

# USE OF MUSIC IN YOUR FITNESS FACILITY

## What is music licensing and who are the Canadian collectives?

Music is an important part of your fitness facility. A music licence gives you the ability to play music in your club. Canadian fitness facilities are required to pay royalties for the use of music in their clubs to two separate collectives: Re:Sound and SOCAN. Re:Sound represents the rights of artists and record companies (the people who created the sound recordings) while SOCAN (society of Composers, Authors and Music Publishers of Canada) does the same for composers and music publishers (the people who create the original compositions that are embedded in those sound recordings). To ensure your music licensing fees are up-to-date with both collectives, reference the information provided below.

## Re: Sound Fees That Affect Your Fitness Facility\*

Re: Sound has a 2008-2013 retroactive fee as well as a 2014-2017 fee.

Use of Music During Fitness and Dance Classes  
This fee is for each fitness class and dance class in which recorded music is played, provided at any time during the particular calendar year.

### How is it calculated?

An amount per class multiplied by the number of classes held during the year as follows:



Year	Amount Per Class
2008	\$0.310
2009	\$0.319
2010	\$0.328
2011	\$0.338
2012	\$0.348
2013	\$0.359
2014	\$0.369
2015	\$0.380
2016	\$0.392
2017	\$0.404

## Use of Music in Open Areas

Re: Sound has a 2008-2013 retroactive fee as well as a 2014-2017 fee.

This fee is for Training Areas and Non-Training Areas in which Recorded Music is played at any time during the particular calendar year, unless the Recorded Music is provided by a third-party music supplier and the applicable royalties are paid directly by the supplier pursuant to Re:Sound Tariff 3 (Use and Supply of Background Music), the royalty payable is:



### How is it calculated?

An amount based on the average number of members of the fitness venue during the particular year calculated as follows:

Number of Members	Royalty
< 1000	\$50.00
> 1000 & < 5000	\$250.00
> 5000	\$500.00



## How do you calculate the average number of members?

The average number of members of a fitness venue is calculated by adding the number of members on the last day of each month during the calendar year and dividing by twelve.

\*The listed Re:Sound tariff rates have been agreed upon by Re:Sound and Fitness Industry Council of Canada (FIC), on behalf of FIC member clubs.



### When do I have to pay?

For royalties payable under the years 2008 to 2013, clubs have the responsibility of paying for the amounts owing as soon as possible.

For royalties payable under the years 2014 to 2017, clubs have the responsibility of paying before January 31 of each year following the year for which royalties are payable, commencing in January of 2015.

### What if you do not know how many fitness classes your facility has had?

If the number of fitness classes is not known or cannot be reasonably determined, a reasonable estimate of the number of fitness classes held will be sufficient.

### What if I use a third-party music supplier?

If a third-party music supplier is used and the supplier has paid royalties on behalf of the fitness venue, the amount of the payments made to the third-party supplier, and the supplier's name and contact information should be sent to Re:Sound.

## Contact Re:Sound

Please contact Re:Sound at: 1235 Bay Street, Suite 900, Toronto ON M5R 3K4

Telephone: (416) 968 – 8870 Email Inquires: [licensing@resound.ca](mailto:licensing@resound.ca)

Website: [www.resound.ca](http://www.resound.ca)

## SOCAN Tariffs That Affect Your Fitness Facility:

NAME OF TARIFF	TARIFF DISCRPTION	HOW MUCH IT COSTS AND HOW LONG THE LICENCE LASTS
Tariff No. 19 – Fitness and Dance	Licence to play music for fitness activities and dance instruction.	Annual Fee is \$2.14 times the average number of participants per week per room (\$64 min. Fee). Licence year runs January to December.
Tariff No. 15A – Background Music	Licence to play background music in establishments	Annual fee is \$1.23 per square metre or 11.46¢ per square foot (\$94.51 min. fee). Licence year is January to December.

A club that uses recorded music in an open space with gym equipment must obtain the Tariff 19 – Fitness activities and dance instruction licence. Since this licence is to authorize the public performance of music in conjunction with any kind of physical exercises (including individual fitness regimen and group exercises classes), it is not considered background music per say. A Tariff 15A – Background music licence is not applicable in this situation.

Yanik Hardy, Industry Relations Executive, Licencing/SOCAN

## SOCAN Tariffs That May Affect Your Fitness Facility:

NAME OF TARIFF	TARIFF DISCRPTION	HOW MUCH IT COSTS AND HOW LONG THE LICENCE LASTS
Tariff No. 15B – Telephone Music on Hold	Licence to communicate music over a telephone system for callers placed on hold.	Annual fee is based on the number of trunk lines on your telephone switchboard: \$94.51 for the first trunk line and \$2.09 for each additional one (min. fee is \$94.51) + taxes. Licence year is January to December.
Tariff No. 9 – Sports Events (competitions)	Permission to play live or recorded musical works at sports events (Baseball, football, hockey, skating competitions, races, track meets and other sports events).	Fee is 0.1% of the gross receipts from ticket sales (a complimentary ticket is calculated at half the lowest price paid for a sold ticked from the same category in the same event) net of sales and amusement taxes ( minimum fee for admission to free events is \$5 + taxes.

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Note: Music licensing fees should be sent to the appropriate collective.

This information has been brought to you by Fitness Industry Council of Canada, the not-for-profit trade association representing the Canadian commercial fitness industry. Visit [FICDN.ca](http://FICDN.ca) or email [info@ficdn.ca](mailto:info@ficdn.ca).

