



What is a performing right? Why do I need a SOCAN licence? How much will this cost me? Where does the money go? What happens if I don't pay?

These are some of the questions and answers on licensing issues covered in the following pages.

Want to know more? Call us at 1.866.944.6210 to become a SOCAN customer, or 1.866.944.6223 if you're already a customer. We're here to help you.

& A

Q

About SOCAN



Concert

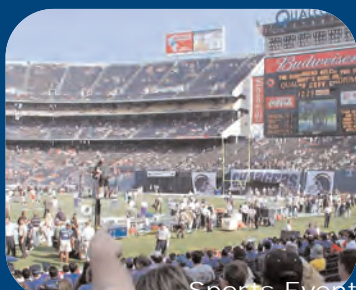
Lesbo Vrouwen



Disco



Restaurant



Sports Event

Q: What does SOCAN do?

A: SOCAN is a performing rights society that licenses the public performance and communication of the world's repertoire of copyright-protected musical works in Canada and then distributes royalties to its members and affiliated international societies.

Q: Is SOCAN a government agency?

A: No, but we are recognized by the Canadian government as the copyright collective for performing rights of musical works. SOCAN is a membership organization made up of creators and publishers of musical works. The rights assigned to SOCAN by its members are provided for in the Federal Copyright Act.

Q: Where does SOCAN get its funding?

A: SOCAN is funded through the licence fees we collect. A portion of the licence fees collected are used for operating costs, but more than 85% of the money is distributed to members and affiliated societies.

Q: I've never heard of SOCAN. How do I know you're legitimate?

A: The performing right that SOCAN administers on behalf of creators of musical works and their publishers is a right granted under Canada's *Copyright Act*. The Canadian Intellectual Property Office (CIPO), www.cipo.ic.gc.ca, the government department which is responsible for copyright matters, publishes information which discusses SOCAN. The Copyright Board of Canada, an independent body appointed by the government, approves SOCAN's tariffs, so it too can verify SOCAN's role. In addition, many industry umbrella organizations (restaurant and hotel associations, etc.) that represent those who frequently require a SOCAN licence can also provide some back-

ground about SOCAN. Finally, you can contact your legal counsel who can verify SOCAN's role.

Q: What is a performing right?

A: A performing right is one of the rights granted to creators of copyright-protected works under the *Copyright Act* of Canada. It is the right to perform musical works in public, or to communicate them to the public by telecommunication. SOCAN's members assign this right to us so that we can administer it for them.

Q: What is a SOCAN performing right licence?

A: A SOCAN performing right licence grants music users the right to perform in public any of the musical works in SOCAN's repertoire. Without it, you would have to get permission from every songwriter, composer, lyricist and music publisher for every piece of music you perform. A SOCAN licence is the simplest way to allow you access to virtually the world's entire repertoire of copyright-protected music.

Q: What is a music user?

A: If you use music as part of your business or functions, you are a music user and require a SOCAN performing rights licence.

Q: What is a SOCAN customer?

A: A music user who has applied for and received a required performing rights licence from SOCAN, and who then pays regularly scheduled fees for that licence through SOCAN.

Q: Why do I need a SOCAN licence?

A: The licensing system is important because everyone deserves to get paid for their work - including the people who



Q & A About SOCAN

create the music that fills our lives every day. According to the *Copyright Act*, any public performance of copyright-protected musical works requires a licence. When a song gets played in public, music creators (not just the performers) are entitled to collect their licence fees - it's part of their livelihood. The Copyright Board sets the tariffs for these uses, and the fees generally work out to mere fractions of a penny per song.

Q: Where does the money go?

A: SOCAN collects licence fees and, after its operating costs are deducted, distributes the revenue as royalties to its members (songwriters, composers, lyricists and their publishers) as well as to affiliated international societies for their members. More than 85% of the monies received from licence fees are distributed to the music creators and publishers entitled to it.

Q: How are SOCAN licence fees set?

A: SOCAN licence fees are set by the Copyright Board, an independent body appointed by the government. Each year SOCAN files proposed tariffs with the Copyright Board. Interested parties are then permitted to submit objections to SOCAN's proposals within a limited period. If an objection or concern is raised concerning a particular tariff, the Copyright Board may hold a hearing. After hearings are completed and any amendments are made, the Copyright Board publishes the approved tariffs in the *Canada Gazette*.

Q: What happens if I don't pay?

A: Our business is to make sure that music creators and publishers are fairly compensated for the use of their works. A SOCAN licence allows you access to

virtually the world's entire repertoire of copyright-protected musical works. If you authorize the public performance of copyright-protected musical works without obtaining a performing right licence, you are liable for copyright infringement and we may protect these rights by pursuing the matter through legal channels.

Q: If I don't use Canadian music, do I still have to get a SOCAN licence?

A: You still need a licence. A SOCAN licence allows you access to copyright-protected musical works created around the world and in all styles and genres. Performing rights exist worldwide and we have agreements with other international performing rights organizations to ensure the reciprocal collection of licence fees.

Q: If I get a licence, does this cover all of the music I use in my establishment?

A: You may need more than one licence depending on how you use the music. There are more than 20 different categories of licences to accommodate the many different uses of music, live or recorded, for which a tariff has been approved by the Copyright Board of Canada.

Q: I've been in business for many years and this is the first time I have heard of this. Why me, why now?

A: SOCAN has been around since 1928 and we do actively contact music users to inform them of their needs and obligations to ensure that they are properly licensed by SOCAN. Our Licensing Department operates with the same constraints as any other business: times, resources and budget. Reaching the hundreds of thousands of music users is a constant and ongoing process.



ON AIR

Broadcasting