Copyright collective wants iPod levy

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OTTAWA- Canada's Private Copyright Collective is taking another stab at introducing levies on digital music players and memory cards.

The charges could add as much as $75 to the price of a new Apple iPod.

The collective, which seeks to compensate artists for unauthorized copying of their music, said Friday it's taking a new tack after a 2003 Federal Court of Appeals decision rejected the levies.

The court overturned the Copyright Board of Canada's approval of the charges after protests by a coalition of industry groups that included retailers Wal-Mart, Staples Business Depot and Future Shop.

The collective had argued the memory inside a digital audio device such as an iPod is an audio recording medium primarily used to store music, and therefore should be subject to the Canadian Copyright Act.

The act states an audio recording medium is "a medium regardless of its material form on which a recording can be reproduced."

The court, however, found the memory can't be defined as an audio recording medium.

Now, the group is going after the devices themselves. It says devices such as the iPod can be classified as a "recording medium" and should be subject to taxation.

"It is simply a matter of fairness that the creators of content, the creators of culture actually, should receive some compensation for the large volume of unauthorized and uncontrollable copying onto these media," said collective chair Claudette Fortier. "Private copying is a fact - Canadians do it."

The group is responsible for collecting a levy on blank recording media and distributing the money to those entitled to royalties.

In other words, every time a Canadian buys a blank CD, or audio cassette today a portion of the cost is sent to artists all over the world such as Kid Rock, Justin Timberlake and Paris Hilton.

In its new submission to the Copyright Board, the collective is proposing levies of $5 on devices with up to one gigabyte (GB) of memory, $25 for one to 10 GB, $50 for between 10 GB and 30 GB and $75 for over 30 GB. That would
take the price of Apple's 30GB iPod to $365 from $290, a 26 per cent increase.

The group is also asking for levies of $2 to $10 for memory cards, which are primarily used to store photographs in digital cameras.

It's also asking for eight-cent increases to the current 21-cent levy on blank CD media and 77-cent charge for CD-R Audio, CD-RW Audio and MiniDiscs.

To support its requests, the group said it commissioned Environics Research Group to poll Canadians on their attitudes towards the proposed levies.

The poll, it said, suggests 80 per cent of Canadians who make private copies of recorded music would consider a levy of 30 cents on each CD-R and CD-RW they buy to be "fair."

The poll is also said to indicate 79 per cent of Canadians who make private copies said a levy of $40 on a 30 GB iPod, or similar device, would be "fair and reasonable."

The poll of 993 Canadians was conducted in June. It's considered accurate within 3.1 percentage points, 19 times out of 20.

The proposed levies will be examined by the Copyright Board before a public hearing is held later this year.

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