

COPYRIGHT TARIFFS

Three community radio associations work together to negotiate tariffs, so the rates below apply to all three associations (NCRA, ARCC, ARCQ)

EXISTING TARIFFS

- SOCAN
 - Tariff 1B – covers all AM/FM & online activities (not downloads)
 - 1.9% of station's gross operating costs
- Re:Sound
 - Tariff 1B - \$100/year (Copyright Act section 68.1(1)(b))
 - Tariff 8 (2009-2012) - \$25/year for simulcasts and webstreams
 - Tariff 8 (2013-2019) – rate is now \$25/year for simulcasts + \$25/year for webcasts and streaming archives
- CMRRA/SODRAC/SOCAN (CSI) – see next slide

CMRRA/SODRAC/ SOCAN (CSI)

- Tariff 3 (non-commercial AM/FM stations) – for reproduction right = making copies of copyrighted recordings for internal station use
- In 2008, the associations entered into an agreement with CMRRA, which was renewed in 2009 & 2010
- However, CMRRA has not invoiced since 2008 or 2009, agreement remains in force, until now stations technically owed for all years since 2008

CMRRA/SODRAC/ SOCAN (CSI)

- Rates in 2008 agreement for English AM/FM stations:
 - 0.14% first \$625,000 of gross operating costs
 - 0.28% next \$625,000
 - 0.42% over \$1.25 million
 - Nothing to SODRAC
- Rates in 2008 agreement for French AM/FM stations:
 - 0.06%
 - 0.12%
 - 0.18%
 - Flat fee of \$250/year to SODRAC
- **New rates for English AM/FM stations:**
 - 0.16% first \$625,000
 - 0.31% next \$625,000
 - 0.46% over \$1.25 million
- **New rates for French AM/FM stations:**
 - Same as for English stations above

CMRRA/SODRAC/ SOCAN (CSI)

- Terms and Conditions:
 - Tariff 3 covers AM/FM and simulcasting
 - **Separate tariff of \$100/year flat rate will be charged for webcasts, downloads, on-demand streams**
 - All stations must “acknowledge” the tariff agreement by signing a form (NCRA office will provide and collect it)
 - Initial term is 1 year, then automatic renewal until new Copyright Board proceeding begins (likely ~10 yrs)
 - **All amounts owing for 2003-2017 will be waived for stations that pay and report annually, stations will only owe for years from 2018 forward**
 - Stations that don't pay or report will owe for 2010-2017 at current rate
 - Amount for each year is due by January 31 of following year, so...
 - payment for 2018 was due January 31, 2019
 - payment for 2019 is due January 31, 2020
 - do not pay anything until notified by Association that agreement has been ratified, 2018 payment will be due immediately at that point

CMRRA/SODRAC/ SOCAN (CSI)

- Terms and Conditions:
 - Rates will be difficult for stations to calculate...
 - Calculation for English AM/FM stations:
 - 1st \$625K: $\text{CMRRA } 0.1472\% + \text{SOCAN } 0.0128\% = 0.16\%$ of gross annual operating costs
 - 2nd \$625K: $\text{CMRRA } 0.2852\% + \text{SOCAN } 0.0248\% = 0.31\%$ of gross annual operating costs
 - \$1.25M+ : $\text{CMRRA } 0.4232\% + \text{SOCAN } 0.0368\% = 0.46\%$ of gross annual operating costs
 - Calculation for French AM/FM stations:
 - 1st \$625K: $\text{CMRRA } 0.0368\% + \text{SOCAN } 0.1232\%$
 - 2nd \$625K: $\text{CMRRA } 0.713\% + \text{SOCAN } 0.2387\%$
 - \$1.25M+: $\text{CMRRA } 0.1058\% + \text{SOCAN } 0.3542\%$
 - Stations must send separate cheques to CMRRA and SOCAN each year using percentages above

CMRRA/SODRAC/ SOCAN (CSI)

- Terms and Conditions:
 - To prove gross annual operating costs, stations with gross operating costs under \$1.25M must submit “a report of the station’s actual gross operating costs” (unaudited)
 - Stations with gross operating costs over \$1.25M must submit audited financial statements
 - Stations paying less than \$2000/year must submit music reports for 4 days/year, others report for 12 days/year
 - Reports = CRTC logs
 - Must submit within 2 weeks of monitoring period
 - More detailed music info must be submitted “where available” (e.g. ISRC and UPC on CDs – assume most stations will say this info is not available if asked because it’s too difficult to compile manually, must submit if station has this info in a database already)

CMRRA/SODRAC/ SOCAN (CSI)

- Terms and Conditions:
 - Must keep CRTC logs for 1 month, financial records for 6 years
 - CMRRA/SOCAN can audit stations to verify financial reporting; if a station is found to have underreported their gross operating costs by more than 15%, it can be charged the cost of the audit
 - Interest charge on unpaid amounts is 1% over Bank Rate (not compounding) – this is the same interest rate that applies to SOCAN tariff 1B
 - CMRRA/SOCAN will send annual reminders to stations (ensure Association has up-to-date contact info)