Presented at SCGC Townhall held on August 26, 2020. Information is high-level summary only and current as of August 26, 2020.

SOCAN
music. people. connected.

SCGC Town Hall
Licensing Update

August 2020

Domestic Revenue Trends

III) SOCAN COVID-19 Royalty Impact Forecast

1) What is SOCAN's forecast for the impact of COVID-19 on royalty revenues collected **domestically** and abroad. What short, mid, and long-term effects does SOCAN foresee?

Domestic Audiovisual Revenue Trends

III) SOCAN COVID-19 Royalty Impact Forecast

2) More generally, what is SOCAN forecast of the impact of the move from terrestrial TV to streaming, including an update on the streaming rates and how they are currently set.

SOCAN Distribution to Writers by AV Performance Type

III) SOCAN COVID-19 Royalty Impact Forecast

3) What is the forecast in terms of how composers will fare as we move to a fully streaming world? Do we have an apples to apples comparison or something similar upon which we can model the conversion?
4) What is the general outlook on an aggregated vs. individual level? (ie. overall collection might be up in digital but do we know how a composer might fare on a streaming show vs seeing similar numbers terrestrially?) Is this market in any way rationalized?

SOCAN Distribution to Writers by AV Performance Type

I. BEST System Update and General

3) My question has two parts: (1) - Who or what determines the rate at which streaming services (Netflix, etc.) pay out royalties to PROs, is that mandated somewhere? (2) - Given that the general consensus is that performance royalties collected from non-traditional broadcasting services (Netflix, etc.) are not commensurate with composers' creative efforts, would the most straight-forward solution be to increase the rates at which said services are required to pay out to PROs? Thank you!

Tariff 22D1 Internet – Online Audiovisual Services

- **1.9% of internet related revenue**

Approach to agreements

- **Outside of tariff**

Thank you!