

NOTICE OF GROUNDS FOR OBJECTION

Filed by **Goodlife Fitness Centres Inc.**

In relation to Proposed Tariff **SOCAN Tariff 22.D.1 – Online Audiovisual 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 Goodlife Fitness Centres Inc. (Goodlife) to the Statement of Proposed Royalties to be Collected by SOCAN for Online Audiovisual Services for 2027-2029, (the “Statement of Proposed Royalties” or “proposed SOCAN Tariff 22.D.1”). Goodlife respectfully reserves the right to rely on objections raised by other parties to the proceedings, *mutatis mutandis*. Goodlife also reserves its right to raise additional substantive points of objection throughout the proceedings related to the Statement of Proposed Royalties.

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

SOCAN is seeking to increase the rates in this tariff from 1.7% to 3%, and to add a minimum fee of 17¢ per program or 19.5¢ per subscriber per month for services with subscribers. 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. Goodlife is not aware of any factor that could justify an increase to the value of music used by licensees of this tariff. Absent justification, the rate increases should be rejected entirely.

Goodlife objects to the fact that the Statement of Proposed Royalties seeks to include in the rate base revenues which are in no way connected to the use or value of SOCAN’s repertoire. SOCAN has removed the page impression ratio from the Proposed Tariff and included a proposed definition of Internet Related Revenues that seeks to capture all revenues from Goodlife’s websites and applications rather than just the revenues that are related to the use of SOCAN’s repertoire. This constitutes a significant overreach in the rate base and would result in SOCAN receiving royalties on the basis of revenues that have nothing to do with its repertoire.

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 does not make sense in the context of Goodlife’s online offerings. This provision should not be included in the tariff.

SOCAN's position regarding artificial intelligence is *prima facie* reasonable but is potentially overbroad. Goodlife 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.