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For Immediate Release

CPCC Believes Advocacy Campaign Designed To Drive Product Sales

TORONTO (December 10, 2002) -- The Canadian Private Copying Collective (CPCC), a group representing creators of music – songwriters, recording artists, music publishers and makers of recordings – is outraged that a coalition of electronics retailers and computer hardware manufacturers would use a thinly veiled advocacy campaign to drive consumers to retail outlets for the holiday season.

“This is just an attempt to drive sales for MP3 players before Christmas, it’s not about fairness at all. If it was about fairness, these large U.S. multi-national companies wouldn’t be trying to deprive Canadian musicians of royalties they are legally entitled to,” said David Basskin, Canadian Private Copying Collective.

CPCC wishes to correct a number of false statements regarding its 2003-2004 private copying tariff proposal to the Copyright Board.

In Canada, private copying is legal. Canada’s Copyright Act was revised in 1997 to allow Canadians to copy music for personal use. In exchange, legislators created a private copying royalty to compensate those with rights in recorded music, such as songwriters, recording artists, music publishers and record companies. Similar royalties are collected in more than 40 countries around the world.

“As a music lover I support the right we have as Canadians to record music for our own personal use,” said Rik Emmett, award-winning artist and founding member of Triumph, “but as a musician and songwriter, I support the right of copyright holders to be compensated for their creations. Without reasonable royalties the creative process in Canada will continue to erode and be unfairly exploited.”

While it has been suggested that the CPCC’s proposed levy will apply to personal computers, personal digital assistants (PDAs), cell phones and a variety of other devices, this is not true. The CPCC has proposed to extend the royalty to include the internal memory in MP3 players, as well as recordable DVDs and removable flash memory and removable micro-hard drives capable of being used in MP3 players.

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“With the introduction of new media devices that are manufactured primarily to copy music, we are asking the Copyright Board to extend royalties to the memory used in these devices,” said Claudette Fortier, Chairperson of the CPCC. “Some of the new devices coming to market can hold thousands of songs; it is only fair to extend the royalty to include MP3 players.”

It has also been claimed that the rates the CPCC has proposed for 2003-2004 are dramatically higher than those proposed in its two earlier tariffs. In fact, the rates proposed are virtually the same as those in CPCC's 1999-2000 and 2001-2002 tariff proposals. The rates proposed by CPCC are posted on its website at www.cpcc.ca.

CPCC proposes rates that it considers to be fair remuneration to the creative individuals and businesses that make music available. CPCC presents its proposals to the Copyright Board, which also hears opposing views. Over the past few years, private copying of music has increased, with two-thirds of the CD-Rs bought by individuals used to copy music. However, the CPCC acknowledges that there are many organizations that use blank media for non-musical use and therefore have established a program to allow certain groups to purchase media royalty free.

The Copyright Board of Canada sets the royalty rates based on all of the information it is provided. The Copyright Board will be hearing the 2003-2004 proposals in January 2003. Almost all of the Canadian Coalition for Fair Digital Access (CCFDA) members are participants in the Copyright Board process and will have the opportunity to present that case to the Copyright Board in January.

"There is no question that CD copying has had an impact on the music business. It was already difficult for songwriters and performers to make a living in Canada. Even though revenue from the copying levy will not fully compensate us for the private copies that are made, every cent is necessary in trying to ensure that there is enough incentive for Canadian creators to continue making the music that reflects this country's spirit." said Stan Meissner, a Canadian songwriter, recording artist, and President of the Songwriters Association of Canada.

The CPCC will begin distributing \$28 million to qualifying creators in the coming weeks. The amounts individual creators will receive are being determined based on a combination of radio airplay and retail sales data.

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“Every little bit helps when you are a struggling songwriter or performer,” said Diane Juster, a Quebec songwriter and artist. “The \$28 million available for distribution for 2000 and 2001 is a great boost for Canadian artists and songwriters so we can keep making music.”

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