

NOTE:

The Neighbouring Rights Collective of Canada was renamed Re:Sound effective March 1, 2010

NRCC Proposes New Music Royalty Rates for CBC Radio

Fair compensation sought for music creators for CBC's increased use of music

Toronto, 27 June, 2009 – NRCC announced today that it recently proposed changes to music royalties paid by CBC Radio in line with significant growth in the broadcaster's use of music and with NRCC's mandate to obtain fair compensation for artists and record companies.

The new royalty rates would be determined using a method similar to the formula used for commercial radio royalties. Payments would be based on 6 percent of CBC radio revenue each year multiplied by a factor of 0.6139, reflecting the broadcaster's use of music relative to commercial radio.

Currently, CBC pays NRCC a flat royalty fee of \$960,000 per year – a rate that has remained unchanged since 1998.

"CBC is using more music than ever, and that is great. They recognize this is content their listeners want to hear," said Ian MacKay, President, NRCC. "We're asking that the value it provides CBC be recognized in the compensation paid to the creators of the music."

NRCC's proposal, submitted on March 31 to the Copyright Board of Canada in NRCC Tariff 1C, applies to the years 2010 and 2011. It is now under consideration by the Board.

About NRCC

NRCC is the Canadian not-for-profit music licensing company dedicated to obtaining fair compensation for artists and record companies for their performance rights. On behalf of its members, representing thousands of artists and record companies, NRCC licenses recorded music for public performance, broadcast and new media. Created in 1997, our member organizations are AFM, APRS, ArtistI, AVLA and SOPROQ. Please visit us for more information at www.nrcc.ca.

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