Copyright Board Canada



Commission du droit d'auteur Canada

| Date | 2008-03-20 |
|-----------------------------------|--|
| Citation | Public Performance of Musical Works |
| Regime | Collective Administration of Performing Rights and of Communication Rights <i>Copyright Act</i> , section 68(3) |
| Members | Mr. Stephen J. Callary Mrs. Francine Bertrand-Venne Mrs. Sylvie Charron |
| Proposed Tariffs Considered | 1.B, 1.C, 2.A, 2.B, 2.C, 2.D, 3, 4, 5, 6, 7, 8, 10, 11, 12, 13, 14, 15, 16, 18, 19, 20, 21, 23 |

Statement of Royalties to be collected by SOCAN for the public performance or the communication to the public by telecommunication, in Canada, of musical or dramaticomusical works

Reasons for decision

[1] Pursuant to subsection 67.1(1) of the *Copyright Act*, the Society of Composers, Authors and Music Publishers of Canada (SOCAN) filed with the Board proposed statements of royalties to be collected for the performance in public or the communication to the public by telecommunication, in Canada, of musical or dramatico-musical works for the years 1998 to 2012.

[2] These proposals were published in the *Canada Gazette* accompanied by a notice indicating that prospective users or their representatives could object to the tariffs within the prescribed deadlines.

[3] Many of the tariffs listed below, some of which are dealt with later in these reasons, were not objected to and are certified as filed. Some reflect agreements reached between SOCAN and users. Finally, others were the subject of comments by SOCAN in response to questions the Board asked on December 10, 2004.

For the years 1998 to 2006

Tariff 16 (Background Music Suppliers)

For the years 2002 to 2005

Tariff 1.C (CBC Radio)

For the years 2002 to 2008

Tariff 2.D (CBC Television)

For the years 2003 to 2008

Tariff 4.A.1 (Popular Music Concerts – Per Event Licence)

Tariff 4.A.2 (Popular Music Concerts – Annual Licence)

Tariff 4.B.1 (Classical Music Concerts – Per Concert Licence)

Tariff 4.B.3 (Classical Music Concerts – Annual Licence for Presenting Organizations)

Tariff 5.B (Exhibitions and Fairs – Concerts)

For the years 2004 to 2008

Tariff 12.B (Paramount Canada's Wonderland Inc. and Similar Operations))

For the years 2005 and 2006

Tariff 1.B (Non-Commercial Radio)

For the years 2005 to 2008

Tariff 2.A (Commercial Television Stations)

Tariff 2.B (Ontario Educational Communications Authority)

Tariff 5.A (Exhibitions and Fairs)

Tariff 6 (Motion Picture Theatres)

Tariff 12.A (Theme Parks, Ontario Place Corporation and Similar Operations)

Tariff 13.A (Aircraft)

Tariff 13.B (Passenger Ships)

Tariff 13.C (Railroad Trains, Buses, etc.)

Tariff 15.B (Telephone Music on Hold)

For the years 2005 to 2010

- Tariff 3.A (Cabarets, etc. Live Music)
- Tariff 3.B (Cabarets, etc. Recorded Music Accompanying Live Entertainment)
- Tariff 3.C (Adult Entertainment Clubs)
- Tariff 7 (Skating Rinks)
- Tariff 8 (Receptions, Conventions, etc.)
- Tariff 10.A (Strolling Musicians and Buskers; Recorded Music)
- Tariff 10.B (Marching Bands; Floats with Music)
- Tariff 11.A (Circuses, Ice Shows, etc.)
- Tariff 11.B (Comedy Shows and Magic Shows)
- Tariff 14 (Performance of an Individual Work)
- Tariff 18 (Recorded Music for Dancing)
- Tariff 20 (Karaoke Bars and Similar Establishments)
- Tariff 21 (Recreational Facilities)
- For the years 2006 and 2007
- Tariff 15.A (Background Music)
- For the years 2007 and 2008
- Tariff 23 (Hotel and Motel In-Room Services)
- For the years 2007 to 2010
- Tariff 19 (Fitness Activities and Dance Instruction)
- For the year 2008
- Tariff 2.C (Société de télédiffusion du Québec)
- For the years 2008 to 2012
- Tariff 4.B.2 (Classical Music Concerts Annual Licence for Orchestras)

I. TARIFF 1.C (CBC RADIO) – 2002-2005

[4] The Board last certified Tariff 1.C for the year 1992. Between 1993 and 2001, SOCAN reached agreements with the Canadian Broadcasting Corporation (CBC) and did not file any tariff proposals.

[5] For 2002 and subsequent years, SOCAN filed proposed tariffs for the amounts set out in Table 1, appended. The CBC objected to these proposals and in December 2004, the parties reached an agreement for the years 2002 to 2005, on the amounts also set out in Table 1. They asked the Board to certify Tariff 1.C in accordance with this agreement. This is what we are doing.

II. TARIFF 2.D (CBC TELEVISION) – 2002-2008

[6] As for Tariff 1.C, the Board last certified Tariff 2.D for the year 1992. For the period from 1993 to 2001, SOCAN did not file any tariff proposals. Since 2002, SOCAN has filed proposals for each year, for the amounts set out in Table 2, appended. The CBC objected for the years 2002 to 2005. An agreement was reached in December 2004 for the years 2002 to 2006, for the amounts set out in Table 2. For the years 2007 and 2008, SOCAN proposed the same amount of royalties agreed upon for 2006. The CBC did not object. We therefore certify the tariff in accordance with the agreement and the amounts proposed for the years 2007 and 2008.

III. TARIFF 4 (CONCERTS) – 2003-2008

[7] SOCAN amended its tariff proposals on many occasions since the last certification for 2002. The short background that follows will allow for better understanding of the changes and the Board's findings (see also Table 3, appended).

A. BACKGROUND

[8] During the 1980s, the Board gradually increased the percentage rate and the minimum fee until they reached 2 per cent of receipts and \$62, respectively, in 1989. In 1990, the Board substantially reduced the minimum fee to \$20 for popular (Tariff 4.A) and classical music concerts (Tariff 4.B). The Board felt at the time that, based on comments from three objectors, the burden was too heavy for small users. Having little detailed information however, in particular on the receipts generated by the minimum fees and their potential effect on compliance with the tariff, the Board found that lowering the minimum fee was only a "temporary remedial measure".¹

[9] In 1991, although SOCAN asked that the minimum fee be re-established at a higher level (\$69.30), the Board maintained it at \$20. The percentage rate also remained unchanged.

¹ Decision of the Board dated December 7, 1990, certifying various CAPAC and PROCAN tariffs for the year 1990, C.B.R. 1990-1994, 257, at 266.

[10] For the period from 1992 to 1994, SOCAN proposed a minimum fee of \$60, in accordance with its agreement with the Canadian Alliance of Music Presenters (CAMP), one of the objectors in the case. The Canadian Arts Presenting Association (CAPACOA), for its part, proposed a minimum fee of \$25. The Board maintained the minimum fee at \$20, for three reasons. First, it did not wish to consider the agreement with CAMP because its members were affected marginally, if at all, by the minimum fee. Second, the Board did not have enough information on the impact of the proposed minimum fee increase on the tariff structure. Third, the increase would have created too heavy a burden for small users.²

[11] In that same decision, the Board agreed to create a new category aimed at presenters of classical music concerts (Tariff 4.B.3). It was an annual licence, certified at 0.8 per cent with no minimum fee. To justify the absence of a minimum fee, the Board explained that "the prevalence of public domain music in classical music concerts is such that any minimum fee would constitute a disincentive to playing protected music."³ The tariff provided for a single annual payment so that SOCAN would not receive too many small payments.

[12] Finally, between 1998 and 2002, the Board gradually increased the rates, from 2.6 to 3 per cent for popular music concerts, from 1.35 to 1.56 per cent for classical music concerts and from 0.83 to 0.96 per cent for the annual licence for classical music concerts. The rates increased gradually, but the minimum fee remained at \$20. The Board found that, lacking evidence on this issue, and because CAPACOA seemed to be in agreement, the minimum fee should remain the same. The Board did state, however, that it was concerned that the minimum fee seemed to be paid for half of the events.⁴ The Board revisited this subject in another decision,⁵ confirming that after reviewing new data on the number of licences issued at the minimum rate, its concerns did not seem justified.

B. PROPOSED RATES

[13] For the year 2003, SOCAN proposed a tariff that differed in two ways from the 2002 certified tariff. First, minimum fees increased substantially (in the cases of Tariffs 4.A and 4.B.1) or were added (in the case of Tariff 4.B.3). Second, Tariff 4.A was split in two: 4.A.1 for a licence per event and 4.A.2 for an annual licence.

[14] SOCAN claims these changes are in accordance with the position it adopted in the case of the multiple licensing of premises. In that case, SOCAN argued that the reductions of minimum fees certified by the Board in the past were unjustified, resulted in unjust and unfair royalties for SOCAN, and disregarded the fundamental importance of music. SOCAN however recognized that

² Decision of the Board dated August 12, 1994, certifying various SOCAN tariffs for the years 1992 to 1994, C.B.R. 1990-1994, 385, pp. 418-420; 58 C.P.R. (3d) 79.

³ *Ibid.*, p. 426.

⁴ Decision of the Board dated June 15, 2001, 13 C.P.R. (4th) 45, p. 56.

⁵ Reasons of the Board dated June 18, 2004 certifying various SOCAN tariffs, 33 C.P.R. (4th) 503.

in certain cases, the annual licence could lessen the impact of the increase in minimum fee on small users.

[15] Maple Leaf Sports & Entertainment Ltd. (MLSE) objected to this tariff for many reasons. Notably, it claimed that the Board does not have jurisdiction to certify a tariff for the right to authorize a public performance, as opposed to a tariff for the performance itself. The Board dismissed this claim on March 26, 2004. On January 24, 2005, MLSE withdrew its objection to the tariff.

[16] For the years 2004 and 2005, SOCAN again proposed the same structure and the same rates as a percentage of gross receipts, but raised the minimum fees to reflect an adjustment for inflation. CAPACOA objected to the tariff proposals for the two years, on the ground that the minimum fee was too high.

[17] On March 31, 2005, SOCAN filed together the proposals for Tariffs 4.A, 4.B.1 and 4.B.3 for the years 2006 to 2008. These proposals include some changes in relation to the proposals for prior years. First, the minimum fee was substantially reduced compared to what was proposed for the year 2005. Second, the annual licence for popular music concerts (4.A.2) was removed. In a January 30, 2007 letter to the Board, SOCAN indicated that the tariff proposal for the years 2006 to 2008 reflected discussions it had with CAPACOA.

[18] In this letter, SOCAN also modified its tariff proposal for the years 2003 to 2005: it now proposes that the tariff for those years remain the same as that in force for 2002.

[19] Lastly, in this same letter and in another dated January 10, 2008, SOCAN states that for events prior to this decision, it will not retroactively collect the increased minimum fees it proposed for the years 2006 to 2008.

[20] In a February 8, 2007 letter to the Board, CAPACOA informed the Board it agreed with SOCAN's proposal.

C. ANALYSIS

[21] All the tariff proposals submitted by SOCAN since 2003 use the same main rates in percentage of gross receipts: 3 per cent per popular music concert, 1.56 per cent per classical music concert and 0.96 per cent for the annual licence for classical music concerts. Under the circumstances, the Board certifies the main rates as proposed by SOCAN.

[22] With respect to minimum fees, however, some issues must be examined. SOCAN proposes to increase the minimum fees for 2006-2008 in relation to the preceding years and to introduce a minimum fee for the annual licence for classical music concerts presenting organizations (4.B.3). Moreover, while the initial tariff proposals for 2003-2005 included an annual licence for popular music concerts (4.A.2), SOCAN no longer proposes it. These three issues will now be analyzed.

D. MINIMUM FEES FOR 2006-2008

[23] The increases proposed by SOCAN for the years 2006 to 2008 are small and gradual, especially when compared to those it previously requested. Because the minimum fee has been \$20 since 1990, the proposed increases seem to be justified, if only because no adjustments have been made to compensate for inflation.

[24] However, even if CAPACOA accepts the proposed increase in minimum fee, we have certain concerns.

[25] First, the available statistical information from SOCAN indicates that for Tariffs 4.A and 4.B.1 together, close to 30 per cent of licences for individual events were issued at the minimum rate. The percentages are 26 and 51 per cent, respectively, for Tariffs 4.A and 4.B.1 taken individually. The minimum fees generate close to 1.4 per cent of the total Tariff 4.A royalties and 43 per cent of Tariff 4.B.1. The percentages for Tariff 4.B.1 are not low, and could indicate structural problems. Increasing the minimum fee may aggravate these problems.

[26] Second, although CAPACOA is in agreement with the proposed increase, it does not represent all small users that pay the minimum fee; these users are quite numerous according to the data made available to us. The proposed increase could have a significant impact on them if no other changes are made.

[27] Despite these concerns, we believe the increases proposed by SOCAN are justified and fair, and we certify them. We take note, however, of SOCAN's waiver regarding retroactive increases.

E. ANNUAL LICENCE FOR POPULAR MUSIC CONCERTS (4.A.2)

[28] For the years 2003 to 2005, SOCAN initially proposed an annual licence that would have lessened the impact of the minimum fee increase on small users, the annual minimum fee being lower than the cumulative total of minimum fees per event. Since 2006, SOCAN no longer proposes this annual licence. CAPACOA is in agreement.

[29] The Board noted in the past the importance of minimum fees and the need for their existence in a percentage based tariff structure. At the same time, it insisted on the need to apply three principles to the minimum fees, the third being to acknowledge the importance of an annual licence in tariffs that provide per-event licences.⁶ We believe this principle should apply in this case.

[30] The fact that CAPACOA seems to accept that there be no annual licence may simply be a reflection of the fact that it does not represent very small users.

⁶ Ibid.

[31] We therefore certify for the years 2003 to 2008, an annual licence for popular music concerts, at the same percentage rate as the perevent tariff.

[32] The amount of the minimum fee for this annual licence must however be adjusted. Initially, SOCAN had proposed for 2003 a minimum fee of \$75 for the licence per event, and \$125 for the annual licence, a little less than twice the amount. The annual licence was therefore more worthwhile for users as of the second concert. We adopt a similar approach and certify the minimum fee for an annual licence at \$30 for 2003 to 2005, \$40 for 2006, \$50 for 2007 and \$60 for 2008.

F. MINIMUM FEE – ANNUAL LICENCE FOR CLASSICAL MUSIC CONCERTS PRESENTING ORGANIZATIONS (4.B.3)

[33] This tariff never included a minimum fee. SOCAN is now proposing one at the same rate as for the licence per classical concert. CAPACOA is in agreement.

[34] The Board's concern in 1994 that a minimum fee might discourage the use of protected music is likely no longer justified. The tariff targets performances of works from SOCAN's repertoire during a series of concerts or classical music recitals forming part of an artistic season offered by a presenting organization. It does not seem likely that an annual minimum fee as proposed by SOCAN would be a significant disincentive to the use of protected music by a concert presenting organization.

[35] For Tariff 4.B.3, we therefore certify a minimum fee of \$25, \$30 and \$35 for 2006, 2007 and 2008 respectively, while noting SOCAN's waiver for collecting the increase retroactively.

IV. TARIFF 5.B (EXHIBITIONS AND FAIRS – CONCERTS) – 2003-2008

[36] As with Tariff 4, SOCAN's Tariff 5.B was last certified for the year 2003. None of the tariff proposals submitted since had modifications. Both the certified and proposed rates are identical to those of Tariff 4. Tariff 5.B does not, however, have a minimum fee. The proposals were not disputed.

[37] Tariff 5.B proposed by SOCAN in March 2004 covered the years 2005 to 2007. The following year, SOCAN filed the tariff for 2006 to 2008, identical to the initial proposal. It later confirmed to the Board that the first proposal should have been for 2005 only.

[38] Under the circumstances, we certify Tariff 5.B as proposed by SOCAN.

V. OTHER TARIFFS

[39] Most of the other tariffs we certify in this decision were proposed without modifications to those previously certified by the Board, were not disputed and are certified as proposed. Table 4, appended, indicates the number of licences issued by SOCAN under each of the tariffs certified in this decision and the total royalties generated.

[40] Some however were objected to but the objections were later withdrawn following agreements between the parties. Such is the case of Tariff 2.A (Commercial Television Stations). The Canadian Association of Broadcasters withdrew its objection to the 2005 tariff proposal following an agreement with SOCAN maintaining for 2005 the same tariff as for the year 2004. It is also the case for Tariff 6 (Motion Picture Theatres), which we certify in accordance with the agreement reached between SOCAN and the Motion Picture Theatre Associations of Canada for the period from 2004 to 2008.⁷

[41] The Association des radiodiffuseurs communautaires du Québec (ARCQ) objected to Tariff 1.B (Non-Commercial Radio Stations) for 2007 and 2008. The Alliance des radios communautaires du Canada (ARCC) and the National Campus and Community Radio Association also objected for 2008. ARCQ asked that the sentence "Tariff 1.A does not apply to the use of music covered under Tariff 22 or SOCAN's Pay Audio Services tariff' be removed from the tariff proposal. ARCQ and ARCC also objected to SOCAN Tariff 22 (Communications of Musical Works Via the Internet or Similar Transmission Facilities) regarding the section that targets the Internet operations of non-commercial radio stations. In a letter of January 30, 2007 to the Board, SOCAN proposed that the issue be addressed during the next review of Tariff 22 and the Pay Audio Services Tariff. We agree with this suggestion. As a result, we certify Tariff 1.B as proposed for the years 2005 and 2006, for which there were no objections.

[42] Tariff 4.B.2 (Classical Music Concerts – Annual Licence for Orchestras) proposed by SOCAN includes rate increases. These rates were the subject of an agreement with Orchestras Canada. Under the agreement, orchestras will pay royalties every six months rather than quarterly. We certify this tariff in accordance with the agreement.

[43] Tariff 5.A (Exhibitions and Fairs) triggered a question from the Board on the possibility of proposing an annual licence under Tariff 5.A. SOCAN replied that given the already annual nature of the events targeted by the tariff, the annual licence would be useless. We accept this reply.

[44] The Board also asked SOCAN if the high proportion of users of Tariff 7 (Skating Rinks) who pay the minimum fee is an indication of a structural problem with the tariff. SOCAN replied that the high proportion is due to the fact that the users are municipal skating rinks that do not charge entrance fees or collect nominal fees. The high proportion of users paying the minimum fee is not a reflection of a structural problem with the tariff; rather, it is attributable to the fact that for most users, the tariff rate simply does not apply. A review of the data provided by SOCAN, reproduced at Table 5, appended, indicates that out of 956 licences issued in 2006, 139 users paid an average annual royalty of \$290, while 817 users paid an amount equal to the minimum fee, \$104.31. Of

⁷ The tariff for the year 2004 has already been certified by the Board on March 19, 2004. SOCAN had, at the time, filed the tariff for that year only, even though the agreement covered the period 2004-2008. We now certify Tariff 6 for the years 2005 to 2008.

these, however, 292 did not collect an entrance fee. Most of the others, according to SOCAN, paid the minimum fee because they only collect nominal entrance fees. We accept this reply.

[45] Tariff 8 (Receptions, Conventions, etc.) generated many questions. The Board asked SOCAN why the tariff is "per event" except in the case of fashion shows where the tariff is per day. SOCAN explained it is due to the distinct nature of the events. Receptions and conventions are often held over several days and may include many events with music, for example, music accompanying a dinner followed by an evening of dancing. A fashion show usually does not include dancing and only lasts a few minutes, and may be repeated many times a day. SOCAN feels that an entire day during which the fashion show is held is the equivalent of a single event. We take note of this reply.

[46] The Board also asked SOCAN why Tariff 8 specifically targets the operator of the room whereas all of the other tariffs for which there is a joint and several liability for payment do not target a specific payor. SOCAN first replied that it would be concerned about a change in the wording of the tariff that may give users the impression that they are no longer responsible for paying the royalty. However, SOCAN made a new proposal to the Board (in a March 3, 2005 letter), modifying the wording of the 2005 tariff proposal so that no specific payor is mentioned. This wording complies with the other SOCAN tariffs certified by the Board. All subsequent filings were consistent with this new wording. This is the one we certify.

[47] Tariff 12.B (Paramount Canada's Wonderland) was last certified in 2003. SOCAN first proposed an increase for the year 2004, then returned to the status quo in its proposals for the years 2005 to 2008. In a March 6, 2007 letter to the Board, SOCAN amended its proposal and also returned to the status quo for 2004. We therefore certify for the years 2004 to 2008 a tariff identical to that certified for 2003.

[48] Tariff 15.A (Background Music) was last certified for the year 2005. While SOCAN proposed to maintain the status quo between 2006 and 2008, a number of objections were filed for the three years. However, all of them were withdrawn for 2006 and 2007. The Retail Council of Canada and the Hotel Association of Canada maintained their objection for 2008, pending the Board's decision on Tariff 16 (Background Music Suppliers). We therefore certify Tariff 15.A for the years 2006 and 2007 as proposed by SOCAN.

[49] SOCAN's proposal for Tariff 16 for the years 1998 to 2006 initially included some increases in the rates. However, on August 17, 2005, SOCAN asked the Board to certify for these years a tariff similar to the one certified for 1997. All the objectors indicated to the Board they agreed with SOCAN's request and withdrew their objections. We thus certify for the years 1998 to 2006 a tariff identical to the one certified for 1997.

[50] For the years 2007 and 2008, SOCAN proposed important changes to both the structure and the rates of Tariff 16. Many objected to the proposal. A hearing was held in January 2008 and the case is now under advisement.

[51] SOCAN's proposals for Tariff 19 (Fitness Activities and Dance Instruction) for the years 2007 to 2010 include increases over the tariff certified for 2006. In correspondence with the Board on March 6, 2007 and January 11, 2008, SOCAN waived these increases. We therefore certify for 2007 to 2010 a tariff identical to that for 2006.

[52] The 2007 proposal for Tariff 23 (Hotel and Motel Room Services) included increases in the rate from those certified for 2006, an increase SOCAN waived in a March 6, 2007 letter to the Board. The tariff proposal for 2008 does not include an increase from that of 2006. The tariff we certify for 2007 and 2008 is identical to the one certified for 2006.

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APPENDICES / ANNEXES

TABLE 1 / TABLEAU 1

| Year / Année | Annual Royalties for CBC Radio Montant annuel de redevances de la radio de la SRC | | |
|--------------|--|---|--|
| | SOCAN Tariff Proposal Projet de tarif de la SOCAN | Agreement with the CBC Entente avec la SRC | |
| 2002 | \$1,750,000 | \$1,380,675 | |
| 2003 | \$1,750,000 | \$1,415,192 | |
| 2004 | \$1,925,000 | \$1,450,572 | |
| 2005 | \$2,500,000 | \$1,486,836 | |

TABLE 2 / TABLEAU 2

| Year / Année | Annual Royalties for CBC Television | | |
|---|-------------------------------------|--------------------------------|--|
| Montant annuel de redevances de la télévisi | | ces de la télévision de la SRC | |
| | SOCAN Tariff Proposal | Agreement with the CBC | |
| | Projet de tarif de la SOCAN | Entente avec la SRC | |
| 2002 | \$7,000,000 | \$6,395,40 | |
| 2003 | \$7,000,000 | \$6,523,308 | |

| 2004 | \$7,700,000 | \$6,653,774 |
|------|-------------|--------------------------------|
| 2005 | \$7,700,000 | \$6,786,849 |
| 2006 | \$6,922,586 | \$6,922,586 |
| 2007 | \$6,922,586 | No objection/Aucune opposition |
| 2008 | \$6,922,586 | No objection/Aucune opposition |

TABLE 3 / TABLEAU 3

| | Initial SOCAN Proposal Proposition initiale de la SOCAN | | Final SOCAN Proposal Proposition finale de la SOCAN | |
|----------------|--|--------------------|--|------------------|
| | Rate in % | Minimum Fees | Rate in % | Minimum Fees |
| | of Gross | Redevances | of Gross | Redevances |
| | Receipts | minimales | Receipts | minimales |
| | Taux en | mmmates | Taux en | minimates |
| | % des | | % des | |
| | recettes | | recettes | |
| | brutes | | brutes | |
| Last certified | 4.A: 3% | \$20 per | 4.A: 3% | \$20 per |
| tariff | 4.A. 5% 4.B.1: | concert/par | 4.A. 5% | - |
| | | - | 4.B.1. 1.56% | concert/par |
| for 2002 | 1.56% | concert | | concert |
| Dernier tarif | 4.B.3: | \$20 per | 4.B.3: | \$20 per |
| homologué | 0.96% | concert/par | 0.96% | concert/par |
| pour 2002 | | concert | | concert |
| | | None/Aucune | | None/Aucune |
| Proposed for | 4.A.1: 3% | \$75 per | 4.A: 3% | \$20 per |
| 2003 | 4.A.2: 3% | concert/par | 4.B.1: | concert/par |
| Proposé pour | 4.B.1: | concert | 1.56% | concert |
| 2003 | 1.56% | \$125 per year/par | 4.B.3: | \$20 per |
| | 4.B.3: | année | 0.96% | concert/par |
| | 0.96% | \$39 per | | concert |
| | | concert/par | | None/Aucune |
| | | concert | | |
| | | \$40 per year/par | | |
| | | année | | |
| Proposed for | 4.A.1: 3% | \$78.62 per | 4.A: 3% | \$20 per |
| 2004 | 4.A.2: 3% | concert/par | 4.B.1: | concert/par |
| and 2005 | 4.B.1: | concert | 1.56% | concert |
| Proposé pour | 1.56% | \$131.04 per | 4.B.3: | \$20 per |
| 2004 | 4.B.3: | year/par année | 0.96% | concert/par |
| et 2005 | 0.96% | \$40.88 per | | concert |
| | | concert/par | | None/Aucune |
| | | concert | | 1 (0110/11404110 |
| | | \$41.93 per year/ | | |
| | | par année | | |
| Proposed for | 4.A: 3% | \$25 per | 4.A: 3% | \$25 per |
| 2006 | 4.A. 5% | - | 4.A. 5% | - |
| | | concert/par | | concert/par |
| Proposé pour | 1.56% | concert | 1.56% | concert |

| 2006 | 4.B.3: 0.96% | \$25 per concert/par concert \$25 per year/par année | 4.B.3: 0.96% | \$25 per concert/par concert \$25 per year/par année |
|--------------|-----------------|--|-----------------|--|
| Proposed for | 4.A: 3% | \$30 per | 4.A: 3% | \$30 per |
| 2007 | 4.B.1: | concert/par | 4.B.1: | concert/par |
| Proposé pour | 1.56% | concert | 1.56% | concert |
| 2007 | 4.B.3: | \$30 per | 4.B.3: | \$30 per |
| | 0.96% | concert/par | 0.96% | concert/par |
| | | concert | | concert |
| | | \$30 per year/par | | \$30 per year/par |
| | | année | | année |
| Proposed for | 4.A: 3% | \$35 per | 4.A: 3% | \$35 per |
| 2008 | 4.B.1: | concert/par | 4.B.1: | concert/par |
| Proposé pour | 1.56% | concert | 1.56% | concert |
| 2008 | 4.B.3: | \$35 per | 4.B.3: | \$35 per |
| | 0.96% | concert/par | 0.96% | concert/par |
| | | concert | | concert |
| | | \$35 per year/par | | \$35 per year/par |
| | | année | | année |

TABLE 4 / TABLEAU 4

Number of Licences and Total Toyalties per Tariff in 2006 Nombre de licences et redevances totales par tarif en 2006

| NUMBER OF LICENCES NOMBRE DE LICENCES | TOTAL ROYALTIES REDEVANCES TOTALES |
|--|--|
| 150 | \$584,166 |
| | \$1,486,836 |
| | ψ1,+00,050 |
| 74 | \$35,336,867 |
| | |
| | |
| | \$300,080 |
| | |
| | |
| | \$180,000 |
| | \$100,000 |
| | LICENCES NOMBRE DE LICENCES |

| la SRC) 33.A (Cabarets, etc. – Live Music / Exécution en personne)3.B (Cabarets, etc. – Recorded Music Accompanying Live Entertainment / Musique enregistrée accompagnant un spectacle)3.C (Adult Entertainment Clubs / S.C (Adult Entertainment Clubs / dultes)4.A (Popular Music Concerts / Concerts de musique populaire) 44.B.1 (Classical Music Concerts – Per Concert Licence /Concerts de musique classique – Licence pour concerts de musique classique – Licence annuelle pour orchestres)4.B.3 (Classical Music Concerts – I B.3 (Classical Music Concerts – I I IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII |
|--|
| 3.B (Cabarets, etc. – Recorded Music Accompanying Live Entertainment / Musique enregistrée accompagnant un spectacle)248\$118,7953.C (Adult Entertainment Clubs / Clubs de divertissement pour adultes)342\$512,5784.A (Popular Music Concerts / Concerts de musique populaire) 4 4.B.1 (Classical Music Concerts – Per Concert Licence /Concerts de musique classique – Licence pour concerts individuels) 42,667\$11,115,8884.B.2 (Classical Music Concerts – Annual Licence for Orchestras / Concerts de musique classique – Licence annuelle pour orchestres)52\$270,7324.B.3 (Classical Music Concerts – I 11\$1,003\$1,003 |
| accompagnant un spectacle)342\$512,5783.C (Adult Entertainment Clubs / Clubs de divertissement pour adultes)342\$512,5784.A (Popular Music Concerts / Concerts de musique populaire) 42,667\$11,115,8884.B.1 (Classical Music Concerts - Per Concert Licence /Concerts de musique classique - Licence pour concerts individuels) 4791\$236,8744.B.2 (Classical Music Concerts - Annual Licence for Orchestras / Concerts de musique classique - Licence annuelle pour orchestres)52\$270,7324.B.3 (Classical Music Concerts -11\$1,003 |
| Clubs de divertissement pour adultes)2,667\$11,115,8884.A (Popular Music Concerts / Concerts de musique populaire) 42,667\$11,115,8884.B.1 (Classical Music Concerts - Per Concert Licence /Concerts de musique classique - Licence pour concerts individuels) 4791\$236,8744.B.2 (Classical Music Concerts - Annual Licence for Orchestras / Concerts de musique classique - Licence annuelle pour orchestres)52\$270,7324.B.3 (Classical Music Concerts - I 1011\$1,003 |
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| 4.B.1 (Classical Music Concerts – Per Concert Licence /Concerts de musique classique – Licence pour concerts individuels) 4791\$236,8744.B.2 (Classical Music Concerts – Annual Licence for Orchestras / Concerts de musique classique – Licence annuelle pour orchestres) 4.B.3 (Classical Music Concerts – 1152\$270,7324.B.3 (Classical Music Concerts – 1111\$1,003 |
| concerts individuels) 44.B.2 (Classical Music Concerts – Annual Licence for Orchestras / Concerts de musique classique – Licence annuelle pour orchestres)4.B.3 (Classical Music Concerts –11\$1,003 |
| Annual Licence for Orchestras / Concerts de musique classique – Licence annuelle pour orchestres)4.B.3 (Classical Music Concerts –11\$1,003 |
| Licence annuelle pour orchestres)11\$1,0034.B.3 (Classical Music Concerts –11\$1,003 |
| |
| Annual Licence for Presenting Organizations / Concerts de musique |
| classique – Licence annuelle pour les diffuseurs) |
| 5.A (Exhibitions and Fairs / Expositions et foires)1,028\$103,776 |
| 5.B (Exhibitions and Fairs – Concerts / Expositions et foires –7\$190,664 |
| Concerts) 42,719\$694,5196 (Motion Picture Theatres / Cinémas)2,719\$694,519 |
| 7 (Skating Rinks / Patinoires) 956 \$118,484 |
| 8 (Receptions, Conventions, etc. / Réceptions, congrès, etc.)10,519\$2,795,410 |
| 10.A (Strolling Musicians and Buskers; Recorded Music /364\$51,628 |
| Musiciens ambulants et musiciens de rues; musique enregistrée) |
| 10.B (Marching Bands; Floats with Music / Fanfares; chars allégoriques avec musique)80\$3,861 |
| 11.A (Circuses, Ice Shows, etc. / Cirques, spectacles sur glace, etc.)40\$129,063 |

| 11.B (Comedy Shows and Magic | 188 | \$48,339 |
|--|--------------------------------------|---------------|
| Shows / Spectacles d'humoristes et | 100 | φ+0,337 |
| spectacles de magiciens) | | |
| 12.A (Theme Parks, Ontario Place | 6 | \$8,222 |
| Corporation and Similar Operations | | + - , |
| / Parcs thématiques, Ontario Place | | |
| Corporation et établissements du | | |
| même genre) | | |
| 12.B (Paramount Canada's | 2 | \$30,271 |
| Wonderland Inc. and Similar | | |
| Operations / Paramount Canada's | | |
| Wonderland Inc. et établissements | | |
| du même genre) 4 | | |
| 13.A (Aircraft / Avions) | 10 | \$202,815 |
| 13.B (Passenger Ships / Navires à | 45 5 | \$4,021 |
| passagers) | | |
| 13.C (Railroad Trains, Buses, etc. / | 4 | \$251 |
| Trains, autobus, etc.) | | |
| 14 (Performance of an Individual | 622 | \$4,463 |
| Work / Exécution d'oeuvres | | |
| particulières) | | |
| 15.A (Background Music / Musique | 11,811 | \$1,616,555 |
| de fond) | | |
| 15.B (Telephone Music on Hold / | 1,808 | \$217,218 |
| Attente musicale au téléphone) | | |
| 16 (Background Music Suppliers / | 61 | \$1,439,746 |
| Fournisseurs de musique de fond) | | |
| 18 (Recorded Music for Dancing / | 2,453 | \$1,596,871 |
| Musique enregistrée utilisée à des | | |
| fins de danse) | 2.624 | ¢ < 0.2, 0,40 |
| 19 (Fitness Activities and Dance | 3,634 | \$692,848 |
| Instruction / Exercices physiques et | | |
| cours de danse) | 1 296 | ¢192 (71 |
| 20 (Karaoke Bars and Similar Establishments / Bars karaoké et | 1,286 | \$182,671 |
| | | |
| établissements du même genre) | 871 | \$154.022 |
| 21 (Recreational Facilities / Installations récréatives) | 0/1 | \$154,032 |
| 23 (Hotel and Motel In-Room | 4 | \$207,225 |
| Services / Services offerts dans les | - | φ201,225 |
| chambres d'hôtel et de motel) 4 | | |
| Pursuant to a provisional agreement / Conform | l mément à une entente provisoire | l |

Pursuant to a provisional agreement / Conformément à une entente provisoire.
2 Data for 2004 / Données pour 2004.
3 Pursuant to an agreement / Conformément à une entente.
4 Data for 2005 / Données pour 2005.
5 Number of ships / Nombre de navires.

TABLE 5 / TABLEAU 5

Number of Licences and Royalties for Tariff 7 (Skating Rinks) Nombre de licences et redevances du tarif 7 (Patinoires)

| Tariff Category Catégorie de tarif | Number of Licences Nombre de licences | Royalties Redevances |
|---|--|-------------------------|
| (a) With Entrance Fee / Avec prix d'entrée | 664 (69%) | \$95,149 (80%) |
| For which the minimum fee (\$104.31) was | 525 | \$54,763 |
| paid / Pour lesquelles la redevance minimale (104,31 \$) a été payée | (55%) | (46%) |
| Other / Autres | 139 (14%) | 40,386 (34%) |
| (b) Without Entrance Fee (fee of \$104.31) | 292 | \$23,335 |
| Sans prix d'entrée (redevance de 104,31 \$) | (31%) | (20%) |
| TOTAL | 956 | \$118,484 |

Note: Figures in brackets indicate percentages of the total. Note : Les chiffres entre parenthèses indiquent les pourcentages par rapport au total.