

Copyright Board

Pluto Inc.: Notice of Grounds for Objection

CMRRA – Audiovisual Services (2025-2027) (“Proposed Tariff”)

December 15, 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.

Pluto Inc. (“Pluto”) is the operator of Pluto TV, a free advertising supported streaming television (FAST) service, in Canada. Pluto objects to the royalty structure of the Proposed Tariff, which is some combination of a percentage of revenue, fee per file or fee per subscriber per month. This structure, and the proposed royalty rates, are not sensitive to many circumstances that must reduce the amount of royalties that are payable under the tariff. In addition, the royalty amounts that would be payable under the Proposed Tariff are excessive relative to the value of the music used, if any.

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

Pluto objects to the Proposed Tariff that consists of overly onerous and over-inclusive reporting terms to its prejudice. For example, the Proposed Tariff could require Pluto to provide music end-use information and cue sheet data on files that are not compensable. Moreover, any reporting is subject to CMRRA’s audit rights, and to obligations on reporting service-identification information or any adjustments thereof, and to preserve all records for a certain duration of time, notwithstanding the issues noted above as concerns the structure of the Proposed Tariff.