

May 30, 2019

Copyright Board of Canada
Attn: Gilles McDougall, Secretary General
56 Sparks Street, Suite 800
Ottawa Ontario K1A 0C9

Re: Objection to the Statement of Proposed Royalties to be collected by Re:Sound from 2020-2025

Dear Mr. Gilles McDougall:

This letter is being sent on behalf of the board of the Canadian Association of Fairs and Exhibitions (CAFE), a national charitable association, established in 1924 to represent the fairs and exhibitions across Canada.

On behalf of our members, we wish to object to the Copyright Board of Canada, *statements of proposed royalties to be collected by Re:Sound for the performance in public or the communication to the public by telecommunication of published sound recordings embodying musical works and performers' performances of such works for the years 2020 to 2025*, published in the Canada Gazette on May 11, 2019. This statement of proposed royalties increases the previous rates for festivals, exhibitions and fairs by an exorbitant amount.

We would appreciate the support of the Copyright Board to intervene in the proceedings in respect of the proposed royalties since we have responded in the timely manner.

First and foremost, we would like to emphasize that we are leading supporters of the music industry in Canada. Many performers get their start at our events and competitions, and for several years we ran a national youth talent competition that saw several now well-known performers grace their stage. To this day, that competition is still held regionally and provincially. Each of our 800+ events brings in Canadian talent throughout the summer, providing income, support, visibility and promotion year after year.

The majority of our organizations are non-profit or charitable events that lend their grounds and facilities throughout the year to a variety of activities and organizations. The majority of these activities and the events run by the non-profits/charities themselves often incorporate the use of pre-recorded music. These are community-based organizations that generate revenue through their events used to support and maintain community facilities, thereby supporting the sustainability of their communities through vibrant events. These organizations also rely heavily on volunteers to support their activities.

In the past few years, our members have been struggling with rising costs, decreasing civic engagement and a loss of other funding such as government grants and sponsorship. Some fairs operate on only a few thousand dollars each year and so this tariff would have a significant impact on them, causing some perhaps to even have to shut down. They continue to struggle with aging infrastructure that requires repair while also having to fight legislation that will further limit their ability to run these unique

community events. Any drastic increases to the previously agreed rates will therefore cause serious negative impact.

The proposed increases are as high as 2.4 times the current fees, which is a huge undertaking for non-profit organizations to take on.

Furthermore, we would like the Copyright Board of Canada to reconsider revising all tariffs proposed under the above-mentioned notice. While our members host fairs, festivals and exhibitions, we also have members who represent agricultural societies and other small organizations that run a variety of events such as sporting events, concerts, public activities, parades, comedy and magic shows. They are running these events to ensure the survivability and sustainability of their organization while also offering unique cultural services to the community, especially in rural areas. These members represent the same as above, primarily volunteers with extremely tight budgets and any drastic increase in fees will be a significant burden on these activities that they likely will not be able to handle. Likewise, we represent service members (entertainers, concessionaires, performers) who also offer a variety of community entertainment and will face the same challenge of increasing financial burdens when trying to expand a community's cultural activities.

Given the nature and diversity of its business, CAFE is extremely interested in these proceedings, as the outcome will definitely have a significant negative financial impact on our members and the community capacity to utilize the fair and exhibition facilities so we would like to request that the Copyright Board of Canada consider a much more modest increase in fees or a special rate for non-profit events such as ours.

We would be pleased to discuss this further should you have any questions or comments.