



**ARTISTS & MUSIC COMPANIES SUPPORT RE:SOUND APPLICATION FOR JUDICIAL REVIEW OF COPYRIGHT BOARD TARIFF 8 DECISION**

**Toronto, June 16, 2014** – We, the undersigned, firmly support Re:Sound’s Application for Judicial Review of the Copyright Board’s Tariff 8 decision setting royalty rates for webcasting services in Canada.

The Tariff 8 decision is a serious setback for the music community in Canada, for artists and the music companies who invest in their careers. The decision discards years of agreements freely negotiated between digital music service providers and the music industry and sets rates for music webstreaming services in Canada that are less than 10% of the rates that the same services pay in the United States and many other countries. The Board set the rates based on what it considered to be “fair and equitable”, but in doing so, discarded existing market rates at which digital music service providers had been operating in Canada.

The Board’s decision comes as the result of an inherently flawed system that lacks clear criteria for rate-setting and allows the Board to reject market rates. The Board had no statutory or regulatory obligation to take into account existing agreements on webcasting royalties that have been successfully negotiated between the music industry and its business partners for these services. The resulting rates ignore international standards that support the growth and development of the industry in the world marketplace. Canada, in fact, stands alone among its major trading partners – including the United States, Australia, the United Kingdom, France and the Netherlands – in its adherence to a mandatory tribunal process that determines royalties without regard for

what currently works in the marketplace.

It is clear that a legislative framework that ignores the reality of the marketplace is one that will continue to harm the business climate and create market uncertainty, delaying the entry of new services into the Canadian marketplace. Indeed, many of the Copyright Board's decisions on major new tariffs have been the subject of Judicial Review by the Federal Court of Appeal, creating years of delay and uncertainty.

From 1999-2012, Canadian recorded music sales decreased by more than 50%. Establishing rates in Canada that are reflective of both market and international rates is critical for Canadian artists whose livelihood depends on earning a decent living wage from their profession, for music companies who actively develop and nurture Canadian talent throughout the world, and for all Canadians who value a healthy and prosperous music industry.

Adagio Music  
Alberta Music  
Analekta  
Aporia Records  
Aqua Sound Entertainment  
Association québécoise de l'industrie du disque, du spectacle et de la video (ADISQ)  
Audiogram  
Awesome Music  
Boompa Records  
Boonsdale Records  
Borealis Records  
Canadian Council of Music Industry Associations (CCMIA)  
Canadian Federation of Musicians (CFM)  
Canadian Independent Music Association (CIMA)  
C-Weed Band  
Coalition Music  
La Compagnie Larivée Cabot Champagne  
Cordova Bay Entertainment Group  
Crystal Math Music Group  
Curve Music  
Dare To Care  
Dine Alone Records  
Disques Artic  
Equator Music  
File Under:Music  
Greg Kavanagh Music  
Groundswell Music  
Independent Digital Licensing Agency  
Instinct Musique  
Justin Time Records  
Linus Entertainment

Manitoba Music  
Maple Music Recordings  
Marquis  
MDM Recordings  
Mr. Label  
Music and Film in Motion  
Music BC Industry Association  
Music Canada  
Music/Musique NB (MNB)  
Music Newfoundland & Labrador (Music NL)  
Music Nova Scotia  
Music Ontario  
Music Prince Edward Island  
Music Yukon  
Netzwerk Music Group  
Opak Media  
Paper Bag Records  
Passeport  
Play Records/Play Digital  
Productions Benannah  
Royalty Records  
Remedy Music  
SaskMusic (The Saskatchewan Recording Industry Association)  
Secret City Records  
Six Shooter Records  
Sonic Envy  
Sonic Records  
Sonic Unyon  
Sony Music Entertainment Canada  
Sparks Music  
SRO-Anthem  
Stomp Records  
Stony Plain Records  
The Children's Group  
Tonic Records  
True North Records  
Universal Music Canada  
URBNET Records  
Warner Music Canada  
Wax Records

MEDIA CONTACTS:

Lisa Fiorilli  
CIMA  
(416) 274-2666

Valérie Roy  
ADISQ  
(514) 842-5147 ext. 290

Kate Ward  
Music Canada  
(647) 825-5260

Bob D'Eith  
CCMIA  
(604) 873-1914

Victoria Lord  
CFM (VLPR Inc.)  
(416) 484-9047