

Movie Theatre Association of Canada: Notice of Grounds for Objection

Tariff 6 – Motion Picture Theatres (2025-2027) (“Proposed Tariff”)

December 14, 2023

1. Grounds for why the Board should not approve the proposed tariff despite any alteration of royalties or levies or fixation of terms or conditions.

N/A.

2. Grounds for objecting to any royalty or levy rates in the proposed tariff.

The Movie Theatre Association of Canada (“MTAC”) objects to percentage of revenue royalty structure of the Proposed Tariff.

The per-seat royalty structure has worked satisfactorily for a long-time and does not need to be changed.

Further, the royalty amounts that would be payable under the Proposed Tariff are excessive relative to the value of the music used, and would represent a very significant increase to royalty payments compared to the last certified version of the tariff without any commensurate increase in the value of music.

3. Grounds for objecting to any terms or conditions in the proposed tariff.

Given that there is no justification to change from the per-seat, the terms of the Proposed Tariff should be significantly revised.