

## Copyright Board

### ***Notice of Grounds for Proposed Tariff***

#### **SOCAN Tariff 7 – Skating Rinks**

December 15, 2021

#### **1. Description of Uses Covered by the Proposed Tariff**

This tariff applies to public performances of musical works in SOCAN's repertoire by means of performers in person or by means of recorded music in connection with roller or ice skating.

#### **2. Description of Users / Groups of Users Covered by the Proposed Tariff**

Users are roller-skating rinks and ice-skating rinks that play recorded music or have performers in public. It is not useful or appropriate to provide examples of users under the tariff as there are no particular users who are more well-known than others. Importantly, it is the nature of the *use*, and not the nature of the *user*, that determines whether the tariff applies.

#### **3. Explanation of How Royalties are Determined**

The proposed royalty rate for 2023-2025 is 1.2% of gross receipts, with a minimum fee of \$132.72. The proposed percentage of revenue rate remains the same as the previously-approved rate and the proposed minimum fee is an inflationary increase based on the Board's established inflation adjustment methodology from the previously-approved rate, which has been in place since 2015.

#### **4. Submissions on the Collection of Information**

The tariff requires each licensee to report its estimated fee for the year in advance, and report on the previous years' actual gross receipts. This information allows SOCAN to calculate the royalty payable. This tariff is an annual fee tariff, which is paid in advance, based on estimated data; the report made in January of the following year allows SOCAN to verify the fees paid for the previous year and adjust as necessary.

#### **5. Explanation of Changes from Previously Approved Tariff**

There are two changes from the previously-approved tariff:

1. The proposed minimum fee for 2023-2025 is an inflationary increase, as described above.
2. The COVID-19 adjustment applied to the years 2020 and 2021 in the previously-approved tariff has been removed for the years 2023-2025. The COVID-19 adjustment applied by the Board for 2020 and 2021 was an "interim measure, in response to exceptional circumstances", and was not applied by the Board for 2022. Similarly, such adjustment is not necessary, nor would it be fair or equitable to include it, for the years 2023-2025.