Copyright Board Canada



Commission du droit d'auteur Canada

CB-CDA 2025-022 - Erratum

Ruling of the Board and Notice of Initiation of a Proceeding

Proceeding: Re:Sound Tariffs 3.B – Background Music (2021-2026), 5.A-J – Live Events (2016-2025) and 6.A – Dance (2019-2028)

March 14, 2025 [April 17, 2025]

I. Overview

[1] On May 13, 2024, Re:Sound, Hotel Association of Canada and Restaurants Canada ("the Parties") jointly requested that the Copyright Board initiate a consolidated proceeding with respect to the tariffs listed above.

[2] On July 29, 2024, pursuant to Board Order CB-CDA 2024-043, the Parties filed their Joint Statement of Issues.

II. Ruling and Proposed Tariffs to be Considered

[3] The Board hereby grants the consolidation request filed by the Parties, and is ready to commence the consolidated written proceeding to consider the following proposed tariffs (the "Proposed Tariffs"):

- Re:Sound 3.B Background Music (2021-2022)
- Re:Sound 3.B Background Music (2023-2026)
- Re:Sound 5.A.J Use of Music to Accompany Live Events (2016-2020)
- Re:Sound 5.A.J Use of Music to Accompany Live Events (2021-2025)
- Re:Sound 6.A Use of Recorded Music to Accompany Dance (2019-2023)
- Re:Sound 6.A Use of Recorded Music to Accompany Dance (2024-2028)

III. Outstanding Objectors

Name of Objector	Tariff and Period
Hotel Association of Canada	Re:Sound 3.B (2021-2022, 2023-2026)
	Re:Sound 5.A-C (2021-2025)
	Re:Sound 6.A (2019-2023, 2024-2028)

	Re:Sound 3.B (2021-2022, 2023-2026)
Restaurants Canada	Re:Sound 5.A (2021-2025), Re :Sound 5.C (2021-2025)
	Re:Sound 6.A (2019-2023, 2024-2028)

IV. Proceeding Detail Page

[4] Information about this proceeding can be found on the Board's website under "Cases and Tariffs - Ongoing Cases" here: <u>Re:Sound Tariffs 3.B – Background Music (2021-</u>2026), 5.A-J – Live Events (2016-2025) and 6.A – Dance (2019-2028).

V. <u>Issues</u>

A. Joint statement of Issues

[5] In accordance with the Joint Statement of Issues filed by the parties, the issues to be considered by the Board are:

- a) Repertoire adjustments to account for the changes to Re:Sound's repertoire resulting from the eligibility of U.S. repertoire effective July 1, 2020.
- b) Inflationary adjustments to tariffs with flat dollar amount rates.
- c) Adjustments on account of the COVID-19 pandemic:
- d) One-time adjustments for periods of closure for the years 2020-2021; and
- e) Adjustments for the years 2022-2025 on account of permanent changes to the dining and hospitality industries resulting from the pandemic.
- f) Consolidation of tariffs 5.A and 5.K

B. Additional Issues

[6] The Board notes that the Proposed Tariffs include provisions stating that they do not apply if another, unspecified tariff is applicable. The following instances of circular references have been identified, notably at:

- a) Tariff 3.B at s.3(3) This tariff does not apply to a performance in public or a communication to the public by telecommunication that is subject to another Re:Sound tariff.
- b) Tariff 5.A at s.2(2) This tariff does not apply to events that are subject to another Re:Sound tariff, including Re:Sound Tariffs 5.B-5.J.

[7] In compliance with the <u>Practice Notice on Filing a Proposed Tariff (PN 2019-004 rev.</u> <u>4</u>) and to facilitate comprehension and consideration of the Proposed Tariffs, Re:Sound shall provide a clearer delineation of the activities covered by the tariffs listed above and shall specify which activities covered by other tariffs would take precedence over the Proposed Tariffs.

[8] The Board also notes certain inconsistencies between the Proposed Tariffs, notably amendments to the last approved tariffs apply only to the earlier tariffs period and are not carried forward to the subsequent one, including those subject to Jointly Submitted Text. The Board requests that Re:Sound provide an explanation and propose a solution to address these inconsistencies.

[9] Finally, the Board asks Re:Sound to explain the rationale behind:

- a) Proposing lower rates in Re:Sound Tariff 6.A for the years 2024–2028 compared to those proposed for the earlier period, 2019–2023;
- b) Establishing a 12-month cap for adjustments to reduce the amount of royalties owed as a result of an error or otherwise and imposing interest for late reporting in some of the proposed tariffs;
- c) Removing the expressions "in the repertoire of Re:Sound", "performers' performance of such work in the repertoire or Re:Sound" and "for the benefit of performers and makers" in some of the proposed tariffs.

VI. Schedule of Proceeding

[10] The Parties shall submit a jointly proposed schedule of proceedings by **Friday, April 4**, **2025**.

[11] If the Parties cannot reach an agreement, each party must submit a proposed schedule by **Friday**, **April 11**, **2025**, along with an explanation as to why a joint proposal was not possible.

[12] The Parties shall indicate by **Monday, March 24, 2025**, whether they wish to have a case management conference to assist with scheduling and how issues may be addressed.

Greg Gallo A/Secretary General