



ANNUAL REPORT

2024





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MESSAGE FROM THE PRESIDENT



I am pleased to report on the many successes the Re:Sound team and our member organizations have accomplished this past year—2024 marks Re:Sound's highest level of distributions in its 26 year history. \$43 million in royalties were distributed to music makers and performers.

Collections increased year over year on a normalized basis and Entandem, the public performance joint licensing venture between Re:Sound and SOCAN, achieved new heights this year as they collected their highest ever revenue.

Our efforts in 2024 were also focused on advocating for fairness for music creators, as well as improving our internal distribution systems through Project Harmony. Both efforts are focussed on our core purpose of maximizing revenue for all rights holders.

In the latter half of the year, Re:Sound underwent a governance review as a result of MROC (Musicians' Rights Organization Canada) announcing it would be

winding down its operations and CONNECT Music Licensing forming a strategic alliance with SOPROQ. With both of these member organizations leaving Re:Sound and their members transferring to Re:Sound's remaining member collectives (ACTRA RACS, Artisti and SOPROQ), a new board structure was approved consisting of a 10-person board. On behalf of everyone at Re: Sound, I want to thank both MROC and CONNECT for all their support over the years as members of Re:Sound. Special mention should go to Diana Barry who has acted as the representative of MROC on the Re:Sound board for 7 years and was also the first President of Re:Sound. Diana's commitment to Re:Sound and to the Canadian music industry is immeasurable and greatly appreciated.

This past year we said goodbye to our old office located at 1235 Bay Street which had been the home of Re:Sound for almost 20 years. Our team worked tirelessly to ensure our move to the new office, located at 175 Bloor St East, went smoothly. As we settle into our new space, we are looking forward to the beginning of this new era.

Finally, and above all, I would like to sincerely thank the entire team at Re:Sound for their contributions. Each year, they work diligently to support both Canadian music makers and performers by upholding our five core values – fair, member and rights holder centered, transparent, efficient, and dynamic. I would also like to thank each of our member organizations for their continued support and collaboration as we continue to champion all rights holders.

A handwritten signature in blue ink, appearing to read 'Lou Ragagnin'. The signature is stylized and fluid.

**LOU RAGAGNIN,
PRESIDENT & CEO**

WHO WE ARE

Re:Sound is the Canadian not-for-profit music licensing company dedicated to obtaining fair compensation for artists and record companies for their performance rights.

We advocate for music creators, educate music users, license businesses, and distribute royalties to creators — all to help build a thriving and sustainable music industry in Canada. We do this in collaboration with our member organizations: ACTRA RACS, Artisti, SOPROQ, Sony Music Entertainment Canada, Universal Music Canada, and Warner Music Canada.

CORE PURPOSE STATEMENT:

Together, with our member organizations, we work to maximize revenue at the highest level of efficiency and service to increase the value of music for rights holders.

STRATEGIC THEMES:



ADVOCATE TO FURTHER THE INTERESTS OF RIGHTS HOLDERS



MAXIMIZE DISTRIBUTABLE INCOME



DRIVE ORGANIZATIONAL EXCELLENCE

RE:SOUND CORE VALUES



OUR TEAM

Our team is made up of talented professionals who are passionate about making a meaningful difference in the lives of performers and makers and ensuring the continued success of the Canadian music industry.

MANAGEMENT TEAM:



Arif Ahmad,
Vice President,
Corporate and

Legal Affairs & General Counsel



Doris Tay,
Vice President,
Distribution



Otis Quinn,
Vice President,
Technology



Denis Dinsmore,
Vice President,
Finance & Administration



Lou Ragagnin,
President & CEO

OUR BOARD OF DIRECTORS:

- Anthony Ariganello, Independent Chairperson
- Alexandre Curzi, Director, La société de gestion collective de l'Union des artistes (ARTISTI)
- Annie Morin, Vice-Chair, La société de gestion collective de l'Union des artistes (ARTISTI)
- Burt Gidaro, Corporate Secretary, Recording Artists' Collecting Society (ACTRA RACS)
- Diana Barry, Director, Musicians' Rights Organization Canada (MROC)
- Jake Gold, Director, CONNECT Music Licensing
- Kortnee Borden, Director, Recording Artists' Collecting Society (ACTRA RACS)
- Lyette Bouchard, Director, La société de gestion collective des droits des producteurs de phonogrammes et de vidéogrammes du Québec (SOPROQ)
- Marcel Deluca, Director, Warner Music Canada
- Simon Kendall, Director, Musicians' Rights Organization Canada (MROC)
- Steve Teixeira, Director, Universal Music Canada
- Thiago Kurtz, Vice Chair, Sony Music Entertainment Canada
- Thomas Jolicoeur, Treasurer, La société de gestion collective des droits des producteurs de phonogrammes et de vidéogrammes du Québec (SOPROQ)

MEMBER ORGANIZATIONS:

ACTRA RACS, Artisti, CONNECT (departed Dec. 31, 2024), MROC (departed Dec. 31, 2024), Sony Music Entertainment Canada, SOPROQ, Universal Music Canada and Warner Music Canada



PROJECT RETHINK

We continued to make strides in improving many aspects of the ReThink system throughout 2024. Continuing challenges with the distribution module of the system prevented us from normalizing our distributions and, as a result, the decision was made to replace the distribution module with a bespoke platform, and “Project Harmony” was born.



IMPLEMENTATION TIMELINE



May 2025

First distribution processed via Project Harmony

Despite the challenges of 2024, our team has made significant progress in meeting major milestones and achieving historical levels of distributions. As we move forward, Project Harmony will serve as a foundation for a more stable, efficient, and future-proof distribution system. We’re excited about what’s ahead and look forward to delivering enhanced value to our rights holders.



SCOPE OF PROJECT

Project Harmony is a transformative initiative aimed at modernizing and optimizing Re:Sound’s distribution management system. This internally developed platform will provide greater control, efficiency, and accuracy in managing distributions, ensuring that rights holders receive their payments faster and more precisely.

The new module will support real-time distribution calculations, reducing delays and ensuring more frequent, correctly allocated payments. Additionally, proactive adjustment management will be implemented to swiftly address any discrepancies, minimizing the need for retroactive corrections and streamlining financial operations. Other key features of the module will see the processing framework upgraded to efficiently handle higher volumes of data with improved efficiency and accuracy, real-time transaction tracking, faster processing speeds, and enhanced reconciliation capabilities. This upgrade is also expected to reduce processing errors and delays, leading to a smoother distribution process for rights holders and a newly developed payout module will ensure seamless and efficient payments to rights holders.

The system is being built on a cloud-based architecture, featuring automated deployment and testing environments to support ongoing improvements and scalability.

LICENSING

All businesses are legally required to pay royalties when broadcasting or playing recorded music in public. Re:Sound and Entandem (Re:Sound's joint venture with SOCAN to administer public performance rights) continued to work closely with businesses in 2024 to ensure that performers and makers receive the public performance royalties they are entitled to. **Everyone wins when businesses pay for the music they use to drive success.**



Public Performance income in 2024 surpassed last year's high-water mark, both exceeding the pre-pandemic levels and achieving the best ever collections for public performance tariffs in a year. Re:Sound has identified public performance licensing as an area of further growth and has developed a strategic plan to focus on increasing public performance revenue for rights holders.



TARIFFS

As part of its work on behalf of rights holders, Re:Sound is continually reviewing its tariffs to ensure that both the rates and administrative provisions are fair and efficient for both rights holders and music users. Each year, Re:Sound files with the Copyright Board of Canada, tariff proposals for either new tariffs or renewals of tariffs that are expiring. In 2024, Re:Sound filed tariff proposals for the renewal of Tariff 5.A - Recorded Music Accompanying Live Entertainment (2026-2030), Tariff 5.B - Receptions, Conventions, Assemblies and Fashion Shows (2026-2030), Tariff 5.C - Karaoke Bars (2026-2030), Tariff 5.D - Festivals, Exhibitions and Fairs (2026-2030), Tariff 5.E - Circuses, Ice Shows, Fireworks Displays, Sound and Lights Shows and Similar Events (2026-2030), Tariff 5.F - Parades (2026-2030), Tariff 5.G - Parks, Streets and Other Public Areas (2026-2030), Tariff 5.H - Sports Events (2026-2030), Tariff 5.I - Comedy and Magic Shows (2026-2030), and Tariff 5.J - Concerts (2026-2030).

Re:Sound works regularly with music users across multiple industries to create joint tariff proposals that satisfy the needs of both rights holders and music users.

In 2024, Re:Sound filed with the Copyright Board joint tariff proposals with respect to its various live events tariffs (Tariffs 5.A, 5.B, 5.D, 5.E, 5.F, 5.G, 5.H, 5.I and 5.J) for the years 2016-2025, based on agreements it reached with representatives of the performing arts, fairs and exhibitions and sporting events

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TARIFFS

industries. Re:Sound also filed with the Copyright Board a joint tariff proposal with respect to its Commercial Radio Tariff (Tariff 1.A) for the years 2015-2025, based on its agreement with the Canadian Association of Broadcasters.

All of these jointly submitted tariff proposals include rate increases reflecting the expansion of Re:Sound's repertoire to include U.S. sound recordings as a result of the implementation of national treatment on July 1, 2020. Adjusting each of Re:Sound's tariff rates to reflect this change in repertoire continued to be a key focus for Re:Sound in 2024. For those remaining public performance tariffs where Re:Sound was unable to negotiate a joint tariff proposal with all Objectors, it has requested that a consolidated proceeding be initiated by the Copyright Board in order to implement the required rate adjustments in as efficient and expedited a manner as possible.

On December 7, 2024, the Copyright Board approved Re:Sound's Satellite Radio Tariff for 2019-2021. The tariff, which is based on Re:Sound's jointly proposed tariff with SiriusXM Canada, contains a rate increase effective April 29, 2020, which reflects the change in eligibility of pre-1972 U.S. sound recordings.

In 2024, Re:Sound continued to advance its application for judicial review of the Copyright Board's decision in Re:Sound Tariff 8 – Non-Interactive and Semi-Interactive Webcasting (2013-2018) and anticipates a hearing date in 2025.



ADVOCACY EFFORTS IN 2024

RE:SOUND AND CANADIAN MUSIC CREATORS CONTINUED TO PRESS THE GOVERNMENT OF CANADA TO UPDATE THE *COPYRIGHT ACT* NOW TO:

- 1

Amend the definition of “sound recording” in the *Copyright Act* to address its unfair exclusion of performers and record labels/makers from performance royalties from television, film, video streaming platforms and other audio-visual content.
- 2

Eliminate the “temporary” \$1.25 Million exemption for commercial radio stations instituted in 1997 – a subsidy for commercial radio at the direct expense of music rights holders.
- 3

Update the private copying regime to make it technologically neutral.

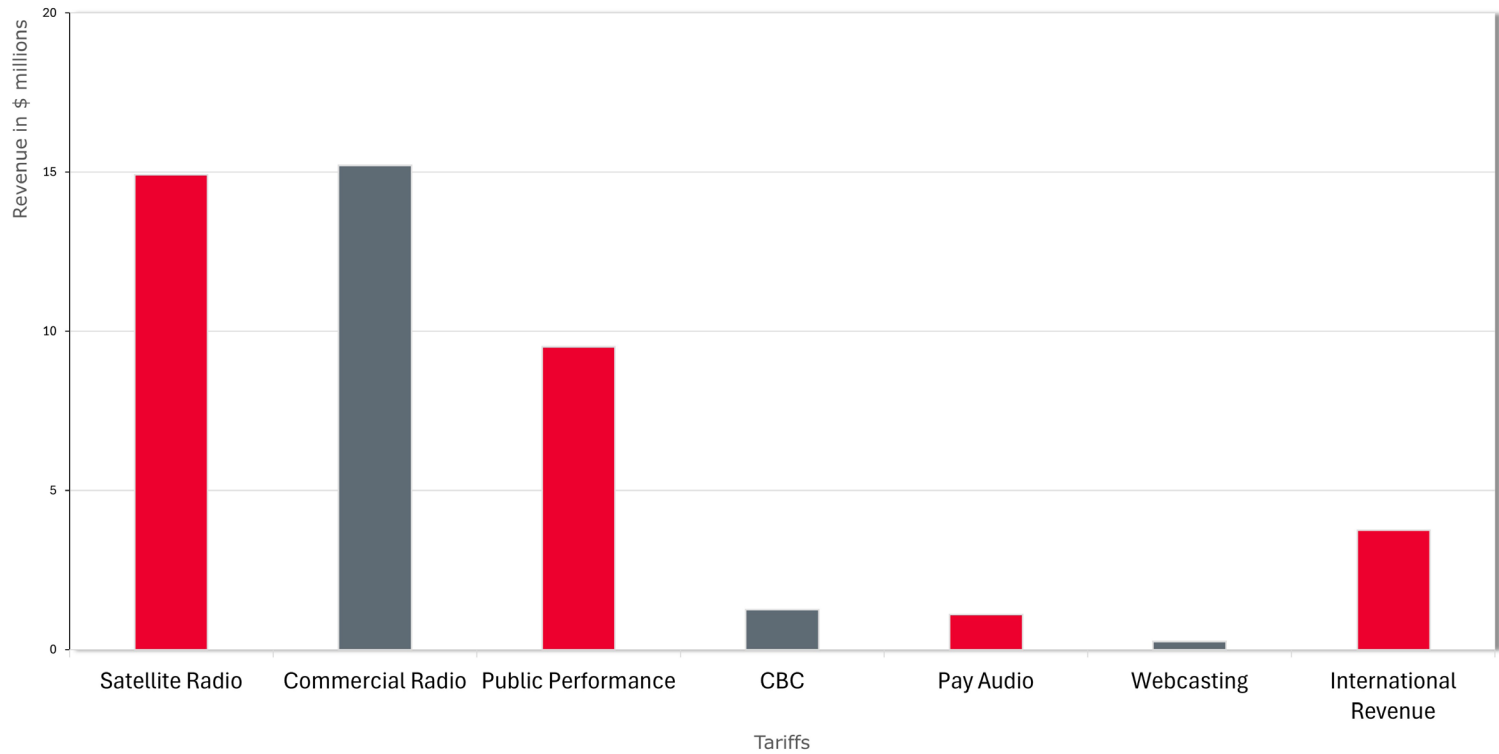


In 2024, Re:Sound continued its focused efforts on advocating for Fairness for Music Creators through a variety of means, including holding dozens of meetings with Members of Parliament and federal officials, including the Minister of Heritage and senior advisors in the Prime Minister’s Office, Ministry for ISED and Ministry of Finance, hand delivering letters submitted from across the country in support of the Fairness for Music Creators Campaign to the Minister of Finance by **MP Tim Louis**, an accomplished musician himself, and publishing calls to action in support of Canadian music creators, including in Billboard Canada and The Hill Times.

With so many artists suffering in these hard economic times, the changes sought by Re:Sound are critical to ensuring that creators can make a living in the Canadian music industry - we will continue to push for these crucial reforms in 2025.

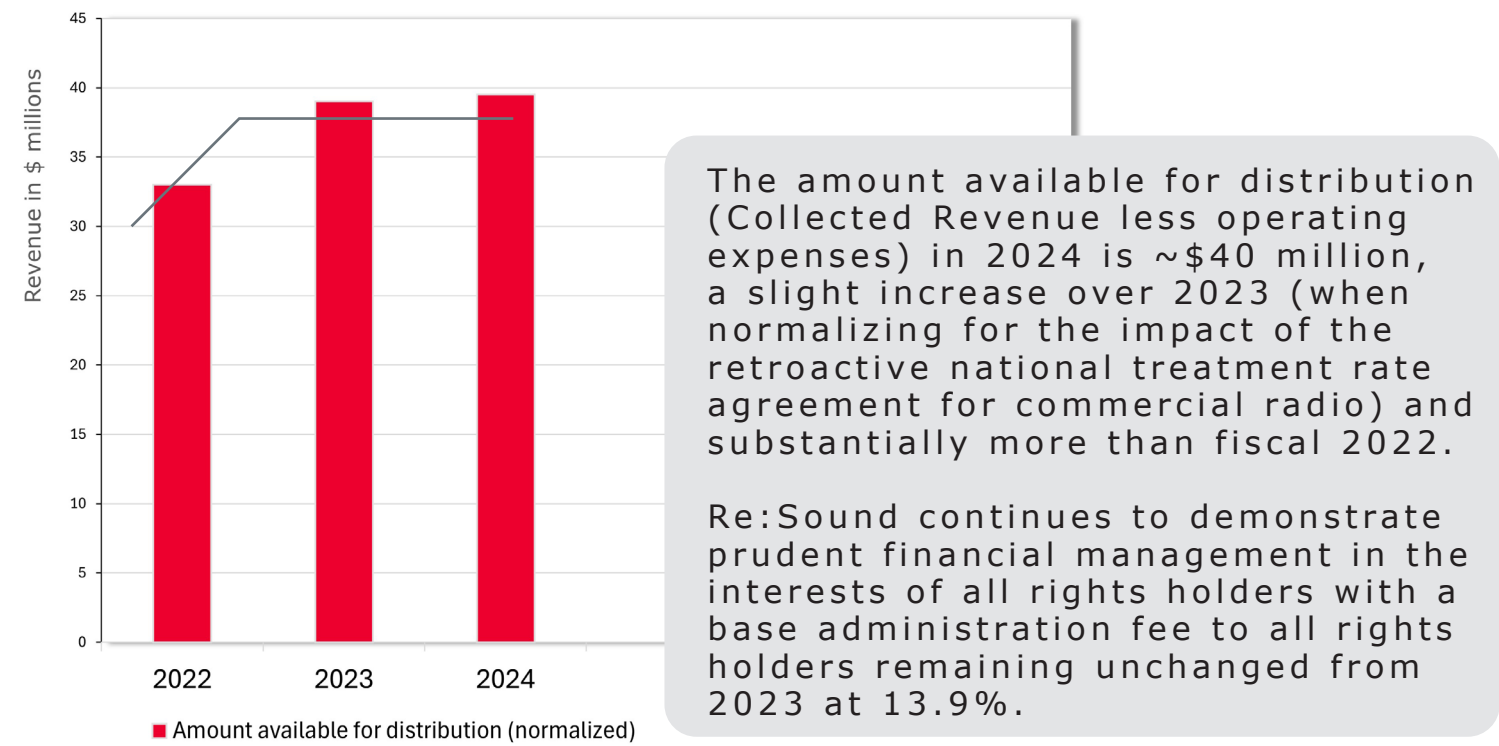
FINANCIALS 2024

Revenue By Tariff



Radio (Satellite and Commercial) remained relatively stable year over year on a normalized basis while public performance collections continue to strengthen with an increase over the past two years of +27%.

Amount available for distribution (normalized)



DIVERSITY, EQUITY & INCLUSION

RE:SOUND TAKES GREAT PRIDE IN OUR HIGHLY DIVERSE TEAM. WE ENTHUSIASTICALLY PURSUE INTENTIONAL HIRING PRACTICES THAT FOSTER AND CELEBRATE DIVERSITY. DIVERSITY STRENGTHENS OUR ORGANIZATION BY ENSURING WE REPRESENT A MULTITUDE OF VIEWPOINTS WHICH FOSTERS OPENNESS, OPPORTUNITY, AND INNOVATION. WE ARE ALL RE:SOUNDERS.

True to one of our organizational core values of fairness, Re:Sound engages equitable practices in every aspect of our operations. We are not only Performer and Maker centered, but also employee centric. We continue to make improvements that enhance the employee experience.





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