



Retail Council of Canada
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News Release

Retail Council of Canada welcomes the re-introduction of the *Copyright Modernization Act*

Toronto, September 29, 2011 – Retail Council of Canada (RCC) welcomes the re-introduction of proposed amendments to Canada’s *Copyright Act* in Bill C-11 and regards the bill as a positive step towards modernizing Canada’s copyright laws. The draft legislation is an attempt to balance the interests of consumers who purchase copyrighted material and the creators of that material. Since the first version of this bill was introduced in June 2010, RCC has supported the Government’s intent to update Canada’s copyright laws, but has stressed that more work needs to be done.

“Canadian retailers are encouraged that the market-distorting and inefficient blank media levy will not be extended in the form of an ‘iPod tax’ or other similar measure under the proposed changes. Indeed, retailers believe the levy should be repealed altogether,” said Anne Kothawala, Sr. Vice-President, Public Affairs, RCC. Retailers hope that the Government will move quickly, while the bill goes through Parliament, to enact a regulation to prevent the imposition of a “memory tax” on electronic memory cards that are extensively used in cameras, smart phones, GPS and other devices that have nothing to do with the copying of music.

RCC is also pleased to see that the Government has taken steps towards providing an explicit exception recognizing that private copying for archival or backup purposes, and for format shifting purposes by individuals of legitimately acquired copies of works or sound recordings and movies is legal. RCC would encourage the Government to acknowledge the development of innovations through the use of technology that would allow for individual sales of downloaded material that do not attract copyright collective tariffs.

Retailers support the limited and legitimate use of technological protection measures as long as it does not prevent consumers from exercising their users' rights to engage in fair dealing and otherwise legitimate purposes and for access to public domain material.



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“Retailers call on the creators of content to continue to develop innovative ways to provide greater flexibility to those who legally purchase copyrighted material. Creating locks for legally purchased material and punishing consumers with excessive penalties in the form of disproportionate damage awards is counterproductive, since it will provide an incentive for consumers to resort to circumvention and to turn to black markets where these locks may not exist,” said Ms. Kothawala.

RCC members are concerned that some parts of the legislation unfairly restrict consumer freedom and choice and need to be revised before being passed by Parliament. “Parallel imports - which by definition involve legitimate goods - should clearly be permitted under the new *Copyright Act* so that Canadian consumers can benefit from world prices and Canadian retailers can remain competitive. Copyright should not become a tool of anti-competitive misuse or international trade control” said Ms. Kothawala.

RCC also wishes to see an amendment to the bill that would clarify, in a manner similar to the US legislation, that retailers do not need to pay for the use of music to demonstrate electronic equipment or for marketing purposes to sell sound and audio-visual recordings. “Retailers are partners with the music industry in selling content. Consumers need equipment to enjoy these recordings. Demonstrating these products is not in any way the same as providing ‘background’ music and should not require any payment”, Ms. Kothawala stated.

RCC looks forward to participating in a thorough Parliamentary review process and providing recommendations to improve the legislation.

For further information: Anne Kothawala, Sr. Vice President, Public Affairs, Retail Council of Canada at (416) 922-6678, or akothawala@retailcouncil.org

About Retail Council of Canada

Retail Council of Canada (RCC) has been the Voice of Retail in Canada since 1963. We speak for an industry that touches the daily lives of Canadians in every corner of the country - by providing jobs, career opportunities, and by investing in the communities we serve. RCC is a



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not-for-profit, industry-funded association representing more than 40,000 store fronts of all retail formats across Canada, including department, specialty, discount, and independent stores, and online merchants. RCC is a strong advocate for retailing in Canada and works with all levels of government and other stakeholders to support employment growth and career opportunities in retail, to promote and sustain retail investments in communities from coast-to-coast, and to enhance consumer choice and industry competitiveness. RCC also provides its members with a full range of services and programs including education and training, benchmarking and best practices, networking, advocacy, and industry information.