



The time is now - the Bill is C-60

You may have recently received information from the Canadian Music Publishers' Association ("CMPA") that paints an inaccurate picture of the so called "media transfer tariffs" and how they affect the radio stations in your community.

Since 2001, Radio broadcasters have been subject to an additional copyright tariff for the process known as the "transfer of medium". In order for radio stations to get music to Canadians, they must *transfer music* or make a technical reproduction from a number of formats, such as CD's, or as they are now provided by record companies from electronic files via the Internet, onto their computer. Changes in technology are quickly eliminating the option for broadcasters to avoid making technical reproductions and hence avoid the tariff. These copies are made solely as part of the broadcasting process to get the music on air and have no other value to broadcasters. So how radio gets the music to Canadians shouldn't matter – but apparently it does.

Canadian radio stations are merely asking for an exception for technical reproductions similar to that given to broadcasters in the United States, United Kingdom, Germany, Italy, Japan and Australia and many other countries.

The exceptions proposed by the CAB are narrow exceptions, relating to a purely technical issue, which do not erode the basic right of copyright owners to control reproductions of their works. Broadcasters have been promised these exceptions since 1997, the last round of copyright reform in Canada.

Canadian radio stations make payments to music right holders such as foreign and Canadian composers, authors, publishers, artists and musicians through a variety of tariffs. In 2003 alone, Canadian broadcasters contributed in copyright tariffs over \$63 million to Copyright Collectives representing members of the American, Canadian and other music industries. Additionally, in 2003 alone, a total of \$11.5 M was paid by Canadian radio stations to funding agencies to projects that support Canadian music – including FACTOR/MusicAction, and the Radio Starmaker/Fonds RadioStar.

Many parliamentarians have toured their local radio stations to get a better understanding of the modern broadcasting process and see the process and requirement for radio to pay. They agree Parliament must address this urgently. If you have not already visited your local radio station, contact us and we can help arrange a tour.

Bill C-60 (an Act to Amend the Copyright Act) currently does not address this issue, but in fact now proposes to extend further rights to performers, which will lead to yet another layer of tariffs. This situation needs to be urgently addressed by Parliament – the time is now – the Bill is C-60.

Glenn O'Farrell
President and CEO



MUSIC TO CANADIANS' EARS. IT SHOULDN'T MATTER HOW IT GETS THERE...



The way local radio stations put music on the radio has changed. To get music to Canadians, radio must transfer music, or make a technical reproduction, from a number of formats – CDs or now by electronic files via the internet as provided by the record industry. These copies are made solely as part of the broadcasting process to get the music on air. With innovation has come a better radio experience for Canadians.

Canadian broadcasters believe in fair copyright tariffs. For 2003 private radio must pay over \$63 million to music composers, authors, publishers, performers and record labels. For the same year another \$11.5 million went to funding agencies such as FACTOR and the Radio Starmaker Fund that support Canadian music talent development.

In the end, it shouldn't matter how you get the music – but it does.

Transfer of medium costs are redundant and unfair. Bill C-60 needs to address this tax on innovation urgently because your local radio station needs fair play.

See for yourself how the transfer of medium works – contact your local radio broadcasters for a tour.

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