

May 3, 2002 – Vancouver, BC, Canada
For immediate release:
Proposed New Blank Media Levy Will Hurt
Canadian Business More Than It Will Help
the Music Industry

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May 8th 2002 is the final day for registering formal objection to the latest round of proposed changes in the blank audio media levy under the Copyright Act here in Canada.

To date, this levy which has been in place for several years now has largely gone un-noticed since neither its amount nor the items it levied were enough to more than minorly annoy people who noticed the difference in prices between Canadian sources and for example US sources. The difference almost disappeared into the difference in the value of the dollar.

No more!

The levy amounts proposed (currently \$0.21 per CD-R but to be boosted to \$0.53 per CD-R for example) and the extension not only to DVD-R and similar media but **also to Flash and RAM and micro-hard disk drives which are used in PDAs and digital cameras** as well as being used in the levied MP3 players will affect all manner of life and business here in Canada.

For example: a \$210.00 levy *at import* which will end up being as much as \$400.00 difference to the retail purchase price of a general purpose computer with MP3 player capabilities and a 10 Gigabyte hard disk drive in it. This will absolutely cause Canadians to purchase this and similar items via the Internet from vendors outside Canada and will thus **hurt Canadian resellers – and will not benefit the music industry one bit!**

And it is all based upon a blatant misreading of the Copyright Act's provision for establishing the media levy amounts and applying them!

The administering body, CPCC (Canadian Private Copying Collective), is trying to penalize Canadians for *the possibility* that they will fill up every purchased digital storage medium with music. The fact is that the Copyright Act does not support their using any calculation of the amount of copies or the size of a medium for establishing this levy.

Admittedly it does support the imposition of a levy – the difference is between whether the levy should be based upon a copy count (and copying is now legally “not ... an infringement” of copyright {80(1)}) or on the free market value of the music which is played using today's technologies which require copying in order to even work!

The difference between these two concepts will damage the Canadian technology retail and re-manufacturing sector out of all proportion to the possible benefit to the musicians this levy is supposed to help.

Please read my full objection at www.pacdat.net/MediaLevy.htm and send your own comments and objections to the Copyright Board at the following address:

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