Copyright Board Canada



Commission du droit d'auteur Canada

Date 2025-12-03

Notice of Initiation and

Order of the Board

CB-CDA 2025-117

Proceeding Number PT25-17

Proceeding Re:Sound Tariff 3.C – Aircrafts (2025-2029)

Case Manager Drew Olsen

I. Proposed Tariff to be Considered

[1] The Board is ready to commence proceeding PT25-17 – Re:Sound Tariff 3.C – Aircrafts (2025-2029), to consider the following proposed tariff (the "Proposed Tariff") in a written hearing:

• Re:Sound Aircraft Tariff (2025-2029)

II. Objectors

[2] No objections to the Proposed Tariff have been filed.

III. Confidential Information

[3] If Re:Sound anticipates that it will need to disclose confidential information in the course of this proceeding, it is invited to request a confidentiality order as soon as possible (see Rule 46 of the <u>Copyright Board Rules of Practice and Procedure</u> (the "Rules")), in accordance with the <u>Practice Notice on Confidentiality Order (PN 2024-013)</u>.

IV. Proceeding Detail Page

[4] Information about this proceeding can be found on the Board's website.

V. Interveners and Letters of Comment

- [5] A person with an interest in this proceeding may file a request for intervener status as per Rule 52 of the Rules; any person may file a letter of comment in the official language of their choice as per Rule 53.
- [6] Please <u>contact the Registry</u> as soon as possible for further information on how to file a request to intervene or a letter of comment.

VI. Questions

[7] Re:Sound shall answer the following questions by Wednesday, January 14, 2026.

A. Questions related to proposed royalties

- [8] Re:Sound is requesting that the Board approve a new tariff for the performance in public and the communication to the public by telecommunication of recorded music in an aircraft, both while the aircraft is on the ground and as part of in-flight programming.
- [9] According to the Notice of Grounds for Proposed Tariff, the proposed rates are based on SOCAN Tariff 13.A (2018-2022), with adjustments for inflation from 2015 through 2029, "allowing for a repertoire adjustment of up to 100% and an increase to the value of music".

[10] Re:Sound shall:

- a. Provide a detailed statement of the calculations, including the underlying numerical data, the methodology employed, and a justification for the approach taken, related to how the proposed rate was arrived at, clearly separating out each of the three components (inflation, repertoire adjustment and increase in the value of music).
- b. Provide a detailed justification for the three components mentioned above.
- c. With respect to the increase in the value of music, provide a clarification of what the increase is measured against (e.g., increase in relation to what benchmark or criteria?)

B. Questions related to the potential impact on users

[11] In its Notice of Grounds for Proposed Tariff, Re:Sound indicates that the Proposed Tariff is an "inaugural tariff" and that airline companies' use of recorded music is currently subject to Re:Sound Tariff 3.A (Background Music Suppliers) or Tariff 3.B (Background Music).

[12] Re:Sound shall:

- a. In respect of Tariff 3.B, provide for the last 3 years the number of airline companies that currently pay royalties to Re:Sound, the total amount of royalties paid and whether airline companies have paid on the basis of square meters, capacity or tickets sold.
- b. Provide the number of airlines companies that have paid the minimum fee provided for in Tariff 3.B.

[13] Subsection 5(2) of Re:Sound Tariff 3.A – Background Music Suppliers (2014-2018) provides that "A background music supplier subject to subsection 4(2) shall provide with its payment the name of each subscriber and the address of each establishment for which the background music supplier is making a payment".

[14] Re:Sound shall:

- c. Provide the number of airline companies whose royalties for the use of background music are paid by background music suppliers pursuant to subsection 5(2) of Tariff 3.A and the amount of royalties received from those background music suppliers for music supplied to airline companies under subsection 5(2) of Tariff 3.A.
- d. Describe, quantitatively and qualitatively, the anticipated impact on airlines companies of applying Tariff 3.C to these users. For example, what would the per-user cost difference between Tariffs 3.A or 3.B and the Proposed Tariff.

C. Questions related to information on music use

[15] Section 6 of the Proposed Tariff requires that airline companies provide information on sound recordings of musical works performed or communicated in public. Re:Sound writes that SOCAN has also proposed that airline companies provide music use information in its proposed SOCAN Tariff 13.A – Aircraft (2023-2025). However, SOCAN Tariff 13.A – Aircraft (2023-2025) proposes that information on music use be provided "if available". This is not the case for this Proposed Tariff.

[16] Re:Sound shall explain why the information it seeks is mandatory and not limited to "information available".