

PROPOSED TARIFF
COPYRIGHT BOARD

Filed with the Copyright Board by SOCAN on 2025-10-15 pursuant to subsection 67(1) of the Copyright Act

Proposed Tariff Title: SOCAN Tariff 22.C – Internet – Other Audio Websites (2007-2018 Services (2027-2029)

Citation: 2023-CB-6-T-2

See also: SOCAN Tariff 22.C (2007-2018), 2023-CB-6

Published pursuant to section 70.1 of the Copyright Act

Lara Taylor

For the communication to the public by telecommunication of musical or dramatico-musical works.

Secretary General

1-833-860-7131 (toll free number)

Effective Period: 2027-01-01 – 2029-12-31

registry-greffe@cb-cda.gc.ca (email)

SOCAN TARIFF 22.C – INTERNET – OTHER AUDIO WEBSITES (2007-2018 SERVICES (2027-2029)

Application

1. (1) This tariff sets the royalties to be paid for the communication to the public by telecommunication of works in SOCAN's repertoire, including making works which, where applicable, includes the making available of such works to the public by telecommunication in a way that allows a member of the public to have access to them from a place and at a time individually chosen by that member of the public, by means of a site in connection with an online service that is ordinarily accessed to listen to audio-only content, in 2007 to 2018 other than an online service that is subject to Tariffs 1.A (Commercial Radio), 1.B (Non-Commercial Radio other than the Canadian Broadcasting Corporation), 1.C (CBC Radio), 22.A (Online Music Services), 22.B (Internet – Commercial Radio), 22.E (Internet – Canadian Broadcasting Corporation), 25 (Satellite Radio Services) or 26 (Pay Audio and Ancillary Services), in the years 2027-2029.

(2) This tariff does not apply to uses covered by other tariffs, including SOCAN Tariffs 16 (Background Music Suppliers), 22.A (Online Music Services), 22.B (Internet – Commercial Radio), 22.D.1 (Online Audiovisual Services), 22.D.2 (User-Generated Content Services), 22.D.3 (Allied Audiovisual Services), 22.E (Internet – Canadian Broadcasting Corporation), 22.G (Internet – Game Services), 25 (Satellite Radio Services) and 26 (Pay Audio and Ancillary Services).

(3) This tariff does not authorize the use of any works in SOCAN's repertoire in connection with the training of, or the generation of any output by, any artificial intelligence system.

Definitions

2. In this tariff,

“additional information” means, in respect of each musical work contained in a file, the following information:

- (a) the ~~musical work's identifier, that is, the~~ unique identifier assigned by ~~a site operator~~the service to the musical work;
- (b) the title of the musical work;
- (c) the name of each author of the musical work;
- (d) the name of each performer or group to whom ~~the~~each sound recording contained in the file is credited;
- (e) the name of the person who released ~~the~~each sound recording ~~contained~~ in the file;
- (f) the International Standard Recording Code (ISRC) assigned to ~~the~~each sound recording in the file;
- (g) if ~~the~~any sound recording in the file is or has been released in physical format as part of an album, the name, identifier, product catalogue number and the Universal Product Code (UPC) assigned to the album, together with the associated disc and track numbers;
- (h) the name of the music publisher associated with the musical work;
- (i) the International Standard Musical Work Code (ISWC) assigned to the musical work;
- (j) the Global Release Identifier (GRid) assigned to the musical work and, if applicable, the GRid of the album ~~or bundle~~ in which the musical work was released;
- (k) the running time of the musical work, in minutes and seconds; and
- (l) any alternative title used to designate the musical work or each sound recording-
~~(« renseignements additionnels in the file; (« renseignements additionnels »)~~

~~“audio page impression” means a page impression that allows a person to hear music; (« consultation de page audio »)~~

“Canadian Internet-related revenues” means all Internet-related revenues generated in connection with end users with Canadian IP addresses; (« *recettes d’Internet provenant du Canada* »)

“channel” means a single transmission of content ~~other than an “on-demand stream” (i.e. a stream selected by the end user and received at a place and time individually chosen by that end user)~~; (« *canal* »)

“file” means a digital file of ~~a sound recording of a musical~~ audio work; (« *fichier* »)

“Internet-related revenues” means all revenues generated by Internet-related activities, including membership, subscription and other access fees, amounts paid for advertising, product placement, promotion, ~~and~~ sponsorship, net revenues from the sale of goods or services and commissions on third-party transactions, but excluding

- (a) revenues that are already included in calculating royalties pursuant to another SOCAN tariff;
- (b) revenues generated by an Internet-based activity that is subject to another SOCAN tariff;
- (c) agency commissions;
- (d) the fair market value of any advertising production services provided by the ~~user~~service; and
- (e) network usage and other connectivity access fees; (« *recettes d’Internet* »)

~~“page impression” means a request to load a single page from a site; (« *consultation de page* »)~~

“play” means the single delivery of a stream; (« *écoute* »)

“quarter” means from January to March, from April to June, from July to September and from October to December; (« *trimestre* »)

~~“site” means a collection of pages accessible via a common root URL; (« *site* »)~~

“service” means a person or entity that communicates musical works in SOCAN’s repertoire to the public (which, where applicable, includes making such works available to be accessed by members of the public at a time and place of each member’s choosing) by means of digital transmission, including the Internet; (« *service* »)

“SOCAN repertoire use” means the share of total transmission time, excluding music used in interstitial programming such as commercials, public service announcements and

jingles, that uses the works in the SOCAN repertoire; (« *utilisation du répertoire SOCAN* »)

“stream” means a file that is intended to be copied onto a local storage medium or device only to the extent required to allow listening to the file at substantially the same time as when the file is received; (« *transmission* »)

“subscriber” means an end user with whom a service or its authorized distributor has entered into a contract for service other than on a transactional per-stream basis, whether for a fee, for other consideration or free of charge, including pursuant to a free subscription; (« *abonné* »)

“year” means a calendar year. (« *année* »)

Royalties

3. (1) The royalties payable in relation to ~~a site~~an online service that is ordinarily accessed to listen to audio-only content, other than ~~a site~~an online service subject to ~~another~~ SOCAN ~~tariff~~Tariff 1.A, 1.B, 1.C, 22.A, 22.B, 22.E, 25 or 26, are

$$A \times B \times [1 - (C \times D)]$$

where

(A) is: (i) 2.0% if the SOCAN repertoire use on the service is 20% or less, (ii) 5.5% if the use is between 20% and 80%, and (iii) 7.0% if the use is 80% or more,

if the service can determine its Canadian Internet-related revenues:

(A) is

(i) 1.5% of the site’s Internet related revenues, if the SOCAN repertoire use is 20% or less;

(ii) 4.2% of the site’s Internet related revenues, if the SOCAN repertoire use is between 20% and 80%, and

(iii) 5.3% of the site’s Internet related revenues, if the SOCAN repertoire use is 80% or more;

(B) is the ratio of audio page impressions to all page impressions, if that ratio is available, and 0.5 if not, service’s Canadian Internet-related revenues, and

(C) is 0.95 for a Canadian site and 1 for any other site, and

if the service cannot determine its Canadian Internet-related revenues:

(B) is the service's Internet-related revenues, and

(DC) is 0.1.

~~(i) the ratio of non-Canadian page impressions to all page impressions, if that ratio is available, and~~

~~(ii) if not, 0 for a Canadian site and 0.9 for any other site,~~

subject to a minimum fee of

~~: (i) \$46.06 per year if the combined SOCAN repertoire use on the service is 20% or less, (ii) \$33.48 per year if the combined SOCAN repertoire use on the site is 20% or less,~~

~~\$94.45 per year 129.95 if the combined SOCAN repertoire use is between 20% and 80%, and (iii) \$164.50 if the combined use is 80% or more.~~

~~\$119.56 per year if the combined SOCAN repertoire use is 80% or more.~~

(2) For the purposes of subsection (1), the applicable rate shall be determined by using the channel's SOCAN repertoire use for revenues that are tracked on a per-channel basis, and by using the combined SOCAN repertoire use of all channels for all other revenues.

Reporting Requirements

Site Operator Service Identification

4. ~~(1) No later than 20 days after the earlier of the end of the first month during which a site operator service communicates a file requiring a SOCAN permission, and the day before the site operator first makes such a file available to the public licence, the service provider~~ shall provide to SOCAN the following information:

- (a) the name of the person who operates ~~it~~the service, including
- (i) if a corporation, its name and ~~a mention of~~ its jurisdiction of incorporation,
 - (ii) if a sole proprietorship, the name of the proprietor,
 - (iii) if a partnership, the names of each partner, and
 - (iv) in any event, the names of the principal officers or operators of the ~~site service~~ or any other service,

together with any other trade name under which the ~~site operator service~~ carries on

business;

- (b) the address of its principal place of business;
- (c) the name, address and email of the persons to be contacted for the purposes of notice, for the exchange of data, and for the purposes of invoicing and payment of royalties;
- (d) the name and address of any authorized distributor; and
- (e) the Uniform Resource Locator (URL) of ~~the site~~each website and the name of each application or platform at or through which the service is or will be offered, as applicable.

Sales and Music Use ~~Reports~~Reporting

~~5. (42)~~ No later than 20 days after the end of each month, any ~~site operator~~service that is required to pay royalties pursuant to this tariff shall provide to SOCAN a report setting out, for that month, the following information, where available:

- (a) the ~~site's~~service's Canadian Internet-related revenues or Internet-related revenues, as applicable;
 - (b) ~~the ratio of audio page impressions to all page impressions;~~
 - (c) ~~the ratio of non-Canadian page impressions to all page impressions;~~
- ~~(d)~~b) ~~a report setting out, for that month, in relation to each file that was delivered, the following information:~~
- (i) the number of plays of each file;
 - (ii) the total number of plays of all files; and
 - (iii) the additional information ~~as defined in section 2.~~

~~(2) For certainty, information is "available" under subsection (1) if it is in the possession or control of the person operating the relevant online music service, regardless of the form or the way in which it was obtained.~~

(3) If the service offers subscriptions in connection with its provision of streams, the service shall provide the following information:

- (a) the number of subscribers to the service at the end of the month and the total amounts paid by them during that month; and

(b) the number of subscribers provided with free subscriptions and the total number of plays of all files by such subscribers as streams.

Files Made Available

5. Upon request, a service shall provide to SOCAN the additional information for all files that were made available to members of the public for on-demand streaming at any time during the year, regardless of whether the file was transmitted to any end user. SOCAN shall not make such a request more frequently than twice per year.

Calculation and Payment of Royalties and Interest on Late Payments

6. (1) Royalties shall be due no later than 20 days after the end of each month.

(2) All amounts payable under this tariff are exclusive of any federal, provincial or other governmental taxes or levies of any kind.

(3) All amounts required to be reported or paid under this tariff shall be reported or paid in Canadian dollars.

(4) Any amount not received by the due date shall bear interest from that date until the date the amount is received. Interest shall be calculated daily, at a rate equal to 1% above the Bank Rate effective on the last day of the previous month (as published by the Bank of Canada). Interest shall not compound.

Adjustments

7. If, as a result of the discovery of an error or otherwise, the amount of the royalties paid or payable, including excess payments, requires an adjustment, then SOCAN or the service shall immediately notify the other party, provide an explanation for the claimed adjustment, and propose an adjustment solution, such solution subject to the other party's consent (not to be unreasonably withheld). Adjustments shall not be made in respect of any other royalties or fees owed to SOCAN by the service under another tariff or agreement without SOCAN's consent. No adjustment may be made to royalties paid more than six years previously. For greater certainty, this provision does not apply to any adjustments pursuant to an audit conducted under this tariff.

7. Adjustments to any information provided pursuant to sections 4 and 5 shall be provided with the next report dealing with such information.

8. Adjustments in the amount of royalties owed, including excess payments, as a result of the discovery of an error or otherwise, shall be made on the date the next royalty payment is due.

Records and ~~Audit~~Audits

98. (1) A ~~site operator~~service shall keep and preserve, for a period of six years after the end of the month to which they relate, records from which the information set out in sections 3 and 4 and 5 can be readily ascertained.

(2) SOCAN may audit these records at any time during the period set out in subsection (1) on reasonable notice and during normal business hours.

(3) Subject to subsection (4), if an audit discloses that royalties due have been understated in any quarter by more than 10%, the ~~site operator~~service shall pay the reasonable costs of the audit within 30 days of the demand for such payment.

(4) For the purposes of subsection (3), any amount owing as a result of an error or omission on the part of SOCAN shall not be taken into account.

Confidentiality

109. (1) Subject to subsections (2) and (3), SOCAN, ~~the site operator~~a service and its authorized distributors shall treat in confidence information received pursuant to this tariff, unless the disclosing party consents in writing to the information being treated otherwise.

(2) Information referred to in subsection (1) may be shared

- (a) between the ~~site operator~~service and its authorized distributors in Canada;
- (b) with the Copyright Board;
- (c) in connection with proceedings before the Copyright Board, once the ~~site operator~~disclosing party has had a reasonable opportunity to request a confidentiality order;
- (d) with any person who knows or is presumed to know the information;
- (e) to the extent required to effect the distribution of royalties, ~~with royalty claimants; and~~
- (f) with SOCAN's agents and service providers to the extent required by the service providers for the service they are contracted to provide; and
- (g) if required by law.

(3) Subsection (1) does not apply to information that must be provided pursuant to ~~section 67.2 of~~ the Copyright Act, ~~to information that is publicly available, to aggregated information, or to information obtained from someone other than the service or its authorized distributors and who is not under an apparent duty of confidentiality with~~

respect to the supplied information.

Interest on Late Payments

~~11. Any amount not received by the due date shall bear interest from that date until the date the amount is received. Interest shall be calculated daily, at a rate equal to 1% above the Bank Rate effective on the last day of the previous month (as published by the Bank of Canada). Interest shall not compound.~~

Addresses for Notices

~~12~~10. (1) Anything addressed to SOCAN shall be sent to 41 Valleybrook Drive, Toronto, Ontario M3B 2S6, email: licence@socan.comlicence@socan.com, or to any other address or email address of which a ~~site operator~~service has been notified in writing.

(2) Anything that SOCAN sends to a ~~site operator~~service shall be sent to the last address or email address of which SOCAN has been notified in writing.

Delivery of Notices and Payments

~~13~~11. (1) Subject to subsection (2), a notice may be delivered by hand, by postage-paid mail, by email or by File Transfer Protocol (FTP).

(2) Information provided pursuant to sections 4 and 5 shall be delivered electronically, by way of delimited text file or in any other format agreed upon by SOCAN and the service.

~~(23)~~ A notice or payment mailed in Canada shall be presumed to have been received four business days after the day it was mailed.

~~(34)~~ A notice sent by email or by FTP shall be presumed to have been received the day it is transmitted.

~~(4) All amounts required to be reported or paid under this tariff shall be reported or paid in Canadian dollars.~~

Transitional Provisions

~~14. (1) Section 9 shall apply after the tariff's publication date.~~

~~(2) Notwithstanding subsection (1), section 9 applies if the relevant information was kept and is available at the tariff's publication date.~~

~~15. Any amount owed under this tariff shall be due on January 28, 2024, and shall be increased by using the interest factors (based on the Bank Rate as published by the Bank of Canada) set out in the following tables with respect to each period.~~

Table 1: Monthly Interest Factors (per month and year)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
4	1.28 08	1.23 50	1.20 61	1.20 06	1.19 42	1.17 87	1.16 62	1.15 37	1.14 44	1.13 29	1.12 54	1.11 50
2	1.27 70	1.23 47	1.20 54	1.20 02	1.19 04	1.17 76	1.16 51	1.15 26	1.14 05	1.13 23	1.12 48	1.11 37
3	1.27 33	1.22 87	1.20 48	1.19 97	1.18 91	1.17 66	1.16 44	1.15 46	1.13 97	1.13 46	1.12 41	1.11 25
4	1.26 95	1.22 59	1.20 43	1.19 93	1.18 80	1.17 55	1.16 30	1.15 05	1.13 89	1.13 40	1.12 35	1.11 42
5	1.26 58	1.22 32	1.20 39	1.19 88	1.18 70	1.17 45	1.16 20	1.14 95	1.13 80	1.13 04	1.12 29	1.11 00
6	1.26 19	1.22 04	1.20 35	1.19 81	1.18 60	1.17 35	1.16 40	1.14 85	1.13 73	1.12 98	1.12 22	1.10 86
7	1.25 80	1.21 77	1.20 31	1.19 73	1.18 49	1.17 24	1.15 99	1.14 74	1.13 66	1.12 91	1.12 14	1.10 72
8	1.25 40	1.21 50	1.20 27	1.19 64	1.18 39	1.17 44	1.15 89	1.14 64	1.13 60	1.12 85	1.12 04	1.10 57
9	1.25 01	1.21 26	1.20 22	1.19 53	1.18 28	1.17 03	1.15 78	1.14 53	1.13 54	1.12 79	1.11 94	1.10 42
10	1.24 61	1.21 04	1.20 18	1.19 43	1.18 48	1.16 93	1.15 68	1.14 43	1.13 48	1.12 73	1.11 83	1.10 26
11	1.24 23	1.20 87	1.20 44	1.19 32	1.18 07	1.16 82	1.15 57	1.14 32	1.13 44	1.12 66	1.11 73	1.10 09
12	1.23 86	1.20 73	1.20 10	1.19 22	1.17 97	1.16 72	1.15 47	1.14 23	1.13 35	1.12 60	1.11 62	1.09 93

Table 2: Annual Interest Factors

Year	Factor
2007	1.2414
2008	1.2115
2009	1.2044
2010	1.1956
2011	1.1831
2012	1.1706
2013	1.1581
2014	1.1460
2015	1.1372
2016	1.1295
2017	1.1192
2018	1.1022