

SOCAN



ANNUAL REPORT

2023





WHO WE ARE

SOCAN is Canada's largest member-based rights management organization.

We connect more than 4 million creators and publishers worldwide, and ensure that they are paid for their work – the music we all enjoy.

We issue licenses for the public playing and performance, communication, display, and reproduction of music. The money we collect from licenses is distributed as royalties to the rights holders who have earned them in Canada and worldwide.

WORDS FROM OUR CEO

Welcome to the 2023 SOCAN Annual Report!

In 2023, more than ever, members were at the heart of all we do at SOCAN, in a relationship based on trust and accountability. As always, we're committed to supporting all segments of our membership, regardless of musical genre, community, member type, and language.

In 2023, SOCAN was working to ensure that human songwriters and composers are at the heart of decision-making when it comes to A.I. – that our members will be paid for the music used, have control over their work, and receive proper credit.

We also took an important step forward, in a new, strategic partnership with technology provider Spanish Point Technologies, aiming to offer more efficient, timely, and accurate music rights and royalty services to our more than 190,000 members.

In a new approach to licensing, we've been digging in to find as many ways as possible that our members' music is being used, and working to license those uses to maximize their royalties.

In 2023, we not only exceeded half a billion dollars in revenue collected, but also distributed a record high of \$442 million to music creators and publishers in Canada and around the world.

We hope our members feel SOCAN's commitment in everything we do.

“We distributed a record high of \$442 million to music creators and publishers.”

Jennifer Brown
CEO, SOCAN

A portrait of Marc Ouellette, President & Chair of the Board of SOCAN, with his hand resting on his chin. The background is dark, and he is wearing a dark suit jacket over a light-colored shirt and tie.

WORDS FROM OUR PRESIDENT & CHAIR OF THE BOARD

In 2023, more than ever, SOCAN remained trustworthy and accountable to our more than 185,000 members and clients. The Board of Directors worked hard to represent the interests of our reproduction rights clients, and performance rights member songwriters, composers, screen composers, and music publishers.

Because SOCAN is governed by a Board composed of actual songwriters and music publishers, voted in by SOCAN members, we're highly motivated to strongly, clearly, and unreservedly advocate for the betterment of all we represent. For example, with our support, the *Online Streaming Act* (Bill C-11) was finally adopted in 2023.

“The *Online Streaming Act* (Bill C-11) was finally adopted in 2023. ”

Our members voted in December 2023 to approve changes to the company's articles and bylaws, including ones to improve Francophone recognition and transform the way board members will serve at the Board of Directors by allowing yearly elections. We'll also be able to better maintain expertise on the Board, and achieve the flexibility required to respond to industry changes as they happen.

Because SOCAN monitors the music ecosystem closely, and responds quickly to benefit our members, we made two changes to our distribution rules in 2023. The minimum ticket price for payment of royalties for a concert was increased from \$6 to \$10; and at sporting events, where set lists aren't submitted, licence fees received are now allocated to internet and radio pools, reflecting the similarity of sporting event playlists to radio and online playlists.

SOCAN's Board of Directors will always keep moving forward, as we did in 2023, for the constant benefit and progress of our members and clients.

Marc Ouellette
President & Chair of
the Board, SOCAN



CREATING COMMUNITY FOR MEMBERS

SOCAN believes in creating an environment where members not only trust us with the management of their rights, but feel that we're an important part of their career journey, and help to expand their music community.



In 2023, SOCAN welcomed **more than 5,000 new members**, who now benefit from opportunities to foster meaningful connections with their fellow members, and others within the music communities in which they live and work. We strive to cultivate an atmosphere where every member feels valued, heard, and encouraged to share their experiences, interests, and challenges.

Our high-touch approach gives members the chance to be active contributors in the growth of SOCAN, and help us identify areas for improvement and innovation.

CREATIVE CONNECTIONS & EDUCATION



The SOCAN Creative team met with **more than 600 members** in a one-on-one setting during 2023.



SOCAN L.A. House

222 member applications received **50** members enjoyed their stay



In 2023, the Creative and Creative Operations teams attended and supported **more than 400 member showcases and performances.**



SOCAN Nashville House

168 member applications received **45** members enjoyed their stay

CREATIVE CONNECTIONS & EDUCATION



The Creative team was able to set up and facilitate **more than 350 co-write/collaboration opportunities and business/industry introductions** for our members in 2023.



The Creative and Creative Operations teams **organized more than 40 song camps that involved more than 250 SOCAN members**, with a strong focus on our Montréal-based and Francophone members, screen composers, and Latin music members. We held Kenekt Song Camps in Miami, Paris, L.A., Montréal, and Vancouver, as well as our Song Camp Mondays in Toronto.



In 2023, we facilitated **more than 10 in person “SOCAN 101” sessions** – to help teach new members how to register their songs, cue sheets, and concert performances. We also organized and hosted **10 virtual “SOCAN 101” Sessions, with 810 registered attendees.**

EVENTS & AWARDS

In 2023, we issued 56 **SOCAN No. 1 Song Awards** to our writer and publisher members, recognizing these truly significant career milestones. Among the chart-topping songwriters who took home the trophies were TALK, Tenille Townes, TOBi, The Reklaws, Hannah Georgas, Rezz, bülow, and DZL.



SOCAN CEO Jennifer Brown, along with several of our Vice Presidents and department heads, addressed the queries and concerns of more than 100 music publishers in two online **Publishers Town Hall Meetings** in 2023. We provided key information and updates on our activities, our work maximizing royalties, and improvements to data and technology. In addition to our publisher town halls, we collaborated with **Songwriters Association of Canada (SAC)** and **Screen Composers Guild of Canada (SCGC)**. Members from SOCAN's executive team provided updates and held focused discussions on pertinent topics to over 300 attendees across 3 town hall collaborations.



EVENTS & AWARDS



At the **2023 Canadian Screen Awards**, 47 SOCAN members were nominated in musical categories, and 16 earned their prizes. Among the winners were Jonathan Goldsmith and Kaïa Kater, for Best Original Music, Original Song, Television, for “Songbird,” which appeared in *The Porter*, as well as Todor Kobakov, for Achievement in Music – Original Score, Film, for his work on the movie *Brother*.



More than 500 songwriters, composers, screen composers, producers, music publishers, and music industry professionals gathered to celebrate at the **2023 SOCAN Awards Gala** in Montréal, where winners of the major achievement awards included the late great Jean-Pierre Ferland, Ginette Reno, and Plume Latraverse.



The winner of the **2023 Prix de la chanson SOCAN** was “Ton shift est pas fini”, co-written by Gabriel Bouchard and Mathieu Quenneville, performed by Gab Bouchard.

The winner of the **2023 SOCAN Songwriting Prize** was “Silver Into Rain,” co-written (and co-performed) by Luna Li (aka Hannah Kim) and beabadoobee (aka Beatrice Laus, BMI).

Bouchard and Li each received a \$10,000 cash prize, a Yamaha keyboard valued up to \$2500, and a \$500 gift card from Long & McQuade. The SOCAN Songwriting Prize and the equivalent Prix de la chanson SOCAN are the only major songwriting awards in Canada honouring the incredible talent of Canada’s **emerging** songwriters.

PARTNERSHIPS

The Creative Operations team successfully developed and executed over 40 partnerships with strategic music industry events, festivals, and organizations across North America and Europe. The focus in 2023 was on education, craft development, and business connections.

Some new partnerships in 2023 include the International Indigenous Music Summit, Indigenous Day Live and the TIFF AWFC (Alliance of Women Film Composers) Brunch as well as Mutek and Innu Nikamu in Quebec.

ENHANCED QUEBEC SERVICES

In 2023, more than ever, we recognized the important role played by Québec's music creators and publishers in the cultural ecosystem of the Canadian music industry. That's why SOCAN mobilized and activated a team dedicated to providing integrated and comprehensive services to our members in Québec from our Montréal office.



Account managers dedicated exclusively to Québec accounts.



A new Team Lead for our Montréal-based account executives.



Additional distribution and repertoire specialists who are in charge of updating the agreements, works and cue sheets of our Québec members.



An efficient workflow where account managers and distribution and repertoire specialists work together to answer questions and solve problems relating to catalogues, statements and royalties.



The addition of a Québec-based human resources professional to ensure that we hire and retain employees who understand Québec's market.



Locally developed communications and marketing content. A tailor-made experience that highlights the information most important to Québec members, tells their stories, and is backed by Francophone communications expertise.



Ongoing support from the Creative team dedicated to the presentation of training events, special events, networking opportunities and one-on-one meetings, as well as talent development.

Our commitment to excellence in serving all our members is at the heart of what we do, and recognizing the specific needs of our Québec members is one of the many things we do to serve our different member communities to the very best of our ability.

ADVOCACY



SOCAN at CISAC General Assembly

As representatives of more than 100 rights organizations around the world gathered in Mexico for the CISAC assembly, SOCAN CEO Jennifer Brown (who serves as Vice-Chair of the CISAC Board of Directors) participated in a panel, *AI and Metaverse* – where she presented SOCAN’s position that we support artificial intelligence being used as a tool for creators, but not as a tool to replace creators.



The Community We’re Creating

SOCAN believes that creating a domestic community of Canadian music organizations, and deploying the existing global community of rights organizations (via CISAC), is key to solving issues. “We’re many organizations, but we face the same struggles,” says Brown. “So, together, we take action to preserve a robust copyright market, to protect creators’ rights, and to promote collective rights management.”



Advocating for Our Members

SOCAN fights for the legal, fair, and ethical use of our members’ music. We pursue new tariffs for new uses of our members’ music; strive for best rates on existing uses; seek reform of domestic laws to benefit our members; represent our members’ rights in government hearings; and oppose groups or organizations that we believe aren’t fairly valuing our members’ work.



AI PRINCIPLES

While artificial intelligence (AI) has the potential to support and enhance the work of music creators, we must put in place the safeguards to protect human creation and enable rights holders to control how their works are used, by whom, and on what terms.

We believe the following principles are integral to building a music ecosystem that includes A.I.



Protect human expression

We must protect and reward the value of human expression.



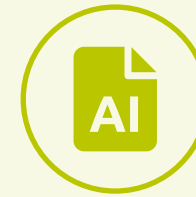
No new copyright exceptions

No exceptions that will allow AI developers to use creators' music without permission.



Transparency

Creators must be able to identify if their works have been used in an AI model.



AI Labelling

All Canadians should be able to easily identify or detect AI-generated content.



Licensing

Compensation and/or permission must be obtained from creators before use.

2023 FINANCIAL HIGHLIGHTS

Twenty twenty-three was another impressive year for SOCAN's performance with half-billion collected resulting in record-high distributions to SOCAN members.

SOCAN's total revenue in 2023 was \$523.4-million, a new record and an 8.2% increase over the previous year. Strong growth in digital and international collections coupled with the "return-to-normal" activity positively impacting General Licensing and Concert revenues were the key contributors to this strong performance. Digital revenues continued to experience double-digit, year-over-year growth (13%). There were welcomed signs of recovery in Concert and General Licensing revenues which saw an increase of 33% and 23%, respectively, year-over-year.

SOCAN distributed a record-high total of \$441.6-million to rights holders in 2023, a 22% year-over-year increase. This was driven primarily by increased distributions from digital services (audio and audiovisual) and concerts, as well as increases in traditional services (cable, TV, and radio). Increased year-over-year distributions were also driven by the increased processing of international royalties from affiliated music rights organizations worldwide.

SOCAN's position as one of the top music rights' organizations in the world continues. Our strength in licensing performing rights and reproduction rights ensures that more royalties are delivered to the

more than 190,000 Canadian songwriters, composers, and music publishers who we are grateful to list as SOCAN members, as well as the millions of rightsholders whom we represent in Canada through agreements with more than 100 societies in nearly 220 countries and dependent territories.



\$511M

Performing Rights Revenue



\$12.4M

Reproduction Rights Revenue



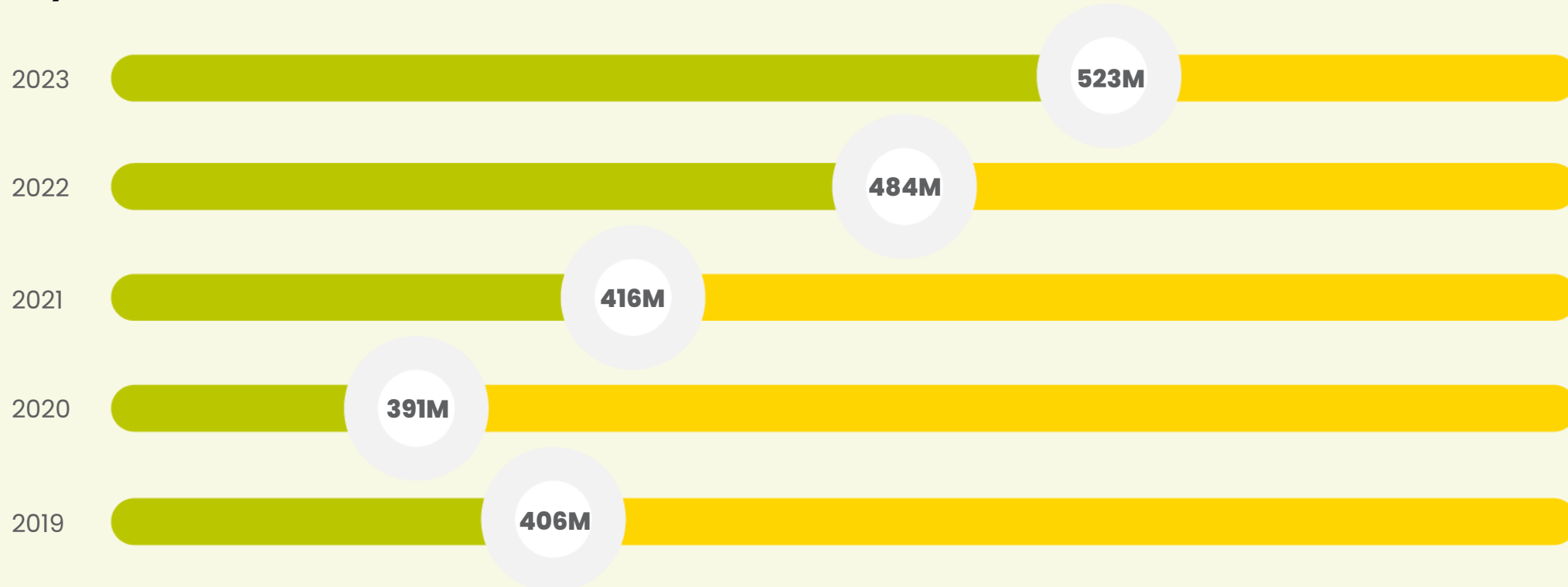
\$441.6M

Royalties Distributed to Creators and Publishers

2023 REVENUE TRENDS

OVERALL REVENUE

5-year chart:

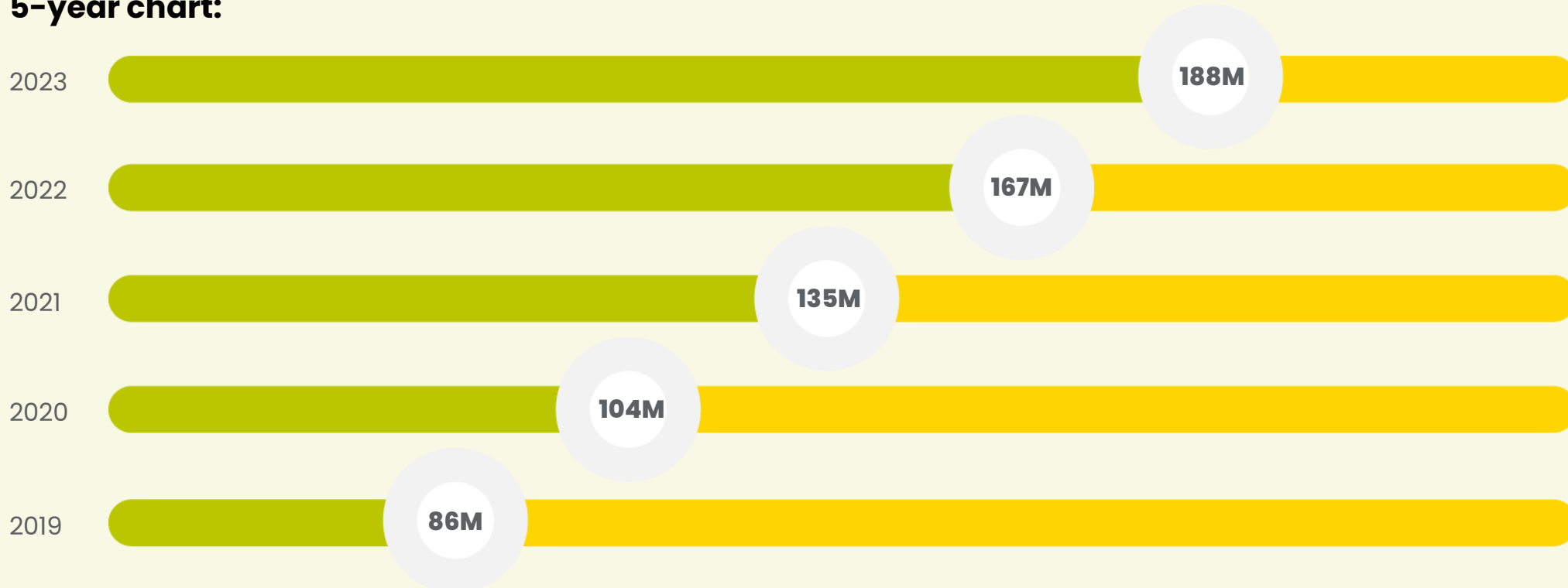


Total revenue in 2023 was \$523.4 million, an 8.2% increase over 2022.

2023 REVENUE TRENDS

DIGITAL SERVICES (AUDIO & AUDIOVISUAL) REVENUE

5-year chart:

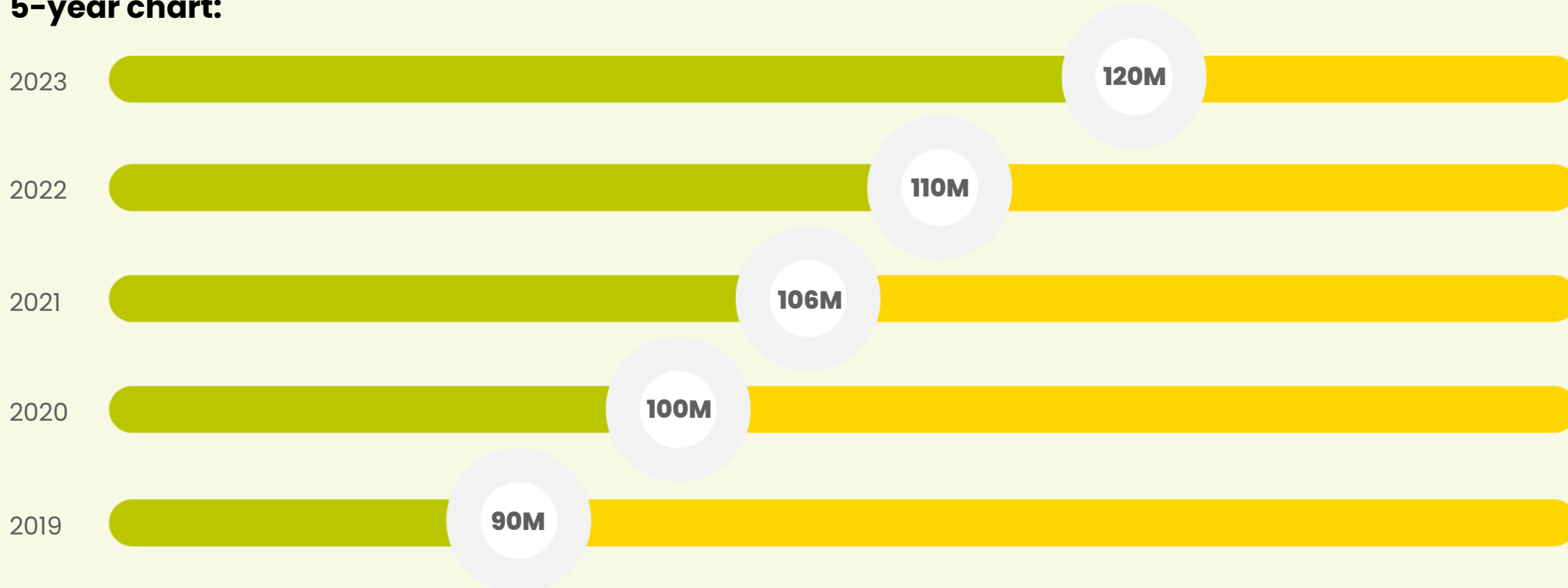


Digital revenue (audio & audiovisual) reached \$188.4 million in 2023, up 13% from 2022.

2023 REVENUE TRENDS

INTERNATIONAL REVENUE FOR CANADIAN-CREATED MUSIC

5-year chart:

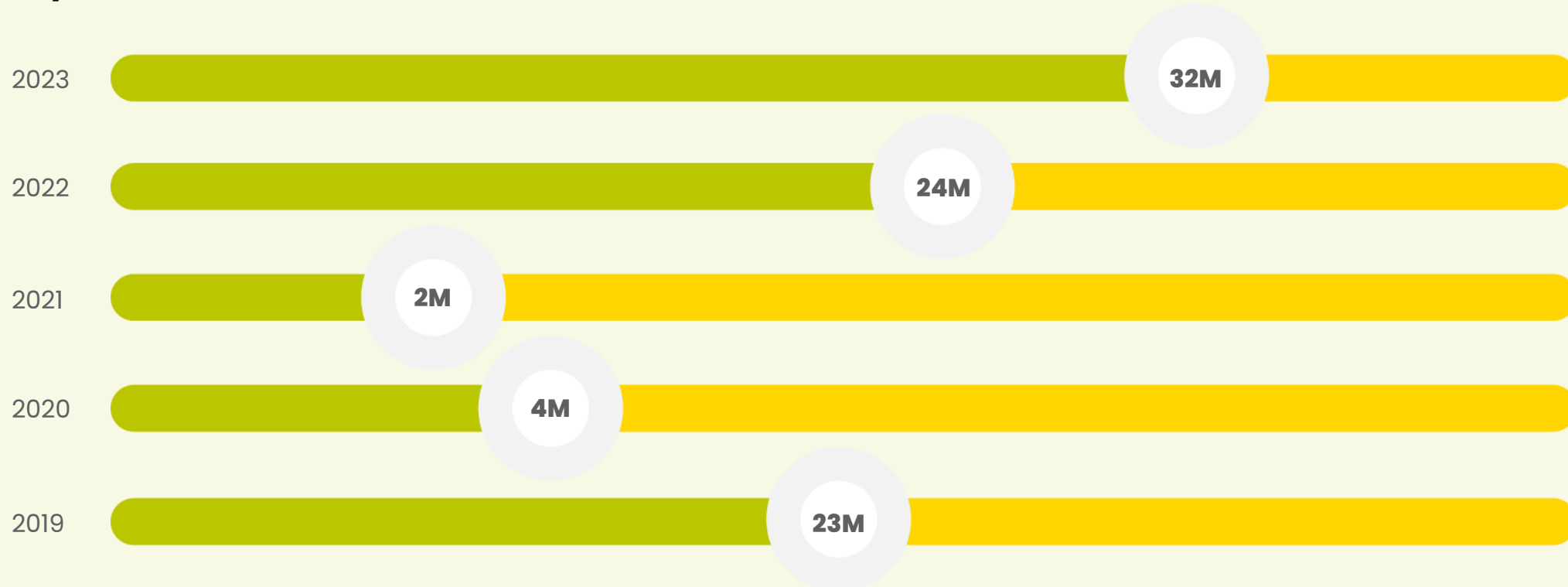


International revenue increased by **\$10.1 million** from 2022 resulting in a total **\$120 million** from both performing rights and reproduction rights sources.

2023 REVENUE TRENDS

CONCERT REVENUE

5-year chart:

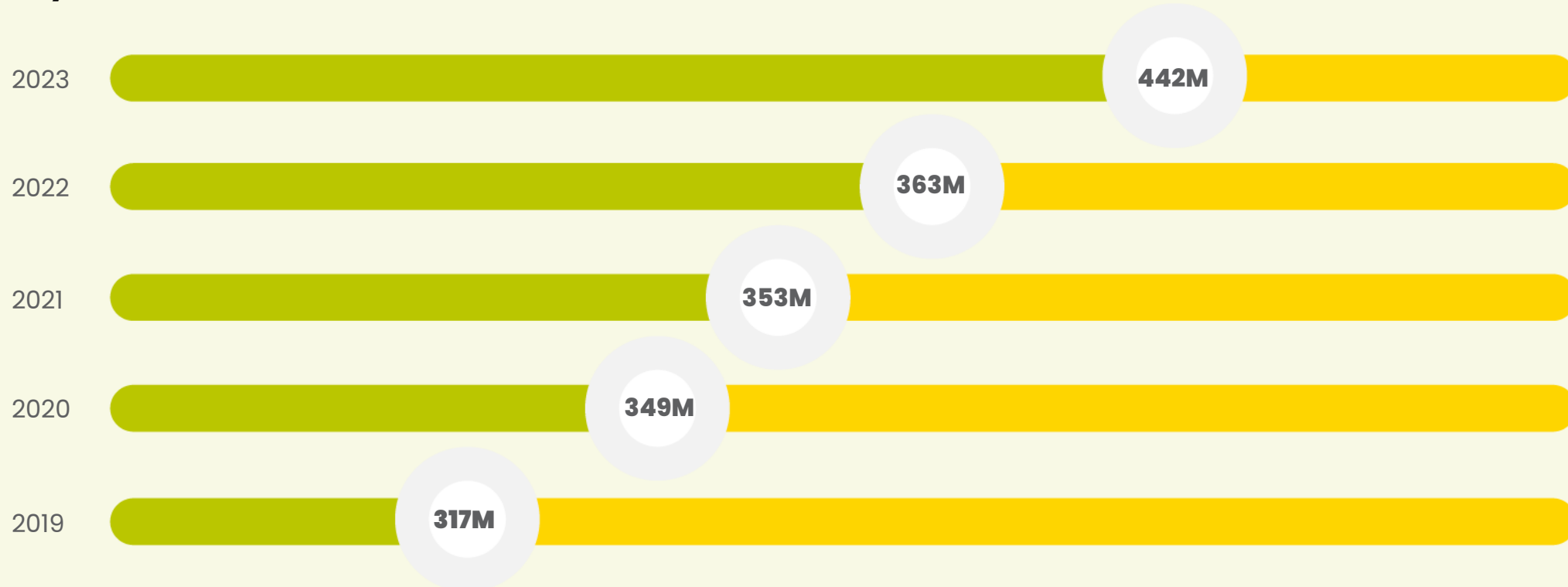


Concert revenue saw a 33% increase as the “return to normal” led to more people seeking activities outside of the home.

2023 DISTRIBUTION ROYALTY TRENDS

DISTRIBUTIONS ROYALTIES

5-year chart:



Performing Rights royalty distributions increased by \$78.0 million while Reproduction Rights distributions increased \$1 million.

SERVICE REVOLUTION

SOCAN partnered with leading technology solutions provider, Spanish Point Technologies, to transform the collection and distribution of royalties in Canada.

In 2023, we began work on the implementation of Spanish Point's Matching Engine product to help us resolve the challenges we face as music data volumes increase dramatically.

Once completed, the Matching Engine will streamline various aspects of our operations, including multi-rights repertoire management, usage ingestion and matching, distribution processing and provide an interactive member portal for music creators.

"With SOCAN's heightened focus on delivering even more for members, we are enthusiastic about this collaboration. Spanish Point's Matching Engine is built for our industry, offering standardization, scalability, and efficiency. Our members can look forward improved operational excellence, including the ability to process the distribution more effectively," says Annita Lala, COO.

The decision to outsource our technical development and support to a third-party partner will eventually allow us to improve data quality and focus on services to our members.

Partnering with Spanish Point Technologies aligns perfectly with our vision for the future. Their extensive knowledge and successful business operations in other global territories mean we will benefit from collaboration on best practices and evolve as an industry, building better systems together, and allowing SOCAN to spend more time with members and less time on systems," says Jennifer Brown, CEO.

Our members can look forward improved operational excellence, including the ability to process the distribution more effectively.

As we look ahead, Spanish Point's technological expertise combined with SOCAN's member-centric strategy will set new standards for service and deliver a new era of efficiency, accountability, and member satisfaction.

OPERATIONAL EXCELLENCE

MEMBER SERVICES

In 2023, the Member Services team prioritized service improvement and operational excellence to better support our member songwriters, composers, and music publishers. We started the year by re-vamping our member survey, enabling us to collect data that helped customize our services to meet the diverse needs of our SOCAN members.

To ensure effective and consistent member support, we expanded our frontline team and refined our employee training process. Our key goals included CWR (certified work registration) downloads, enhancing the search functions in our public repertoire, and re-introducing the online unidentified works list to expedite data clean-up.

We aimed for greater transparency and increased communication by launching the online Member Centre. This centre allows for easy access to business updates and holding special member meetings. We continued to reach out to our members through quarterly newsletters and introduced a dedicated quarterly newsletter for our Reproduction Rights clients.

Earlier this year, in our commitment to fairness and accountability, we announced our conflict resolution procedure with the appointment of Mireille Tabib – a skilled mediator who served as

an Associate Judge of the Federal Court for two decades. She will act as an independent third party to handle certain member disputes and complaints that cannot be directly resolved by SOCAN.

“We expanded our frontline team and refined our employee training process to ensure effective and consistent member support.”

In 2024, we remain dedicated to providing the highest levels of service and improving outcomes for all our members, irrespective of musical genre, community, member type, and language, as we continue to deliver on our member-centric vision.

OUR PARTNERS

SOCAN FOUNDATION



In 2023, the SOCAN Foundation was instrumental in having...

- **4,643,760** people exposed to Canadian Music
- **1,344** new works created
- **Almost 3,000 individuals** showed interest in the SOCAN Foundation offering

SOCAN Foundation is dedicated to empowering the next generation of music creators and publishers. It fosters a rich and vibrant Canadian creative music community that is distinctive and excellent, while celebrating its diversity within the context of the SOCAN group of companies.



We empowered more than 570 music creators through the following programs:

- Indigenous Song Camp (in partnership with CSHF, Amazon Music, Kilometre Music)
- TD Incubator for Creative Entrepreneurship
- Screen Music Lab (in partnership with SOCAN, M for Montréal, SCGC, SPACQ)
- Creative Entrepreneur Summit
- National Youth Orchestra of Canada Emerging Composers' Mentorship Program



634 SOCAN members received a grant to access a total of

- 308 showcases / important performances
- 120 workshops / residencies
- 61 professional development activities, and more



251 organizations were successful in receiving financial support for a total of

- 96 Festival / Showcases
- 59 Concerts
- 16 Education projects, and more



OUR PARTNERS

ENTANDEM



In 2023, Entandem, our joint venture with RE:SOUND, rallied to

bring in more revenue for our music creator and publisher members.

Entandem executed on its robust three-year business strategy, enhancing outreach to industry associations in the restaurant, fitness, and hospitality sectors across Canada.

Additionally, with the return of popular live music concerts and normal activities in SOCAN-licensed arenas and venues and with concert promoters, SOCAN saw a 33 percent increase in popular concert revenue. This marked a significant increase since the pandemic onset. Entandem also secured additional mutually-beneficial agreements with municipalities using music in city-owned recreational facilities, while seeking ways to simplify the music licensing process for music users.

OUR PARTNERS

CANADIAN SONGWRITERS HALL OF FAME



The Canadian Songwriters Hall of Fame mandate is to honour and celebrate Canadian songwriters and those who have dedicated their lives to the legacy of music, and to educate the public about their achievements.

“Legends” Induction Series

A new initiative for 2023 that puts our greatest songwriters centre stage for an interview, and intimate tribute performances of their most beloved songs.

Montréal – October 11 at Espace St-Denis

Songwriter Inductees: Michel Rivard, Marjo and Jean Millaire

Toronto – November 1 at Glenn Gould Studio

Songwriter Inductees: Marc Jordan and John Capek

Song Inductees: “Informer” by Snow (Darrin O’Brien); “Drinking in L.A.” by Bran Van 3000 (James Di Salvio, Haig Vartzbedian); “My Definition of a Boombastic Jazz Style” by Dream Warriors (Louie Robinson, Richard Rodwell); “Echo Beach” by Martha and the Muffins (Mark Gane)

2023 Inductees

Songwriters: Loreena McKennitt, Myles Goodwyn (now deceased, of April Wine), Paul Piché, and Bill Henderson (of Chilliwack)

Song: “Notre Place” by Paul Demers (Paul Demers, François Dubé)

2023 Indigenous Song Camp presented by Amazon Music in collaboration with SOCAN Foundation

17 Indigenous and non-Indigenous songwriters, artists, and producers participated from October 23–26 at Kilometre House in Toronto, where 15 songs were written over three writing days.

Upcoming in 2024...

- Song & Score Week, Sept. 25–27 in Toronto
- CSHF Induction Ceremony, Saturday, Sept. 28 at Massey Hall in Toronto, with inductees Sarah McLachlan, Tom Cochrane, Jim Cuddy and Greg Keelor (Blue Rodeo), and Diane Tell



OUR PEOPLE & CULTURE

Twenty twenty-three marked the beginning of our transformational journey as an organization. Last year was defined by the strategic shifts we made to better serve our members and enhance the way we work internally. We focused on transformational leadership development, partnering with WorkModern to provide year-long training and development for our leaders.

Our North Star and values were formulated and introduced, serving as guiding lights for our cultural transformation. Living our new values, guided by our North Star, will be instrumental in strengthening our connection to our music community and further amplifying the creativity of music creators, which lies at the heart of what we do.

In 2023, we made significant strides in advancing diversity, equity, inclusion, and anti-racism by using findings from our previous year's Equity Census to expand on our strategy to eliminate barriers and biases, foster belonging, champion growth, and amplify voices.

Our commitment to Truth & Reconciliation was further underscored through our partnership with Red Sky Performance. In September 2023, we hosted a weekly series titled "Indigenous Voices" to bolster our education about Truth & Reconciliation. Each lively session featured a different topic and expert speakers from the Indigenous community, underlining our commitment to continued truth & reconciliation education and training across the organization.

Looking forward, as we implement process improvement and new programs, services and technologies across the organization, we are confident our North Star, values, and strategic pillars will continue to guide us in transforming the way we work together and serve our members, while fostering an environment where everyone feels they belong.

“We made significant strides in advancing diversity, equity, inclusion, and anti-racism.”



GUIDING PRINCIPLES

The following principles apply to the organization and the transaction of the affairs of SOCAN:

1. SOCAN shall protect, preserve and promote the rights of its membership and those of foreign affiliated performing and reproduction right societies whose rights it administers in Canada.
2. SOCAN shall ensure that it is wholly owned and controlled by its Members who are composers, lyricists, songwriters and publishers.
3. SOCAN shall ensure that its Board of Directors is composed only of Members.
4. SOCAN shall seek appropriate tariffs and enforce its rights as provided in the Copyright Act.
5. SOCAN shall license performing and reproduction rights, collect royalties for those licences and distribute them in a cost-effective manner.
6. SOCAN shall make fair and equitable distributions of the royalties collected.
7. SOCAN shall ensure that all of its Members are treated equally.
8. SOCAN shall ensure that it is open, accessible to its Members and that it will keep its membership informed as to its rules, policies and activities.
9. SOCAN shall advocate and work to improve copyright laws both in Canada and internationally.



SOCAN

www.socan.com

1.800.55.SOCAN

41 Valleybrook Drive, Toronto ON M3B 2S6

