890	43,098	1921	136,765	1952	203,705	1982	468,149	2013	496,599
1891	49,197	1922	140,734	1953	218,506	1983	488,256	Total	35,966,772
1892	54,741	1923	151,087	1954	222,665	1984	502,628		
1893	58,957	1924	164,710	1955	224,732	1985	540,081 ³		
1894	62,764	1925	167,863	1956	224,908	1986	561,208 ³		
1895	67,578	1926	180,179	1957	225,807	1987	582,239 ³		
1896	72,482	1927	186,856	1958	238,935	1988	565,801		
1897	75,035	1928	196,715	1959	241,735	1989	619,543 ⁴		
1898	75,634	1929	164,666	1960	243,926	1990	643,602		
1899	81,416	1930	175,125	1961	247,014	1991	663,684		

1 Estimated registrations made in the offices of the clerks of the district courts (Source: Pamphlet entitled *Records in the Copyright Office Deposited by the United States District Courts Covering the Period 1790–1870*, by Martin A. Roberts, Chief Assistant Librarian, Library of Congress, 1939).

2 Registrations made July 1, 1976, through September 30, 1976, reported separately owing to the statutory change making the fiscal years run from October 1 through September 30 instead of July 1 through June 30.

3 The totals for 1985–87 were corrected as of the fiscal 2004 annual report to include mask works registrations.

4 The total for 1989 was corrected as of the fiscal 2004 annual report to be consistent with the fiscal 1989 table of “Number of Registrations by Subject Matter.”

5 Implementation of reengineering resulted in a larger than normal number of claims in process, temporarily reducing the total claims completed and registered.

Number of Registrations by Subject Matter, Fiscal 2013

<i>Category of Material</i>	<i>Published</i>	<i>Unpublished</i>	<i>Total</i>
Nondramatic literary works:			
<i>Monographs and computer-related works</i>	136,173	44,442	180,615
Serials:			
<i>Serials (nongroup)</i>	37,160	–	37,160
<i>Group daily newspapers</i>	5,977	–	5,977
<i>Group serials</i>	1,043	–	1,043
Total Literary Works	180,353	44,442	224,795
Works of the performing arts, including musical works, dramatic works, choreography and pantomimes, and motion pictures and filmstrips	57,764	58,338	116,102
Works of the visual arts, including two-dimensional works of fine and graphic art, sculptural works, technical drawings and models, photographs, cartographic works, commercial prints and labels, and works of applied arts	47,521	35,359	82,880
Sound recordings	23,414	48,963	72,377
Total Basic Registrations	309,052	187,102	496,154
Renewals	154		154
Mask work registrations	279		279
Vessel design registrations	12		12
Grand Total All Registrations			496,599
Preregistrations			764
Documents Recorded			9,672



Deposits of literary works await processing.

APPENDICES

Financial information published in this table is unaudited.

Fee Receipts and Interest, Fiscal 2013

<i>Fees</i>	<i>Receipts Recorded¹</i>
Copyright registration	\$21,298,856
Mask works registration	\$110,240
Vessel design registration	\$10,300
Renewal registration	\$16,885
Subtotal	\$21,436,281
<hr/>	
Recordation of documents	\$3,451,019
Certifications	\$482,960
Searches	\$55,380
Special handling/expedited services	\$1,652,480
Preregistrations	\$99,015
Other services	\$413,159
Subtotal	\$6,154,013
<hr/>	
Total Receipts Recorded	\$27,590,294
<hr/>	
Fee Receipts Applied to the Appropriation	\$27,715,541
Interest Earned on Deposit Accounts	\$4,091
Fee Receipts and Interest Applied to the Appropriation²	\$27,719,632

¹ "Receipts Recorded" are fee receipts entered into the Copyright Office's systems.

² "Fee Receipts and Interest Applied to the Appropriation" are income from fees and deposit account interest that were fully cleared for deposit to the Copyright Office appropriation account within the fiscal year. The amount of "Fee Receipts Applied to the Appropriation" during the fiscal year does not equal the "Total Receipts Recorded," because some receipts recorded at the end of a year are applied in the next fiscal year.

Estimated Value of Materials Transferred to the Library of Congress, Fiscal 2013

	<i>Registered works transferred to other Library departments</i>	<i>Nonregistered works transferred to other Library departments</i>	<i>Total works transferred to other Library departments</i>	<i>Average unit price</i>	<i>Total value of works transferred to other Library departments</i>
Books^{1,2}	179,589	107,451	287,040		\$13,719,648
Hardbound	84,955	24,711	109,666	\$90.50	\$9,924,773
Softbound	72,823	18,109	90,932	\$36.98	\$3,362,665
eBooks (ProQuest)	21,811	64,631	86,442	\$5.00	\$432,210
Serials^{1,3}	75,341	220,008	295,349		\$9,803,373
Periodicals ⁴	75,331	190,311	265,642	\$49.76	\$9,252,842
Newspapers ¹	10	27,463	27,473	\$1.50	\$28,847
eSerials	0	2,234	2,234	\$233.52	\$521,684
Microforms	316	3,902	4,218		\$632,126
Microfilm	312	3,902	4,214	\$150.00	\$632,100
Microfiche	4	0	4	\$6.55	\$26
Motion pictures	9,231	5	9,236		\$4,612,875
Film—35mm/70mm/IMAX ^{®1}	293	4	297	\$12,272.42	\$3,644,909
Film—16mm	1	0	1	\$1,500.00	\$1,500
Videotape	8,937	1	8,938	\$108.13	\$966,466
CD/DVDs	39,758	1,413	41,171	\$25.00	\$1,029,275
Printed music	2,831	836	3,667	\$58.01	\$212,723
Maps	359	135	494	\$45.32	\$22,388
Prints, posters, photographs, and works of art	480	68	548	\$36.84	\$20,188
Total	307,905	333,818	641,723		\$30,052,596

1 As of 2010, categories were changed to match format codes in the Copyright Office's eCO system. "Newspapers" and "Film-35mm/70mm/MAX" that year showed substantially fewer works than in previous years where an arithmetical calculation was used. Books and serials showed an increase, partly due to counting published "Dramas" under "Books," as well as increased productivity.

2 60 percent of "Books" are selected for the collections; 40 percent are used for the Library's exchange program.

3 In the "Serials" category, 70 percent of periodicals and newspapers are selected for the collections; 100 percent of electronic serials are selected.

4 The figure for nonregistered "Periodicals" includes: (1) an estimate based on average loads in hampers delivered to Library processing and custodial divisions and (2) a count of serials issues checked in through the Copyright Acquisitions Division. For the estimated portion, there was an earlier change in physical method of delivery, which decreased the average amount per hamper. The figures above reflect a reasonable estimate of current receipts per hamper and will be reviewed on a regular basis.

Nonfee Information Services to Public, Fiscal 2013

Information and Records Division Direct Reference Services

In person	8,504
By correspondence	12,455
By email	33,750
By telephone	87,474
Total	142,183

Office of the General Counsel Direct Reference Services

By correspondence	79
By telephone	77
Total	156

Receipt Analysis and Control Division Services

By correspondence	14,444
By email	13,799
By telephone	10,140
Total	38,383

Licensing Division Direct Reference Services

By correspondence or email	505
By telephone	1,659
Total	2,164

Acquisition Division Direct Reference Services

By correspondence or email	230
By telephone	60
Total	290

eCO Service Help Desk

By email	16,741
By telephone	55,161
Total	71,902

Grand Total Direct Reference Services **255,078**



Copyright Office staff (seated) answer questions about copyright at a training seminar for teachers, June 18, 2013.

APPENDICES

Financial information published in this table is unaudited.

Financial Statement of Royalty Fees for Compulsory Licenses for Secondary Transmission by Cable Systems for Calendar Year 2012

Royalty fees deposited	\$223,295,097.82
Interest income	\$247,132.18
Gain on matured securities	\$10,169.01
Transfers in	\$2,485.91
Copyright Royalty Judges' filing fees	\$300.00
Total	\$223,555,184.92

Less:	
Licensing operating costs	\$3,084,925.63
Estimated operating costs	\$1,506,400.50
Refunds issued	\$393,321.37
Cost of investments	\$218,323,645.50
Cost of initial investments	\$(9,677.18)
Copyright Royalty Judges' operating costs	\$5,614.40
Estimated operating costs	\$63,800.00
Copyright Royalty Judges' Filing Fees	\$300.00
Transfers out	\$81,271.26
Total	\$223,449,601.48

Balance as of September 30, 2013	\$105,583.44
Plus: Face amount of securities due	\$218,327,927.72

Cable Royalty Fees for Calendar Year 2012 Available for Distribution by the Library of Congress	\$218,433,511.16
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APPENDICES

Financial information published in this table is unaudited.

Financial Statement of Royalty Fees for Statutory Obligations for Distribution of Digital Audio Recording Equipment and Media for Calendar Year 2012

Royalty fees deposited	\$1,922,396.27
Interest income	\$8,360.08
Gain on matured securities	\$184.20
Transfers in	\$42,147.99
Total	\$2,043,088.54

Less:	
Licensing operating costs	\$158,914.37
Estimated operating costs	\$77,599.50
Cost of investments	\$1,287,803.99
Cost of initial investments	\$7,122.85
Copyright Royalty Judge operating costs	\$31.33
Estimated operating costs	\$356.00
Distribution of fees	\$505,896.10
Transfers out	\$0.00
Total	\$2,037,724.14

Balance as of September 30, 2013	\$5,364.40
Plus: Face amount of securities due	\$1,287,834.04

Audio Home Recording Act Royalty Fees for Calendar Year 2012 Available for Distribution by the Library of Congress	\$1,293,198.44
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APPENDICES

Financial information published in this table is unaudited.

Financial Statement of Royalty Fees for Statutory Licenses for Secondary Transmission by Satellite Carriers for Calendar Year 2012

Royalty fees deposited	\$87,460,376.54
Interest income	\$323,224.35
Gain on matured securities	\$896.76
Total	\$87,784,497.65

Less:	
Licensing operating costs	\$135,160.00
Estimated operating costs	\$66,000.00
Cost of investments	\$87,313,213.05
Cost of initial investments	\$223,068.13
Copyright Royalty Judge Operating Costs	\$3,154.27
Estimated operating costs	\$35,844.00
Transfer out	\$300.00
Total	\$87,776,739.45

Balance as of September 30, 2013	\$7,758.20
Plus: Face amount of securities due	\$87,315,250.11

Satellite Carrier Royalty Fees for Calendar Year 2012	
Available for Distribution by the Library of Congress	\$87,323,008.31

Copyright Office Contact Information

U. S. COPYRIGHT OFFICE

Library of Congress
Copyright Office—COPUBS
101 Independence Avenue, SE
Washington, DC 20559

WEBSITE

www.copyright.gov

Public Information Office · (202) 707-3000 or 1-877-476-0778 (toll free)

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