

NOTICE OF GROUNDS FOR OBJECTION

Filed by **Stingray Group Inc.**

In relation to Proposed Tariff **SOCAN Tariff 22.C – Internet – Other Audio Services (2027-2029)**

Filed with the Copyright Board on 2025-12-17 pursuant to Rule 18 of the *Copyright Board Rules of Practice and Procedure*

This is the Notice of Grounds for Objection of Stingray Group Inc. (Stingray) to the Statement of Proposed Royalties to be Collected by SOCAN for Internet – Other Audio Services for 2027-2029, (the “Statement of Proposed Royalties” or “proposed SOCAN Tariff 22.C”). Stingray respectfully reserves the right to rely on objections raised by other parties to the proceedings, *mutatis mutandis*. Stingray also reserves its right to raise additional substantive points of objection throughout the proceedings related to the Statement of Proposed Royalties.

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

This proposed tariff applies to the communication to the public by telecommunication (including, where applicable, the making available) of works in SOCAN’s repertoire in connection with the operation of an online service ordinarily accessed to listen to audio-only content other than services covered by other SOCAN Internet audio tariffs. As SOCAN notes, it is the nature of the *use* and not the *user* that determines whether the tariff applies. Stingray is of the view that this tariff should not be applicable to its online audio services and that, instead, the agreement with SOCAN following the release of *Re:Sound and SOCAN — Stingray Pay Audio and Ancillary Services Tariff (2007–2016)* (2021 CB 5-T) should apply to all such services. However, given the qualifier that it is the *use* and not the *user*, Stingray maintains its objection to this tariff to preserve standing in the event SOCAN seeks to apply this tariff to online audio services offered by Stingray.

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

SOCAN is seeking to increase the rates in this tariff from, for example, 5.3% to 7% if the use is more than 80%, and to increase the minimum fee from \$94.45 per year to \$164.50 per year if the use is more than 80%. SOCAN states that the increase is intended to reflect changes in the market including increased efficiencies and expanded uses of music, which SOCAN assumes will be justified by evidence produced by the

objectors during the proceeding. SOCAN also relies on inflation to support its increases to the minimum fee. Stingray disagrees that inflation is appropriate in this case and is not aware of any factor that could justify an increase to the value of music used by licensees of this tariff. Absent valid justification, the rate increases should be rejected entirely.

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

SOCAN has proposed modifications to the music use reporting requirements, including the addition of proposed section 5 relating to the making available right. SOCAN's request for information to determine whether and to what extent there are songs that were made available but not played, presumably so that it may provide distributions to the rightsholders associated with those songs, is *prima facie* reasonable. To the extent the music use requirements are subject to the "where available" caveat, Stingray does not contest the modifications.

Additional Grounds for Objecting to the Proposed Tariff

Stingray also objects to the overlapping nature of SOCAN's proposed Internet tariffs (SOCAN's proposed Tariffs 22.A-G). SOCAN has not clearly differentiated its proposed Internet tariffs, which leaves prospective users unable to determine which tariffs may apply to them.

SOCAN's position regarding artificial intelligence is *prima facie* reasonable but is potentially overbroad. Stingray reserves the right to make arguments as to the reasonable use of AI systems in its operations with appropriate limitations in place provided that the use is not excluded under principles of fair dealing or other exceptions under the Copyright Act.