



Canadian Independent Music Association

October 10, 2019

Mr. Claude Doucet
Secretary General
Canadian Radio-television and Telecommunications Commission
Ottawa, Ontario
K1A 0N2

Re: Broadcasting Notice of Consultation CRTC 2019-72: Licence renewal, SiriusXM requests to amend its conditions of licence 6 and 13 set out in Sirius Canada and XM Canada

Dear Mr. Claude Doucet:

The Canadian Independent Music Association (CIMA) is writing with respect to Broadcasting Notice of Consultation CRTC 2019-72: *Licence renewal, SiriusXM requests to amend its conditions of licence 6 and 13 set out in Sirius Canada and XM Canada*.

In August, the Commission renewed the broadcasting licence for the satellite subscription radio services Sirius Canada and XM Canada from 1 September 2019 to 31 December 2019, subject to the terms and conditions in effect under the current licence.

Although CIMA participated in the formal consultation process in April 2019, we believe that the recent extension granted by the Commission is an opportunity to reiterate our position on two key points of our submission¹:

1. CIMA opposes the applicant's request for a reduction in Canadian Content Development (CCD) contributions.
2. CIMA opposes the applicant's request for a reduction of the percentage of allowed "eligible initiatives (discretionary contributions)" in the first two years, and eliminating it entirely in years 3-7.

CCD contributions are integral to Canada's cultural policy framework as they ensure that much needed capital exists to keep the Canadian cultural sector vital, growing, and representative of diverse voices. Accordingly, any amendment that would impact previously agreed upon CCD contributions must be scrutinized with great care and with the lens of supporting the mandate of the CRTC and the Broadcasting Act. Drastically reducing the licensee's CCD responsibilities cannot be seen as benefiting the Canadian music industry. Therefore, CIMA strongly believes that SiriusXM should continue to contribute a minimum of 4% of gross revenues annually towards CCD.

¹ CIMA makes this submission available as an appendix to this intervention.

CIMA wishes to strongly state the importance of SiriusXM as a partner of the Canadian music industry. SiriusXM supports a large number of initiatives through its CCD contributions to FACTOR and MUSICACTION, as well as its “discretionary contributions” envelope, some of which would otherwise not be possible.

SiriusXM has directly supported many members of our association in a variety of important events and initiative that wouldn’t have been eligible through other means. SiriusXM’s contributions are not only appreciated, but for many are crucial and continue to make a difference in artists’ careers.

As such, CIMA opposes SiriusXM’s proposal to decrease the percentage of allowed “eligible initiatives (discretionary contributions)” in the first two years, and eliminating it entirely in years 3-7.

CIMA believes that the eligibility criteria set out by the Commission for all CCD initiatives are clearly stated and that the onus is on the licence holder to ensure compliance. A history of non-compliance is not a valid reason to reduce required CCD contributions and eliminating discretionary allocations. We believe that SiriusXM should strictly follow the CRTC guidelines as they relate to CCD expenditures, and it is with that caveat that we support the continuation of the current mandatory allocation of contributions to the CCD corresponding to:

- no less than 20% to FACTOR;
- no less than 10% to MUSICACTION;
- no less than 5% to the Community Radio Fund of Canada; and
- the remainder to other eligible initiatives (discretionary contribution)

With this letter, we hope to remind the Commission of CIMA’s position. We believe that it is imperative for the Commission to maintain the current percentage of CCD funding as well as an allocation to eligible initiatives (discretionary contributions). We thank you for your consideration. Any correspondence regarding this matter can be sent via email to Stuart Johnston at stuart@cimamusic.ca.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Stuart Johnston', with a long horizontal line extending to the right.

Stuart Johnston, President
Canadian Independent Music Association
30 St. Patrick Street, 2nd Floor
Toronto, ON M5T 3A3
stuart@cimamusic.ca
416-485-3152, extension 232