

NOTICE OF GROUNDS FOR PROPOSED TARIFF

Filed with the Copyright Board by Re:Sound on 2023-10-13 pursuant to Rule 15 of *Copyright Board Rules of Practice and Procedure*

RE:SOUND TARIFF 3.C – AIRCRAFT (2025-2029)

1. Uses covered by the proposed tariff

The proposed tariff applies to the communication and public performance of recorded music in an aircraft, both while the aircraft is on the ground and as part of in-flight programming.

2. Basis for proposed royalty rates

The proposed rates are based on SOCAN Tariff 13.A – Aircraft (2018-2022), adjusted for inflation since 2015 (when the SOCAN rates were last changed) estimated to 2029, allowing for a repertoire adjustment of up to 100% and an increase to the value of music.

3. Description of the group of users intended to be covered by the proposed tariff

The proposed tariff applies to airlines that use recorded music such as Air Canada and WestJet.

4. Explanation of how the information that would be collected by Re:Sound pursuant to the proposed tariff would be used

The information to be collected under section 5 of the proposed tariff would be used by Re:Sound to calculate and verify an airline's royalty payments. This is the same information airlines already provide to SOCAN pursuant to SOCAN Tariff 13.A – Aircraft (2018-2022).

The music use information to be collected under section 6 of the proposed tariff would be used by Re:Sound for the purposes of distributions, to ensure that the royalties collected are distributed to the appropriate rights holders. SOCAN has also proposed that airlines provide music use information in its proposed SOCAN Tariff 13.A – Aircraft (2023-2025).

5. Identification and explanation of changes from the previously approved tariff

As this is an inaugural tariff for Re:Sound, there is no previously approved tariff to compare it to. Currently, an airline's use of recorded music is subject to Re:Sound Tariff 3.A (Background Music Suppliers) or Tariff 3.B (Background Music). Re:Sound has proposed a standalone tariff applicable to aircraft for better harmonization with SOCAN Tariff 13.A, to simplify reporting and payments for both airlines and Entandem (the joint venture between Re:Sound and SOCAN), as well as to ensure that the royalties payable to performers and makers are equivalent to those payable to authors, composers and music publishers.