Copyright Board



2022-11-14

Date:

Notice of Grounds for Proposed Tariff

Tariff Title: Radio Retransmission Tariff, 2024-2028 (the "Proposed Tariff")

Date: November 14, 2022

1. Description and Examples of Activities Covered by the Proposed Tariff

The Proposed Tariff applies to the retransmission of one or more distant signals that carry any work owned or controlled by any of the collective societies who have filed the Proposed Tariff.

2. <u>Description of Users / Groups of Users Covered by the Proposed Tariff</u>

Users covered by the Proposed Tariff are retransmitters within the meaning of s. 31 of the *Copyright Act*, RSC 1985, c C-42, and include persons who operate one or more of: a cable retransmission system (which includes without limitation a master antenna system and an internet protocol television (IPTV) retransmission system), a low power television station or very low power television station (LPTV), a multichannel multipoint distribution system (MDS), or a direct-to-home satellite system (DTH). In the remainder of this Notice of Grounds, these persons shall be referred to as "Users".

3. Explanation of How Royalty Rates are Determined

The proposed royalties payable by Users who operate "small retransmission systems", as defined in the Proposed Tariff, as well as Users who operate unscrambled LPTVs and unscrambled MDSs, are \$25 a year for all radio programs and musical works, and \$12.50 per year for all broadcaster compilations.

The proposed royalties payable by any other Users, shall be 20¢ per year for all radio programs and musical works, and 10¢ per year for all broadcaster compilations for each premises served by the User.

Royalty rates payable by these Users may be subject to various discounts as defined in the Proposed Tariff. Such discounts depend on a number of different factors including, among others, the type of premises served and whether the retransmission system's service area serves a francophone market.

The proposed royalty rates set out above for the year 2024 are informed by the 2014-18 tariff (being the latest tariff approved by the Board), the accompanying Decisions and the factual information and expert analysis used in establishing that tariff. The collective societies reserve the right to adopt and advance additional or alternative methodologies and inflationary rates in the course of the proceedings relating to the Proposed Tariff.

4. Explanation of Use of Information Collected Pursuant to the Proposed Tariff

The Proposed Tariff requires Users covered by the Proposed Tariff to provide each of the collective

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societies who have filed the Proposed Tariff with information in respect of each retransmission system the User operates, including: the name of the retransmitter, a precise description of the retransmission system service area, the number of each type of premises served, the number of premises of each type receiving at least one signal as distant, information about each service or signal distributed.

This information, which would otherwise be unavailable to the collective societies, is intended to allow the collective societies to assess the accuracy of the royalties paid and payable by Users.

5. Explanation of Changes from Previously Approved Tariff

There are a small number of changes to the Proposed Tariff from the last previously approved tariff (the Radio Retransmission Tariff, 2014-2018). While the proposed amendments provide refinements to previously approved Retransmission Tariffs, the overall form and structure of the Proposed Tariff remains consistent with tariffs the Copyright Board has certified since the inception of the Radio Retransmission Tariff in 1990. Explanations of changes included in the Proposed Tariff are briefly described below:

- A royalty for broadcaster compilations has been added, and changes are reflected in the
 definitions and rates sections of the proposed tariff. Broadcasters' entitlement to recognition for
 their compilations was established many years ago in the context of the television retransmission
 tariff. This royalty has been routinely included in proposed radio retransmission tariffs, but has
 been omitted from settlement tariffs by way of negotiated compromise. Those compromises do
 not change the fact that broadcasters are entitled to have their compilations recognized by way
 of a discrete royalty.
- Changes to the royalty rates payable by Users who operate "small retransmission systems" and
 Users who operate unscrambled LPTVs and unscrambled MDSs from \$12.50 per year to \$25
 per year for all radio programs and musical works, and to \$12.50 per premise per year for all
 broadcaster compilations.
- Changes to the royalty rates payable by Users who operate other retransmission systems, from 12¢ per year per premises to 20¢ per year per premises for all radio programs and musical works, and to 10¢ per premise per year for all broadcaster compilations.
- Amendments to the various Forms in order to provide a template for delivery of information required pursuant to the Proposed Tariff, which Forms are Appendix B to the Proposed Tariff.

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