

2017 Fee Study Report

Prepared exclusively for US Copyright Office

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EXECUTIVE SUMMARY

The U.S. Copyright Office (Office) charges several fees for copyright registration, recordation, licensing, and other services to support its mission “to administer the Nation’s copyright laws for the advancement of the public good; to offer services and support to authors and users of creative works; and to provide expert impartial assistance to Congress, the courts, and executive branch agencies on questions of copyright law and policy.”¹ The Office routinely reviews these fees about every three years.

Booz Allen conducted a study of the Office’s most recent fee structure to help the Office financially prepare for upcoming information technology (IT) modernization expenses which the Office has deemed necessary for it to continue providing copyright services. We recommend fee adjustments that meet the Office’s goals of maintaining the nation’s copyright system while recouping approximately 60% of expenditures through fees. The targeted cost recovery rate of 60% was based on historical percentages, our independent analysis of the Office’s fee-setting structure, and the Office’s guidance.² Booz Allen has prepared this analysis and proposed fee schedule pursuant to Section 708 of Title 17, which governs the Office’s legal authority to establish, adjust, and recover fees for services provided to the public under the Copyright Act.^{3,4}

The Booz Allen team used an activity based costing model (ABC) to assess the Office’s most recent fee schedule. In line with industry best practices, the ABC model used overhead, compensation, and volume as primary cost drivers to generate a refined cost structure. Price elasticity and cost recovery requirements were also accounted for within the model. To determine price elasticity, we conducted an independent analysis and validated our findings by referencing data from trademark studies in Europe, U.S. copyright research by the University of Chicago Law Review, and fee setting studies by the United States Patent and Trademark Office (USPTO). Moreover, we used the following data points as inputs for the model:

- Fiscal 2017 salary data
- Fiscal 2016 volume data
- Fiscal 2016 budget spend data
- Employee estimates of time spent performing fee-related tasks

The ABC model’s calculations resulted in a total cost per transaction value. To determine an appropriate fee, we then adjusted this value to account for external considerations such as the public importance of registration and recordation, the copyright owners’ access to legal protections, and the provision of materials to the Library of Congress (Library).⁵

Based on our analysis of the Office’s data, Booz Allen recommends a weighted average increase of 38% to existing fees within the Office’s service categories: registrations, recordation, licensing, optional services, and other service fees. These increases are

¹ “Mission Statement of the U.S. Copyright Office,” Overview of the Copyright Office, U.S. Copyright Office, updated 2017 <https://www.copyright.gov/about/>.

² U.S. Copyright Office, *Fiscal 2018 Budget Request*. (Washington, DC: U.S. Copyright Office, 2017), 3. The Office’s revenues have ranged from 58% to 67% of costs in recent years.

³ 17 U.S.C. § 708.

⁴ “Copyright Law of the United States and Related Laws Contained in Title 17 of the United States Code,” Copyright Law of the United States (Title 17), U.S. Copyright Office, updated December 2016, <https://www.copyright.gov/title17/>.

⁵ U.S. Copyright Office, *Fee Study – Policy Considerations*. (Washington, DC: U.S. Copyright Office, September 2017), 1-2.

recommended to help the Office achieve maximum cost recovery while promoting use of the copyright system. At the request of the Office, Booz Allen has also proposed ten new fees and a surcharge for certain paper registrations. Some of these new fees are not currently being performed or tracked, so we did not have the volume data necessary to apply the same ABC methodology. In those cases, we calculated a cost per minute multiplier and applied it against the total time required to perform each service. This is consistent with past fee studies conducted by the Office when volume data was unavailable, and is advised by Booz Allen to achieve the Office’s goals of balancing cost recovery and encouraging registration.

Consistent with our Excel-based ABC model of fee assessments and proposed adjustments, this document outlines our justifications for increasing fees to achieve targeted cost recovery while maintaining the copyright system’s vitality. Further, the information contained in this document will be used as a basis for our recommendations to improve the Office’s processes for collecting, monitoring, and analyzing fee data for greater efficiency in the future.

1 INTRODUCTION

1.1 Budget Background

Booz Allen analyzed the Office’s, annual operating budget, which funds the Office’s core operations and payroll-related expenses. Budget funds come from two sources: 1) Congressional appropriations, and 2) fees collected from the public to obtain Office services. The budget primarily consists of collected fees, with revenues ranging from 58% to 67% of costs in recent years.⁶ There is a separate budget for the licensing division, in which deductions from collected royalties fund the Office’s costs of administering royalty payments.⁷ For the purposes of this fee study, Booz Allen focused on the Office’s basic budget and licensing budget.

Data from fiscal 2016 shows that total revenue from user fees made up about \$36 million, or 60%, of the budget.⁸ The remaining 40% consisted of net appropriations from the U.S. Treasury.⁹ Booz Allen recognizes that full cost recovery from fees would contradict, and in some cases, prohibit, the Office’s mission of administering copyrights for the advancement of the public good.¹⁰ Therefore, Booz Allen recommends an adjusted fee structure to maintain that collected fees make up about 60% of the Office’s funding; a cost recovery rate within the range of those in the recent past and in line with the Office’s guidance.¹¹

1.2 Fee Types and Adjustments

Section 708(a) of the Copyright Act (Act) states that “fees shall be paid to the Register of Copyrights” for the following services:

⁶ U.S. Copyright Office, *Fiscal 2018 Budget Request*. (Washington, DC: U.S. Copyright Office, 2017), 3.

⁷ *Ibid.*, pg. 3. There is also a copyright royalty judges’ budget used to fund the Copyright Royalty Board on behalf of the Library of Congress, but it was not included in this fee study.

⁸ U.S. Copyright Office, *2016 Annual Report*. (Washington, DC: U.S. Copyright Office, 2016), 18.

⁹ *Ibid.*, pg. 18.

¹⁰ U.S. Copyright Office, *Fee Study – Policy Considerations*. (Washington, DC: U.S. Copyright Office, September 2017), 1-2.

¹¹ U.S. Copyright Office, *Fiscal 2018 Budget Request*. (Washington, DC: U.S. Copyright Office, 2017), 3.

- 1) Filing an application for either registration or supplementary registration of a copyright claim, including the issuance of a certificate of registration if registration is made;
- 2) Filing an application for registration of a claim for renewal of a subsisting copyright, including the issuance of a certificate of registration if registration is made;
- 3) Issuing a receipt for a deposit;
- 4) Recording a transfer of copyright ownership or other document;
- 5) Filing a “Notice of Intent” to obtain a compulsory license;
- 6) Recording a statement revealing the identity of an anonymous or pseudonymous work’s author, or recording a statement relating to the death of an author;
- 7) Issuing an additional certificate of registration;
- 8) Issuing any other certification;
- 9) Making and reporting of a search or any related services;
- 10) Filing a statement of account based on secondary transmissions of primary transmissions pursuant to section 119 or 122; and
- 11) Filing a statement of account based on secondary transmissions of primary transmissions pursuant to section 111.

The Act also authorizes the Register to fix fees for other services, such as making copies of Office records, based on the cost of providing the service.¹²

Section 708 discusses two ways to set fees. The Office proposes fees for its registration and recordation services – listed as services 1) through 9) above – to Congress 120 days in advance of their intended effect date. These fees must receive Congressional approval.¹³ Other fees – including services 10), 11), and other miscellaneous Office services – do not require approval from Congress; they are established by the Register of Copyrights.¹⁴

Prior to adjusting any fees for the services listed in section 708(a)(1) through (9), the Register is required to analyze the Office’s costs for performing services and how the Office will use fee revenue within its budget. The Office has continually reviewed its schedule of fees every three years since 1997, but changes to the fee schedule are not necessarily enacted as often.¹⁵ The Office enlisted Booz Allen to analyze and recommend adjustments to the most recent fee schedule, which was evaluated for changes in 2011 and then enacted in 2014. Section 708(b) requires that fee adjustments for these services must not exceed the amount necessary to cover

¹² 17 U.S.C. § 708(a).

¹³ 17 U.S.C. § 708(b).

¹⁴ Satellite Television Extension and Localism Act of 2010, Pub. L. No. 111-175, 124 Stat. (2010). This was established by STELA, enacted in 2010 to authorize the Office to charge fees for processing cable and satellite statements of account. STELA fees are based on the costs of processing cable and satellite filings, as well as input from public comments.

¹⁵ General Accounting Office, *Intellectual Property: Fees Are Not Always Commensurate with the Costs of Services, 1997*. Prior to 1997, copyright fees were the lowest and simplest of all federal intellectual property fees. They were one-time, upfront fees charged regardless of entity size, quality of application, or type of copyright. Thus, fees were insufficient to recover expenditures for copyright services. Consequently, the Office received most of its budget from Congressional appropriations. With the Office’s support and GAO’s evidence of these cost recovery shortfalls, efforts ensued to increase fees.

reasonable costs incurred by the Office, plus a reasonable inflation adjustment. In addition, fees must be fair, equitable, and in the best interest of the national copyright system’s objectives.¹⁶ Booz Allen used these guidelines to determine suggested fee changes.

2 FEE SETTING OBJECTIVES

OVERVIEW

Booz Allen understands that the fee-setting process accounts for factors beyond fiscal considerations. When adjusting fee structures, the Office must consider factors such as the legal protections available to copyright owners, the potential contributions to the Library of Congress, and the public importance of registration and recordation services.¹⁷ The Office aims to set fees at a level that will allow for significant recuperation of costs while maintaining an accurate and extensive system of copyright records and Library materials.¹⁸ Furthermore, inputs for Booz Allen’s ABC model included fiscal 2017 salary data, fiscal 2016 volume data, fiscal 2016 budget spend data, as well as employee estimates of time spent per day performing each fee-related task. As noted, apart from salary data, inputs for the ABC model generally stem from fiscal 2016. We understand that the Office subsequently engaged in a variety of regulatory reforms that are projected to increase the efficiency of various registration, recordation, or licensing activities. The Office has issued multiple final rules during fiscal 2017 and initiated a number of additional rulemakings that are likely to be completed during the time these fees are in effect.¹⁹ In addition, the Office will shortly implement upgrades to its registration portal user interface, such as instructions relating to the single application, that it anticipates will improve the efficiency of those registration activities. Because the ABC model is necessarily based on retrospective data, Booz Allen understands that the Office may choose to make adjustments to the cost-based fee recommendations to account for predicted changes in activity efficiency.

2.1 Value of Copyright Registration and Recordation

The Office has a demonstrated history of promoting creativity by protecting intellectual property rights. In fiscal 2016, the Office processed over 469,000 claims for copyright registration and recorded nearly 11,000 documents.²⁰ Because of the copyright registration system, the Library of Congress can collect books, movies, and other items it would otherwise have to purchase. The Office’s registration and recordation systems make up the world’s largest record of copyrighted works – an invaluable record of American history and culture.²¹ The Office collected almost \$30 million through copyright registration fees and transferred \$35.6

¹⁶ 17 U.S.C. § 708(b)(4).

¹⁷ U.S. Copyright Office, *Fee Study – Policy Considerations*. (Washington, DC: U.S. Copyright Office, September 2017), 1-2.

¹⁸ U.S. Copyright Office, *Proposed Schedule and Analysis of Copyright Fees to go Into Effect on or About April 1, 2014*. (Washington, DC: 2013), 5.

¹⁹ See, e.g., Group Registration of Contributions to Periodicals, 82 Fed. Reg. 29,410 (June 29, 2017) (final rule); Supplementary Registration, 82 Fed. Reg. 27,424 (June 15, 2017) (final rule) Authentication of Electronic Signatures on Electronically Filed Statements of Account, 82 Fed. Reg. 22,884 (May 19, 2017) (final rule); Modernizing Document Recordation, 82 Fed. Reg. 52,213 (Nov. 13, 2017) (interim rule); Secure Tests, 82 Fed. Reg. 26,859 (June 12, 2017) (interim rule); Group Registration of Photographs, 81 Fed. Reg. 86,643 (Dec. 1, 2016) (notice of proposed rulemaking or “NPRM”); Simplifying Deposit Requirements for Certain Literary Works and Musical Compositions, 82 Fed. Reg. 38,859 (Aug. 16, 2017) (NPRM); Group Registration of Unpublished Works, 82 Fed. Reg. 47,415 (Oct. 12, 2017) (NPRM); Group Registration of Newspapers, 82 Fed. Reg. 51,369 (Nov. 6, 2017) (NPRM).

²⁰ U.S. Copyright Office, *2016 Annual Report*. (Washington, DC: U.S. Copyright Office, 2016), 14.

²¹ *Ibid.*

million in materials to the Library in fiscal 2016.^{22,23} Without the copyright system, the Library would have had to purchase these millions of dollars' worth of material on their own. Thus, the copyright registration system directly contributes to the world's largest, unparalleled collection of cultural materials.

Moreover, the Office's public record of copyright ownership and status is critical to facilitating marketplace transactions and encouraging innovation and creativity. Although copyright registration is not a necessary condition for copyright protection under U.S. law, owners of U.S. works must have either a registered copyright or a letter refusing registration to bring infringement lawsuits in federal court and to obtain statutory damages in infringement actions.²⁴ Additionally, recordation of copyright transfers is critical to maintaining a public record of copyright ownership.²⁵ Thus, the voluntary nature of the copyright system does not diminish the indispensable benefits that copyright registration and recordation provide to those who wish to protect their rights and creations.

Booz Allen recognizes that the Office's users range from large corporations to independent creators and thus have varying budgets for protecting their works. Large corporations obviously provide extensive contributions to the Office's revenues, but independent creators also play a significant role in fueling the nation's economy and contributing to the Library of Congress's collections.²⁶ Since copyright registration and recordation are voluntary acts, fees must be affordable to encourage all creators, large and small, to register and record their works.²⁷

For these reasons, participation in the copyright system is an important economic objective for the United States.

2.2 Cost Efficiencies and Recovery

Copyright registrations and associated transactions provide a significant contribution to the U.S. economy. In 2015, core copyright industries added over \$1.2 trillion to the U.S. gross domestic product (GDP), or approximately 7% of the economy.²⁸ Given the Office's impact and status as a federal agency, Booz Allen aims to make recommendations to collect fees from the public with integrity and fiscal responsibility. Section 708(b) of the Copyright Act states the Register of Copyrights may not change fees to more than what will cover necessary costs incurred by the Office for its services plus a reasonable inflation adjustment.²⁹

When determining what proportion of a program fee should be funded by either fees or general funding, the Government Accountability Office (GAO) recommends considering the extent to which the program benefits the public and the user, in addition to the cost of providing those benefits.³⁰ These considerations are part of GAO's recommended beneficiary-pays principle for setting fees, which the Booz Allen team accounted for when making our recommendations. The beneficiary-pays principle improves

²² Ibid., pg. 18.

²³ U.S. Library of Congress, *Library of Congress Fiscal 2018 Budget Justification*. (Washington, DC: U.S. Library of Congress, 2017), 175.

²⁴ 17 U. S. C. § 411(a).

²⁵ U.S. Copyright Office, *Fee Study – Policy Considerations*. (Washington, DC: U.S. Copyright Office, September 2017), 1-2.

²⁶ U.S. Copyright Office, *Fee Study – Policy Considerations*. (Washington, DC: U.S. Copyright Office, September 2017), 1-2.

²⁷ Ibid.

²⁸ Stephen E. Siwek, *Copyright Industries in the U.S. Economy: The 2016 Report*. (Washington, DC: International Intellectual Property Alliance, 2016).

²⁹ 17 U. S. C. § 708(b).

³⁰ Government Accountability Office, *Federal User Fees: A Design Guide*. (Washington, DC: U.S. Government Accountability Office, 2008), 7.

economic efficiency by allowing users to adjust their use of a service based on its costs and benefits.³¹ According to the principle, setting fees too high would discourage users, but setting fees too low would induce overuse of resources and services. In the case of copyrights, raising fees would discourage users from registering their works, but there would be few risks associated with lowering fees. Setting fees too low may result in increased pendency times, needs to increase Office resources, and taxpayer over subsidizing the copyright function. Therefore, Booz Allen’s analysis aimed to balance value to the users, value to the public, and intended cost recovery when calculating fee adjustment recommendations.

Booz Allen acknowledges that complete cost recovery would diminish demand for copyrights and inhibit the Office’s mission of maintaining a robust repository of public works, so targeted cost recovery must be significantly short of 100%. Per the Office’s guidance, we set a target cost recovery rate of 60%.

3 FEE SETTING METHODOLOGY

To assist the Library of Congress in adjusting the U.S. Copyright Office’s fee structures, Booz Allen used an activity-based costing (ABC) model. Use of the ABC model is in line with industry best practices and recommendations from both the Federal Accounting Standards Advisory Board and the Government Finance Officers Association.^{32, 33} The model provides a holistic overview of the Office’s direct and indirect costs associated with each of the services reviewed in the study. Thus, the model aids decision making by providing a better understanding of cost drivers and process inefficiencies.

Booz Allen’s ABC model is Excel-based and uses three main cost drivers to generate a refined cost structure: 1) overhead; 2) compensation; and 3) volume. The overhead driver represents the Office’s dollars spent on indirect costs such as office leadership labor and technology costs. The compensation driver represents direct costs by combining employee compensation, benefits, and hours spent on certain activities. Lastly, the volume driver represents the total number of work claims, submissions, and other claims received by the Office. All three of these drivers work together to determine the correct allocation of direct and indirect costs.

The ABC model’s calculations resulted in cost per transaction. The team determined cost by combining each activity’s allocated cost, associated indirect cost, and proportional IT modernization cost to compute the total cost for each activity. Office-level indirect costs were allocated to each of the service providing departments based on head count and then further allocated to each fee based on volume. Per the strategy plan for IT modernization provided to us by the Office, the forecasted IT modernization costs were deemed by the Office as necessary for it to continue providing copyright services. Therefore, IT modernization costs were included at 50% for each fee based on volume. However, the Office continues to review that ratio and may determine that adjustments are required. The total cost for each activity was then divided by the volume of the transaction, resulting in the cost per transaction of each service. The cost per transaction value was then adjusted to account for external considerations, such as guidance from the

³¹ Ibid.

³² “SFFAS 4, Managerial Cost Accounting Concepts and Standards,” Federal Accounting Standards Advisory Board, updated June 2017, http://files.fasab.gov/pdf/files/handbook_sffas_4.pdf.

³³ “Establishing Government Charges and Fees,” Government Finance Officers Association, updated 2017, <http://www.gfoa.org/establishing-government-charges-and-fees>.

copyright office and impact to the overall copyright mission. We understand that the Office’s registration backlog is growing, so our model assumes that labor forces are working at full capacity.

In some cases, however, volume data provided was insufficient for the ABC model to fully account for cost. For fees in which volume data was incomplete, we calculated a cost per minute rate and multiplied it by the total number of minutes required on average to perform the service. In other cases, fees were proposed for services that are not currently provided or tracked by the Office. In these cases, we used proxy volume data or estimates by the Office, and overhead was allocated by rates calculated using existing data. This is in line with the methodology used in previous one-off analyses of specific fees performed by the Office.

Considerations for cost recovery percentage were also accounted for in the model. For example, a Copyright Office mandate prohibits the Office’s licensing division from establishing certain fees that exceed 50% of certain costs associated with the administration of statutory licensing provisions.³⁴

4 PRICE ELASTICITY

OVERVIEW

The model also accounted for price elasticity of demand, the level of sensitivity that applicants hold toward changes in user fees. Price elasticity is calculated as percent change in quantity demanded (Q) divided by percent change in price of the user fee (P). Demand is considered inelastic when there is little or no change in quantity relative to price. In turn, demand is elastic when there is a greater change in quantity relative to price. Elasticity is also broken into short-run and long-run elasticity. Short-run refers to instantaneous changes; long-run refers to a period long enough for all stakeholders to fully implement changes. As such, long-run elasticity is generally greater than short-run elasticity. The purpose of calculating elasticity is to estimate the impact of price changes on revenues.

The Office provided data on which fees were deemed elastic and which were deemed inelastic. The vast majority of the Office’s revenue, 85%, is generated from fees deemed elastic. We calculated an elasticity measure of -0.32 for elastic fees, such as basic registrations, and a measure of -0.16 for inelastic fees, such as an expedited report. In other words, each price increase of 10% decreases demand by 3.2% or 1.6%, respectively. For example, raising the fee for recordation of a document from \$105 to \$125 would lead to a projected decrease of 662 documents recorded, a decline of 6%. We calculated the elasticity rate based on our independent analysis and verified them with data from the following sources: economic research on European trademarks, literature from the University of Chicago Law Review, and studies conducted by the U.S. Patent and Trademark Office (USPTO) regarding voluntary USPTO fees.

³⁴ 17 U.S.C. § 708(a)(10)-(11)

4.1 Booz Allen Analysis

The Booz Allen team performed our own elasticity analysis using data on registration volume, fee revenue, and fee changes from 1986 to 2016. We obtained this data from annual reports published by the Office and used it to compute the average cost per registration. We then adjusted this value for inflation using figures published by the Bureau of Labor Statistics.³⁵ Using the inflation adjusted price (P) as the independent variable and the quantity of registrations demanded (Q) as the dependent variable, we ran the following regression.

$$Q = \beta_0 + \beta_P P + \varepsilon^*$$

We calculated elasticity (denoted n_{QP}) using the following formula.³⁶

$$\begin{aligned} n_{QP} &= \left(\frac{\partial Q / Q}{\partial P / P} \right) = \left(\frac{\partial Q}{\partial P} \right) \left(\frac{P}{Q} \right) = \frac{\% \text{Change } Q}{\% \text{Change } P} \\ \left(\frac{\partial Q}{\partial P} \right) &= \beta_P & \left(\frac{P}{Q} \right) &= \frac{P}{\beta_0 + \beta_P P} \\ \Rightarrow n_{QP} &= \frac{\beta_P P}{\beta_0 + \beta_P P} \end{aligned}$$

Solving for n_{QP} , we found a noticeable trend. As the real price of registrations went up, elasticity increased. This is in line with economic theory which states that price elasticity is different on each point of the demand curve, increasing when a lesser quantity is demanded. Given that real price has consistently increased in the last 30 years, the elasticity measure has also increased, ranging from -0.13 in 1986 to -0.37 in 2016. To estimate elasticity going forward, we used a rolling ten-year average, which resulted in a measure of -0.32 for the current year's projection. For fees deemed inelastic, we used a conservative measure and cut our elasticity estimate in half, resulting in a figure of -0.16.

4.2 Validation

To validate the relevance of our elasticity measures, we referenced literature from the University of Chicago Law review, econometrics studies on European trademarks, and USPTO's fee setting report.

In 2003, The University of Chicago Law Review published an article debating the notion that economic efficiency requires that copyright protection be limited. They performed a regression analysis to estimate the impact of changes in fees on copyright registrations and renewals. Their analysis on copyright data, namely the fee price of registration from 1910 to 2000, determined an elasticity between -0.19 and -0.31. The authors concluded that even though copyright registrations are voluntary and small increases

³⁵ "Overview of BLS Statistics on Inflation and Prices," Bureau of Labor Statistics, updated December 16, 2013, <https://www.bls.gov/bls/inflation.htm>.

³⁶ H. Schultz, "A Comparison of Elasticities of Demand Obtained by Different Methods," *Econometrica* 1, no.3 (1933): 274-308.

in fees do deter owners from registering their works, there are sufficient advantages to copyright registration that motivate owners who believe their work bears commercial value.³⁷ Because of this, the University of Chicago’s research suggests that copyright demand is relatively inelastic.

In 2015, economists from the Swiss university Ecole Polytechnique Fédérale de Lausanne performed an econometric estimate of fee elasticity of demand for international trademarks submitted to the World Intellectual Property Organization (WIPO).³⁸ Using data from 42 countries that averaged over five trademark application submissions per month between 2004 and 2013, the researchers determined a short-run elasticity of -0.259 and a long-run elasticity of -0.311. Differences between short-run and long-run elasticity depend largely on alternatives for the consumer. In the case of trademarks, there are minor differences between short-run and long-run elasticity because there are few alternatives. This research indicates that trademark demand is inelastic.

When determining elasticity during its fee adjustment period, the USPTO calculated a long-run elasticity of -0.15 for its mandatory Filing/Search/Exam (FSE) fees. For voluntary fees such as excess claims fees, application size, surcharges, and extension of time fees, USPTO applied a universal short-run and long-run elasticity measure of -0.30.^{39, 40} Booz Allen recognizes that unlike the Office, USPTO is an entirely commercial entity and that their fees differ from the Office’s in many ways. The nature of USPTO’s voluntary fees and their corresponding elasticity factors are not entirely analogous to the nature of the Office’s fees. However, the USPTO’s elasticity measures do provide supporting validation to the Booz Allen team’s analysis.

Moreover, the elasticity measures used by the USPTO fall in the range found in the study from Ecole Polytechnique Fédérale and is not far from the range determined in the University of Chicago’s law review article. Although the law review found a lower range of elasticity measures, the Swiss study and our internal analysis used more current data sets than they did. Thus, we consider our internal calculations to be of greater relevance. These collective data points strengthen the reasoning behind our use of -0.32 as an elasticity measure in our forecast.

5 PROPOSED FEES

5.1 Schedule of Proposed Adjustments

Below is Figure 4-1, a chart representing the Office’s current fees and Booz Allen’s recommended adjusted fees.

Registration, Recordation and Other Services	Current Fee (\$)	Proposed New Fee (\$)
Registration of a standard or single author/single work claim in an original work of		

³⁷ Richard A. Posner and William M. Landes, “Indefinitely Renewable Copyright,” *The University of Chicago Law Review* 70, no.2 (Spring 2003): 471-518, http://chicagounbound.uchicago.edu/cgi/viewcontent.cgi?article=2550&context=journal_articles.

³⁸ Gaetan de Rassenfosse, “On the price elasticity of demand for trademarks,” *Institute for Technology and Public Policy Working Paper Series 1*, (November 2015): 1-6. http://cdm-it.epfl.ch/repec/iip-wpaper/manuscript_20150709.pdf.

³⁹ United States Patent and Trademark Office. *USPTO Section 10 Fee Setting – Description of Elasticity Estimates*. (Washington, DC: U.S. Patent and Trademark Office, 2014), 1-15.

⁴⁰ “Fees and Budgetary Issues,” America Invents Act, United States Patent and Trademark Office, updated October 23, 2014, <https://www.uspto.gov/patent/laws-and-regulations/america-invents-act-aia/fees-and-budgetary-issues>.

Registration, Recordation and Other Services	Current Fee (\$)	Proposed New Fee (\$)
authorship:		
Electronic filing:		
(i) Single author, same claimant, one work, not for hire	35	45
(ii) All other filings	55	75
Paper filing (Forms PA, SR, TX, VA, SE)	85	125
Group registration of serials (Form SE) (per issue, with minimum of 2 issues) (paper application)	25	70
Group registration of serials (per issue, with minimum of 2 issues) (electronic)	New Fee	35
Group registration of daily newspapers/newsletters (Form G/DN) (paper application)	80	125
Group registration of daily newsletters (electronic)	New Fee	95
Group registration of newspapers (GRNP) (electronic)	New Fee	95
Group registration of published photographs (GRPPH) (up to 750 published photographs)	65 paper/55 electronic	100
Group registration of updates and revisions to non-photographic databases (paper application only)	85	500
Group registration of updates and revisions to photographic databases	65 paper/55 electronic	250
Group registration of contributions to periodicals (GRCP)	85	85
Form RE	100	125
Addendum to Form RE (in addition to fee for claim)	100	100
Preregistration of certain unpublished works	140	200
Form CA (to correct or amplify a renewal registration, GATT registration, or a registration for a non-photographic database)(paper application)	130	150
Form DC (to correct a design registration)	100	100
Form D-VH (vessel designs)	400	500
Form GATT	85	100
Form MW (mask works)	120	140
Special handling fee (per claim)	800	1,000
Full-term retention of published copyright deposit	540	540
Examination fee for secure tests and items prepared for use in secure tests (per staff member per hour)	250	250
Handling extra copy for certification	50	50
First request for reconsideration (per claim)	250	350
Second request for reconsideration (per claim)	500	700
Recordation of document, including notice of intention to enforce (containing no more than 1 title) (paper)	105	125
Recordation of document (electronic)	New Fee	95
Recordation of notice of terminations	105	125
Additional titles (paper, per group of 10 or fewer titles)	35	60
Additional transfers (each)	New Fee	105
Special handling of recordation of documents	550	700
Retrieval of record	200	200

Registration, Recordation and Other Services	Current Fee (\$)	Proposed New Fee (\$)
Additional certificate	40	75
Media fee	Condensed Fee	12
Estimate of search fee (credited to search fee)	200	200
Search report (per hour, 2-hour minimum)	200	200
Expedited report	300	500
Form LS	New Fee	80
Certification of search report (per hour)	200	200
Receipt for deposit without registration (section 407 deposit)	30	30
Designation of agent under section 512(c)(2) to receive notification of claimed infringement or amendment or resubmission of agent	6	6
Notice to libraries and archives (each additional title \$20)	50	50
Service charge for Federal Express mailing	45	45
Service charge for delivery of documents via fax (per page, 7 pages maximum)	1	1
Initial request to remove requested PII from online catalog, per registration record	130	130
Reconsideration of denied requests to remove PII, flat fee	60	60
Overdraft of deposit account	250	285
Dishonored replenishment check for deposit account	100	500
Uncollectible or nonnegotiable check	30	115
Statement of account amendment (cable television systems, satellite carriers and digital audio recording devices or media, 17 USC 111, 119, and 1003)	150	150
Recordation of certain contracts by cable television systems located outside the 48 contiguous states	50	50
Notice of use of sound recordings under statutory license (17 USC 112 and 114)	40	50
Amendment of 17 USC 112 and 114 notice	40	40
Photocopy made by staff (b&w) (per page, minimum \$12)	1	1
Search report, per hour	200	200
Certification of search report	200	200
Statement of account 1 (paper/electronic)	15	15
Statement of account 2 (paper/electronic)	20	20
Statement of account 3 (paper/electronic)	725	725
Satellite statement of account	725	725
115 notices paper	75	125
115 notices electronic	75	125
115 additional titles (paper, group of 10)	20	50
Freedom of Information Act: Admin (per 15 minutes)	8	8
Freedom of Information Act: Professional (per 15 minutes)	15	15
Group registration of unpublished photographs (GRUPH) (up to 750 unpublished photographs)	New fee	100
Supplementary registration (for all other supplementary registrations except to correct or amplify a renewal registration, GATT registration, or a registration for a non-photographic database) (electronic)	New fee	100
Group registration of secure test items (GRSTQ) using Standard Application TX	New fee	75
Matching deposit ticket claims to unidentified claims (per half hour)	New fee	40

Registration, Recordation and Other Services	Current Fee (\$)	Proposed New Fee (\$)
Estimate development for reproduction of deposit	New fee	200
Electronic full-term retention	New fee	220
Requests for special relief from the deposit requirements	New fee	85
Voluntary cancellation	New fee	150

Figure 4-1: Schedule of Proposed Fee Adjustments

5.2 Recommendations

The following sections provide an overview of the recommended fee changes based on our analysis and computed cost per transaction. The sections are divided into the major fee categories: registrations, recordation, licensing, optional services, other service fees, and the proposed set of new fees. The methodology remains consistent across all categories, and the reasoning for all fee changes are summarized below. As highlighted above, with some exceptions, the Office hopes to maintain a balance of approximately 60% overall cost recovery from fees not subject to mandatory cost recovery limitations, while upholding its dedication of providing for the public good.

5.2.1 REGISTRATIONS

Booz Allen recommends increases to the following fees:

Standard Registrations

- Application filed by a single author: From \$35 to \$45
- Standard application filed electronically: From \$55 to \$75
- Application filed on paper: From \$85 to \$125⁴¹

Standard registrations have the highest volume of all the Office's fee-generating services. The above three groups collected a combined 471,164 applications in fiscal 2016. Because of the time spent to complete these registrations, it is also the costliest activity the Office performs, costing \$41,594,450 with a current cost recovery of 51%. To increase cost recovery, Booz Allen recommends the Office raise its fees for each of the three applications. Doing so would result in a projected cost recovery of 67% for these activities with a corresponding projected demand decrease of 10% in the first year after the fee change.

Group Registrations

- Group registration of serials: new fee of \$35 per issue for electronic filing, increase fee from \$25 to \$70 per issue if filed with a paper application using Form SE/Group.
- Registration of a group of daily newsletters/newspapers: A new fee of \$95 for electronic filing; increase from \$80 to \$125 if filed with a paper application using Form G/DN.

⁴¹ The higher price for paper applications is based on the higher cost per transaction for processing paper applications.

- Registration of a group of published photographs: From \$55 (electronic) and \$65 (paper) to a fee of \$100 regardless of method of filing.
- Group Registration of Unpublished Photographs was priced at \$100. Since there was no volume data for Unpublished Photographs, we used the volume and costs associated with the Group Published Photographs as a proxy to determine a cost per transaction rate for this service. The Office confirmed that the level and scope of work for registering Group Unpublished Photographs was similar to that of Group Published Photographs.
- Registration of a group of updates or revisions to a non-photographic database (paper applications only): From \$85 to \$500. This significant increase is due to the fact that it costs the Office \$695 to process each transaction, the proposed increase is intended to achieve better cost recovery.
- Registration of a group of updates and revisions to photographic databases: Increase from \$55 (electronic) or \$65 (paper) to \$250 regardless of method of filing. This significant increase is meant to encourage applicants to use the group registration of photographs to register photographs. Group registration of secure test and secure test items (GRSTQ) using Standard Application TX was priced at \$75. This is the same price as the standard application.
- Group registration of contributions to periodicals (GRCP) was kept at \$85 due to a cost per transaction of \$72, which already allows for sufficient cost recovery.

Group registrations have the second highest volume, as 10,960 group registration applications were filed in fiscal 2016. Based on the cost and volume of group registrations, our methodology recommends that the Office should increase the four fees listed above. Most notably, the registration of a group database is a time-consuming task with low volume, and its current cost recovery is 12%. We recommend raising the fee to \$500 to increase cost recovery for the activity to a projected 19%. This will be offset by the estimated 115% cost recovery we project after increasing the fee for Form G/DN.

Renewal Registrations

- Form RE: From \$100 to \$125 because the transaction cost was \$148 for this activity, and our recommended increase would result in improved cost recovery.
- Addendum to Form RE was kept at \$100 because the current fee exceeds the cost per transaction.

There were 512 renewal applications filed in fiscal 2016 at a cost per volume of \$148; a low volume with high cost per transaction. To offset some of this loss, Booz Allen recommends a \$25 increase to \$125 for Form RE.

Other Registrations

- Form CA (paper application): From \$130 to \$150.
- CA filed electronically was created and priced at \$100.
- Form D-VH: From \$400 to \$500.
- Form DC (to correct a design registration) was kept at \$100.
- Form GATT: From \$85 to \$100. Due to a high transaction cost of \$380, our recommended increase will reduce the loss associated with performing this service.
- Form MW: From \$120 to \$140.

- Preregistration of certain unpublished works: From \$140 to \$200. This increase will allow the Office to best meet the needs of all stakeholders and further the objectives of the Office. The likely stakeholder group affected by this increase is not price sensitive, and the works at issue are largely commercially viable.
- Requests for special relief from deposit requirements was created and priced at \$85. We received a detailed list of the time spent on this activity per employee and the number of requests per year and entered the data into our activity based costing model. This resulted in an accurate cost per transaction, a value upon which our recommended fee is based.
- Voluntary cancellation of a registration was priced at \$150. Like the relief request, we received a detailed list of the time spent on this activity per employee and the number of cancellation requests per year. Thus, we entered this data into our activity based costing model to get an accurate cost per transaction and based our recommended fee on the results.

The above registration categories include a low volume of time consuming registrations, leading to a greater cost per volume and corresponding fees. This is particularly the case for Form D-VH, which cost the Office \$124,171 to register only 19 vessel hulls at a cost recovery of only 6%. Similarly, Form MW has a cost recovery percentage of 6%, and together the two cost the Office \$225,912 more than they recover through fees. Due to low volume and high cost of processing these registrations, our recommended fee changes will, if only minimally, increase cost recovery for this category of fees.

The new fee for the electronically filed CA was calculated by finding the per-transaction cost incurred by the Receipt Analysis and Control (RAC) department and subtracting it out of the existing Form CA fee. Since this is an electronic transaction, there is less involvement by RAC in performing this service.

5.2.2 OPTIONAL SERVICES

Booz Allen recommends increases to the following fees:

- Special handling of registrations: From \$800 to \$1,000. Since this fee is highly inelastic, Booz Allen recommends an increase of \$200 to offset lower cost recoveries in other fee types even though the transaction cost is only \$67.
- Full-term retention of materials was kept at \$540. Our recommendations considered required storage costs for the span of 120 years.
- Electronic full-term retention was created and priced at \$220. We calculated this based on server and power costs necessary to store the record over the full-term period consisting of 120 years.
- Handling extra copy for certification was kept at \$50 because there was no activity or volume data for this service.

In sum, our recommendations for optional services fees were based on storage costs, activity data, volume data, and the elasticity of demand associated with the fees.

5.2.3 APPEALS

- First request of appeal: From \$250 to \$350
- Second request of appeal: From \$500 to \$700

The Office offers the ability for a user to appeal a denied registration. We have recommended increases to these fees, as the work necessary to process these requests is more time consuming than the current prices reflect. Most notably, the second appeal process involves time spent by members of the Office of General Counsel as well as other more expensive resources, leading to a

cost of \$4,477 for each second appeal. While Booz Allen recognizes that this service is a public good and is not expected to receive full cost recovery, we think the large cost of performing this service justifies raising the fee to \$700.

5.2.4 RECORDATION

Booz Allen recommends increases to the following fees:

- Recordation of a document (paper): From \$105 to \$125
- Recordation of a document submitted electronically was set at \$95. This is a new fee, and it was calculated by taking the price of the paper based recordation and subtracting the RAC transaction cost.
- Each additional group of ten titles: From \$35 to \$60⁴²
- Each additional transfer within a document: New fee of \$105. This is a fee to account for the fact that where a single document relates to multiple or chained transfers of rights, the recordation staff must index the document an additional number of times.
- Recordation of Notice of termination: From \$105 to \$125
- Special handling of recordation of documents: From \$550 to \$700

Apart from registrations, the recordation of documents is the most integral part of the Office's mission because it is critical to ensuring an accurate record of copyright ownership. There were 10,865 documents recorded in fiscal 2016 at a cost of \$156 per document. Booz Allen's recommended change to the price of recordation of a document would recover a projected 75% of costs, thus justifying the fee increases. This greater cost recovery rate will help make up for the lower cost recovery rates from services such as notice of terminations (21%) and recordation of additional titles (44%). Additionally, the recordation of a notice of termination has been broken out from recordation of a document for the first time.

5.2.5 OTHER SERVICE FEES

- Each additional certificate: From \$40 to \$75. This should be raised due to the high transaction cost of \$272.
- The Office stated that the prior media type fee structure (with different fees for different kinds of media) was unduly complex, therefore the Media type surcharge has been condensed and set at \$12.
- Retrieval of record has been kept at \$200 with a cost per transaction of \$341.
- Expedited report has been simplified and set at \$500.
- Search report fee (per hour) has been kept at \$200.
- Estimate development of a reproduction was created and priced at \$200. To maintain consistency, we priced it in the same way as the estimate development for a search fee.

⁴² After the close of this Fee Study, the Office implemented additional fees for the recordation of additional titles provided by electronic title list, effective December 18, 2017. See 82 FR 52221 (Nov. 13, 2017).

- Fee for Form LS was priced at \$80. We received a detailed list of the time spent on this activity per employee and the number of forms processed per year. We entered this data into our activity based costing model to get an accurate cost per transaction and based our recommended fee on that value.
- Designation of agent under section 512(c)(2) to receive notification of claimed infringement or amendment or resubmission of agent was kept at \$6. While this is low compared to the transaction cost of \$52, this is due to a large development effort occurring for this project, causing the costs to be artificially high. This effort is not anticipated to continue.
- Service charge for Federal Express mailing: \$45. This was deemed by Booz Allen to be appropriate given current Federal Express rates.

Booz Allen recommends that the fees for retrievals and copies of records be condensed and simplified. There are currently four fees of this type, and they range from \$200 to \$305 per hour. Additional surcharges may be charged depending on the media in which the copy is presented. We propose keeping the fee for the retrieval of records at \$200 and increasing the fee for an additional certificate of registration to \$75, as the current cost recovery for these are 59% and 15% respectively. Additionally, we have condensed the media surcharges to a flat \$12, which covers the weighted average cost to the office for requests such as these. Booz Allen also proposes a simpler, flat \$500 fee for an expedited report. These adjustments will allow for simpler processing and greater cost recovery.

For the below fees, there was insufficient employee activity data or volume data to compute a transaction cost. Therefore, no changes were made to the following fees:

- Receipt for deposit without registration (section 407 deposit): \$30.
- Notice to libraries and archives (each additional title \$20): \$50.
- Service charge for delivery of documents via fax (per page, 7 pages maximum): \$1.
- Initial request to remove requested PII from online catalog, per registration record: \$130.
- Reconsideration of denied requests to remove PII, flat fee: \$60.

5.2.6 LICENSING

The licensing division is unique in that the establishment of certain fees under sections 111, 119, and 122 of the Act may not exceed 50% of certain costs associated with the administration of statutory licensing provisions.⁴³ With the fees recommended by the Booz Allen team, we project a 49% recovery of costs for those fees under the rule – just below the 50% cap.

Booz Allen recommends no changes to the following licensing fees subject to cost recovery restrictions:

- Statement of account amendment: keep at \$150.
- Statement of accounts 1: keep at \$15.
- Statement of account 2: keep at \$20

⁴³ 17 U.S.C. § 708.

- Statement of accounts 3: keep at \$725.

Additionally, we recommend the following for other licensing fees:

- Notice of use of sound recordings (112 & 114): From \$40 to \$50 to increase cost recovery, as the transaction cost is \$304.
- Section 115 notice (both paper and electronic): From \$75 to \$125. The transaction cost is \$311 and \$275 for paper and electronic, respectively.
- Section 115 notice additional titles (paper, group of ten): From \$20 to \$50. This is due to the high transaction cost per 10 titles of \$293.
- Satellite statement of account was kept at \$725 despite a transaction cost of \$3,271. Since there were only 6 filed in fiscal 2016, there is no need to increase this fee significantly.

In analyzing the various fees and revenue associated with the Section 115 license, Booz Allen has conducted activity based costing for filing the electronic Section 115 notice. At the same time, we are aware that, subsequent to FY2016, the Office received a significant increase in electronic Section 115 notices with large numbers of titles, and has devoted resources to developing a new system to ingest and process these large filings. Moreover, we note that, separate and apart from the Office's costs, there is significant additional added convenience that the electronic filing option provides to filers. For these reasons, we recognize that the Office likely will elect to adopt a fee for Section 115 filings that prospectively achieves greater overall cost recovery and/or otherwise furthers the fee setting objectives outlined above. Similarly, in accordance with the Office's recent approach in setting fees for the recordation of electronic title lists, the Office may determine that it is appropriate to continue to adopt a fee schedule that allows for price discrimination based on the number of works to which the notice pertains, so that filers submitting notices relating to a larger amount of works pay more for the added benefit they receive.

In sum, we recommend changing only a few licensing fees to improve cost recovery. Many fees were kept at their current price either to remain under the 50% cap for certain licensing fees, or because there was little justification for increasing them.

6 BUDGETARY IMPACT OF PROPOSED FEE CHANGES

Booz Allen understands that while the Copyright Office is a public institution, it is important for the Office to retain a significant cost recovery rate. In fiscal 2016, the Office had a cost recovery percentage of 60% based on a revenue of \$36,436,605, assuming full use of fees collected.⁴⁴ While Booz Allen's proposed fee schedule shows increases in fees for many of the Office's services, it was created to balance cost recovery against the objectives of the Office's registration and recordation systems and related services. Booz Allen projects revenue of \$40,590,410, an increase of just over \$4 million. Before factoring the upcoming IT modernization project, this would give the Office a cost recovery percentage of 67%. After 50% of the IT modernization costs are included in the analysis, cost recovery drops to 59.9%, right below the target of 60%. Booz Allen recommends including the costs of IT modernization in the

⁴⁴ U.S. Copyright Office, *2016 Annual Report*. (Washington, DC: U.S. Copyright Office, 2016), 18.

Office's fee adjustments because the Office sees it as necessary to continue its public service. Please see Appendix A.2 for a detailed listing of the forecasted change in volume and revenue based on the proposed fees.

7 FIVE YEAR PROJECTION OF CHANGES IN COSTS AND REVENUE

As part of the proposed fee recommendations, Booz Allen has calculated a five-year forecast of both costs and revenues. In the first year after these fee changes are implemented, referred to as the base year, we forecast a revenue of \$40,590,410. Revenue for the following year, year one, is projected to increase to \$40,985,497. Subsequently, year two's revenue is projected to be \$41,391,155, then \$41,811,967 in year three, followed by \$42,249,406 in year four, and finally \$42,704,261 in year five. Similarly, costs will increase every year. Base year costs are projected to start at \$67,736,148, followed by a 1.8% increase in each subsequent year (assuming no staffing changes). Please see Appendix A for a detailed list of the five-year revenue, cost, and cost recovery forecasts.

To forecast revenue, we took historical data from annual reports published by the Office and organized it into six categories: registrations, recordation, special handling, preregistrations, licensing, and all other fees. For registrations and recordation, we ran regressions to determine the effect of inflation-adjusted price on the number of claims received. Using a weighted average price per claim and our demand forecasts, we could then project revenue for the next five years using the elasticity calculations described in section 4. For all other categories, we used a straight-line projection based on historical data and projected price change considerations.

For the cost forecasts, we used the cost of living adjustment rate of 2%, specified by the Office of Personnel Management, to escalate labor costs.⁴⁵ We also developed a functionality within the model that allows the Office to add or delete staff in the projections considering the staff GS levels. These current five-year projections include all staffing changes to Booz Allen's knowledge as of November 2017.

CONCLUSION

Given the robust activity-based costing model and the accuracy of the data provided by the Office, Booz Allen recommends the above fee changes: an overall weighted average increase of 38% across all fees and a projected decrease of only 11% in registration volume. Our recommendations are made with the purpose of maximizing cost recovery while staying aligned with the U.S. Copyright Office's mission of administering copyright laws for the advancement of the public good. With the recommended changes to 48 fees to account for costs, inflation, and the upcoming IT modernization efforts, Booz Allen expects revenue to increase by \$4.2 million, bringing cost recovery to 59.9%. The ideal cost recovery rate of 60% was determined based on the Office's guidance and Booz Allen's concurrence that such a rate will not diminish demand or impair the Office's mission, and it will help the Office account for IT

⁴⁵ "Cost of Living Adjustment: COLA," Social Security Administration, updated October 2017, <https://www.ssa.gov/oact/cola/colasummary.html>.

modernization expenses. However, based on the Office's goal of maintaining its support to authors and users of creative work, Booz Allen understands that Office's final fee changes may differ from the recommended fees.

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APPENDICES

Appendix A: Five Year Projections Table

	Fee	Base Year	Year 1	Year 2	Year 3	Year 4	Year 5
<i>Revenue</i>	Registrations	\$32,560,525	\$32,791,196	\$33,035,226	\$33,293,377	\$33,567,013	\$33,856,861
	Recordation	\$2,009,560	\$2,038,805	\$2,064,208	\$2,089,527	\$2,114,764	\$2,139,923
	Special Handling	\$2,502,900	\$2,667,638	\$2,832,375	\$2,997,113	\$3,161,851	\$3,326,589
	Preregistrations	\$183,600	\$185,198	\$186,796	\$188,394	\$189,991	\$191,589
	Licensing	\$2,573,200	\$2,591,430	\$2,610,715	\$2,631,116	\$2,652,741	\$2,675,647
	All other fees	\$760,625	\$711,230	\$661,835	\$612,441	\$563,046	\$513,651
	Total Revenue	\$40,590,410	\$40,985,497	\$41,391,155	\$41,811,967	\$42,249,406	\$42,704,261
	Percent Increase	19.47%	0.97%	0.99%	1.02%	1.05%	1.08%
<i>Cost</i>	Direct Cost	\$22,971,872	\$23,431,310	\$23,899,936	\$24,377,935	\$24,865,493	\$25,362,803
	Indirect Cost	\$37,842,608	\$38,599,460	\$39,371,449	\$40,158,878	\$40,962,056	\$41,781,297
	IT Modernization	\$6,921,668	\$6,921,668	\$6,921,668	\$6,921,668	\$6,921,668	\$6,921,668
	Total Cost	\$67,736,148	\$68,952,438	\$70,193,053	\$71,458,481	\$72,749,217	\$74,065,768
	Percent Increase	9.09%	1.80%	1.80%	1.80%	1.81%	1.81%
<i>Profit</i>	Total Cost Recovery	(\$27,145,738)	(\$27,966,941)	(\$28,801,898)	(\$29,646,514)	(\$30,499,811)	(\$31,361,507)
	Cost Recovery Percentage	59.9%	59.4%	59.0%	58.5%	58.1%	57.7%

Figure A-1: Five Year Projections Table

Appendix B: Proposed Fee Adjustments and Impacts

Fee Description	Current Fee	Calculated Transaction Cost	Proposed Fee	Current Volume	Forecasted Volume	Current Revenue	Forecasted Revenue	Elasticity Designation by CO
Basic Registrations								
Total Single Application	\$35	\$86	\$45	143,863	130,710	\$5,035,205	\$5,881,950	Elastic
Total Standard Application	\$55	\$91	\$75	348,620	308,053	\$19,174,100	\$23,103,975	Elastic
Total Paper Application	\$85	\$118	\$125	24,549	20,852	\$2,086,665	\$2,606,500	Elastic
Group Registrations								
Group Registration of Serials (paper) – per issue	\$25	\$101	\$70	6,603	2,800	\$165,075	\$196,000	Elastic
Group Registration of Serials (electronic) – per issue	New Fee		\$35	No data available				Elastic
Group registration of daily newsletters /newspapers (paper)	\$80	\$89	\$125	2,536	2,080	\$202,880	\$260,000	Elastic
Group registration of daily newsletters (electronic)	New Fee		\$95	No data available				Elastic
Group registration of newspapers (electronic)	New Fee		\$95	No data available				Elastic
Group registration of published photographs	\$65 paper \$55 electronic	\$296	\$100	1,533	1,269	\$99,645	\$126,900	Elastic
Group registration of updates and revisions to	\$85	\$695	\$500	273	60	\$23,205	\$30,000	Inelastic

non- photographic databases (paper)								
Group registration of updates and revisions to photographic databases	\$65 paper \$55 electronic		\$250	No data available				Elastic
Group registration of contributions to periodicals	\$85	\$72	\$85	15	15	\$1,275	\$1,275	Elastic
Renewal Registrations								
Form RE	\$100	\$148	\$125	512	471	\$51,200	\$58,875	Elastic
Addendum to Form RE	\$100	\$67	\$100	244	244	\$24,400	\$24,400	Elastic
Preregistration								
Preregistration of certain unpublished works	\$140	\$72	\$200	986	918	\$138,040	\$183,600	Inelastic
Supplementary Registration								
Form CA (paper application)	\$130	\$413	\$150	1,408	1,373	\$183,040	\$205,950	Inelastic
Vessel Designs								
Form D-VH	\$400	\$6,529	\$500	19	17	\$7,600	\$8,500	Elastic
Form DC	\$100	\$72	\$100	5	5	\$500	\$500	Inelastic
Other Registrations and Examination Fees								
Examination fee for secure tests and items prepared for use in secure tests	\$250	\$900	\$250	152	152	\$38,000	\$38,000	Inelastic
Form GATT	\$85	\$380	\$100	113	107	\$9,605	\$10,700	Elastic
Form MW	\$120	\$2,177	\$140	53	50	\$6,360	\$7,000	Elastic
Special Handling								
Special handling fee	\$800	\$67	\$1,000	2,281	2,190	\$1,824,800	\$2,190,000	Inelastic
Full-term retention of published copyright	\$540		\$540	No data available				Inelastic

deposit

Handling extra copy for certification	\$50		\$50	No data available				Inelastic
Requests for Reconsideration (Appeals)								
First Request for Reconsideration	\$250	\$730	\$350	365	342	\$91,250	\$119,700	Inelastic
Second Request for Reconsideration	\$500	\$4,471	\$700	68	64	\$34,000	\$44,800	Inelastic
Recordation of Documents								
Recordation of document, including notice of intention to enforce	\$105	\$156	\$125	10,865	10,203	\$1,140,825	\$1,275,375	Elastic
Recordation of document, electronic	New Fee		\$95	No data available				
Recordation of Notice of Terminations	\$105	\$553	\$125	312	293	\$32,760	\$36,625	Elastic
Additional titles	\$35	\$106	\$60	15,071	11,626	\$527,485	\$697,560	Elastic
Additional transfers	New Fee		\$105	No data available				
Special handling of recordation of documents	\$550	\$93	\$700	467	447	\$256,850	\$312,900	Inelastic
Retrievals and Copies of Records								
Additional Certificate	\$40	\$272	\$75	2,489	1,792	\$99,560	\$134,400	Elastic
Media fee	Condensed Fee		\$12	No data available				
Retrieval of Record	\$200	\$341	\$200	1,218	1,218	\$243,600	\$243,600	Elastic
Searches of Records								
Estimate of search fee	\$200		\$200	No data available				Elastic
Search report	\$200	\$112	\$200	370	370	\$74,000	\$74,000	Elastic
Expedited report	\$300		\$500	No data available				Inelastic
Form LS	New Fee		\$103	\$80	644	644	\$51,520	
Certification of search report (per hour)	\$200		\$200	No data available				Inelastic

Miscellaneous Fees

Receipt for deposit without registration	\$30		\$30	No data available				Elastic
Designation of agent under section 512(c)(2)	\$6	\$52	\$6	8,718	8,718	\$52,308	\$52,308	Elastic
Notice to libraries and archives (each additional title \$20)	\$50		\$50	No data available				Elastic
Service charge for Federal Express mailing	\$45		\$45	No data available				Inelastic
Service charge for delivery of documents via fax	\$1		\$1	No data available				Elastic
Initial request to remove requested PII from online catalog	\$130		\$130	No data available				Unknown
Reconsideration of denied requests to remove PII	\$60		\$60	No data available				Unknown

Payment Processing Service Charges

Overdraft of deposit account	\$250	\$281	\$285	39	38	\$9,750	\$10,830	Inelastic
Dishonored replenishment check for deposit account	\$100	\$512	\$500	20	7	\$2,000	\$3,500	Inelastic
Uncollectible or nonnegotiable check	\$30	\$111	\$115	185	101	\$5,550	\$11,615	Inelastic

Licensing Service Fees

Statement of account amendment	\$150	\$450	\$150	182	182	\$27,300	\$27,300	Inelastic
Recordation of certain contracts by cable television systems located outside the 48	\$50		\$50	No data available				

contiguous states								
Notice of use of sound recordings under statutory license	\$40	\$307	\$50	380	365	\$15,200	\$18,250	Inelastic
Amendment of 17 USC 112 and 114 notice	\$40		\$40	No data available				Inelastic
Photocopy made by staff	\$1		\$1	No data available				Inelastic
Search report, per hour	\$200	\$296	\$200	3	3	\$600	\$600	Inelastic
Certification of search report	\$200	\$296	\$200	2	2	\$400	\$400	Elastic
Filing Fees								
SA 1 (paper/electronic)	\$15	\$428	\$15	4,925	4,925	\$73,875	\$73,875	Elastic
SA 2 (paper/electronic)	\$20	\$46	\$20	No data available				Elastic
SA 3 Paper	\$725	\$609	\$725	2,457	2,457	\$1,781,325	\$1,781,325	Inelastic
SA 3 Electronic	\$725		\$725	No data available				Inelastic
Satellite statement of account	\$725	\$3,274	\$725	6	6	\$4,350	\$4,350	Inelastic
115 Notices Paper	\$75	\$314	\$125	2,252	2,012	\$168,900	\$251,500	Inelastic
115 Notices Electronic	\$75	\$278	\$125	2,695	2,408	\$202,125	\$301,000	Inelastic
115 Additional Titles (paper, per group of 10)	\$20	\$296	\$50	3,016	2,292	\$60,320	\$114,600	Inelastic
Searching and Reviewing for Freedom of Information Act (FOIA)								
FOIA Admin	\$8		\$8	No data available				
FOIA	\$15		\$15	No data available				

⁴⁶ Costs and volume figures for SA1/SA2 combined

Professional

New Fees

Group Registration of Unpublished Photographs	New Fee	\$275	\$100	1,533		
Supplementary Registration (electronic)	New Fee	\$365	\$100	1,408		
Group Registration of Secure Test Items	New Fee	\$883	\$75	152		
Matching Deposit Ticket Claims to Unidentified Claims	New Fee	\$39	\$40	No data available		
Estimate Development for Reproduction	New Fee		\$200	4	4	\$800
Electronic Full-Term Retention	New Fee	\$221	\$220	No data available		
Requests for Special Relief from the Deposit Requirements	New Fee	\$79	\$85	616	616	\$52,360
Voluntary Cancellation	New Fee	\$150	\$150	90	90	\$13,500

Figure A-2: Proposed Fee Adjustments and Impacts