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The theme of this year’s annual report is “Step Ahead.”

What do we mean by this?

SOCAN’s vision is to lead the global transformation of music rights, and to do this we must take serious steps ahead, and we invite our members and stakeholders to step ahead themselves with us.

In 2015 SOCAN stepped ahead in so many ways and was a banner year for SOCAN. And we expect to step even further ahead in 2016.

Once again, all numbers were record highs (revenue and distribution) and record lows (costs). A total of $307.8 million were collected in 2015, including $62.7 million from international sources. We distributed $276.2 million to our Canadian and international rightsholders, all this at the incredibly low Corporate Net Expense Ratio of 9.2%.

We are very proud of these achievements that have been made possible by the strength of the repertoire we represent with many SOCAN members having topped major international charts throughout 2015, and by the hard work of all SOCAN staff in our Toronto, Montreal, Vancouver, Halifax, Los Angeles and Nashville offices.

With our Membership team we:

• Unveiled a new online member registration system, that shortened the time to become a SOCAN member from literally weeks to less than 10 minutes.

• Developed leading-edge application program interfaces (APIs) that allow third-party developers to securely harness our technology so that they can build their own software modules to their business and career advantage.

• Increased our organization and sponsorship of song camps. Our first-ever SOCAN camp at Shobac, Nova Scotia, was a smash hit – in more ways than one.

• Unveiled our regular “A&R Report,” which strives to broaden everybody’s opportunities by connecting writers with music publishers, in a mutually beneficial building of careers and business with the inside expertise and power that SOCAN brings to our members.

• Deployed our ongoing “Get Set. Get Paid.” campaign to encourage SOCAN members to help themselves by sending in their set lists from live shows, so that they can promptly and accurately receive the royalties that they have fairly earned.
Our Licensing team stepped ahead in 2015:

- Deployed data clean-up and a working design of a new IT system while concurrently collecting SOCAN’s highest domestic revenue in history ($242.9 million).
- Generated $2.19 million in revenue from newly licensed accounts (15% increase over 2014 and our highest base of recurring business),
- Generated a total of 4,224 newly licensed accounts (18% increase over 2014).
- The eSOCAN B2B Portal saw more than 14,800 licensing reports submitted online (25.8% increase over 2014), and online payments of $1.2-million (40% increase over 2014).
- Increased the momentum of our Licensed To Play program with licensed users of music such as shops, restaurants or major festivals. SOCAN is more than ever a partner with organizations that use music to build their business.

Our Distribution team:

- Leveraged SOCAN’s expertise in data, data processing and identification to offer third-party “white label” services.
- Built systems to ingest billions of lines of data and tools to use for expanded business intelligence and predictive analysis of royalty trends.
- Established our leadership in international initiatives to streamline and efficiently exchange data worldwide.

Our international team:

- Proactively used monitoring tools to research and identify international television performances for which our members never received royalties.
- Vigorously sent queries that resulted in over $1 million of query-related revenue for our members from around the world.
- Visited nine societies to enquire about response times on queries, accurate registrations of our works, news about changing conditions both for the societies and the business conditions in their markets.
With Québec affairs:

- We opened new offices in Montréal in the heart of one of Québec’s most thriving music creation districts.
- We now conduct regular board of directors and member meetings directly from our Montréal offices, thus making meetings more convenient and accessible – at a far lower cost – to all.
- Enhanced our presence at all relevant events of the Quebec music ecosystem and delivered the first SOCAN Showcase at FrancoFolies de Montréal.
- Hosted a revamped Montreal awards show at the iconic Metropolis, only a few blocks away from our new office.

With Communications & Marketing:

- SOCAN extended our leadership with the media, gaining more coverage of the organization and its members in print, on television, on radio and across all online platforms.
- We built our social media presence and capabilities, with SOCAN enjoying one of the largest digital footprints of possibly any organization in the Canadian music ecosystem.
- Deployed a highly successful advertising campaign on licensing and the value of music for key music-using demographics.

And finally we stepped ahead in Government relations:

- We organized our first ever and very successful SOCAN reception on Parliament Hill.
- Strongly advocated for extension of copyright term to 70 years after life of creators.
- Met major Federal, Quebec and Ontario government figures to advance the agenda of all SOCAN members.
- Championed and coordinated advocacy coalitions ACCORD and Music Policy Coalition

These are only a few of the highlights and examples of SOCAN stepping ahead in 2015, and already in 2016 we continue our momentum forward to lead the global transformation of music rights by providing more leading edge services to enhance our transparency, accuracy and accountability and to enable all our members to truly benefit from the opportunities created by the digital age.

Our success runs across every department and aspect of SOCAN, and I encourage you to read more throughout our new annual report.
Twenty-fifteen was an exciting year for SOCAN as we continued to step ahead into the future and forge new paths.

SOCAN is on the leading edge of performing rights organizations around the world, and with some very forward-thinking acquisitions and expanded business, we’re confident that SOCAN will become one of the, if not the most well-positioned and well-equipped performing rights organizations in the world to face the needs created by constant change in the digital environment.

Throughout 2015 and into 2016, SOCAN's Board of Directors and management have been developing SOCAN's new strategic plan. Given the rapid and radically changing global landscape, we felt the need to boldly step ahead. Our new vision is one where we SOCAN leading the global transformation of music rights.

To accomplish this, we've established five new strategic objectives:

- Expansion of Rights – move beyond just the performing right.
- Expansion of Territory – offer services to members and others in related rights-oriented work beyond the borders of Canada, operating globally to reflect the changing, global nature of our business.
- Expansion of Business Lines – offer different kinds of services within our areas of expertise.
- Service Relevance – be effective and efficient with the services that we offer, accurately and transparently.
- Operational Innovation – be ahead of the curve in adopting new technologies, developing new tools, or making strategic acquisitions to offer unparalleled service to our members and clients.

SOCAN is striving to be the leading music rights organization in the world, and by diversifying, we stay relevant in the changing ecosystem. Not taking these bold initiatives leaves us in a vulnerable, marginalized position.

In 2015, SOCAN held its Board elections. Through a robust nomination and election process, we're happy to see that, while we have a great degree of continuity on our board, we elected a couple of new faces: Robert Ott, a publisher member and CEO of ole, and songwriter member Safwan Javed.

We also renegotiated and renewed our contract with CEO Eric Baptiste, demonstrating how pleased we are with his stewardship, vision and leadership. The new five-year contract will see him continue on as CEO until 2021.
In addition to these activities, as part of the ongoing annual work of the Board of Directors and its standing committees (Executive Governance; Risk Identification & Management; Tariff, Licensing & Distribution; and Membership), we engaged in a myriad of tasks including monitoring and reviewing budgets and forecasts; managing SOCAN’s investments and other financial activities; evaluating CEO Eric Baptiste’s performance; engaging in a thorough board and peer assessment; overseeing our many member events, including our AGM and awards ceremonies; and reviewing our communication strategies, policies and activities.

In February 2015, SOCAN opened a new office in Montreal in a hip, urban location that reflects SOCAN’s leading-edge image. The move included some key re-organization and staffing changes to improve our service and efficiency.

Throughout 2015, SOCAN continued down its path of innovation and modernization by further developing its BEST (Business Enterprise Solution for Tomorrow) computer system to deal with the explosive data requirements necessary to the track billions of performances in the digital world. The entire system is anticipated to be fully operational by the end of 2016.

SOCAN’s affiliation with the Canadian Songwriters Hall of Fame saw its footprint increase in 2015, as we focused on building core initiatives to re-invigorate and raise public awareness of the organization and its inductees. To this end, we introduced the Covered Classics series in collaboration with CBC/Radio-Canada. The series publicly honours songs newly inducted into the Hall of Fame with tribute performances by some of our nation’s brightest musical talents. A total of 12 songs were inducted in 2015, with fresh performances by Nikki Yanofsky, Matthew Barber, Justin Rutledge, Jill Barber, Royal Wood and Alejandra Ribera, just to name a few.

We also further cemented the CSHF’s partnership with the National Music Centre, where the Canadian Songwriters Hall of Fame now has a permanent home in Calgary within Studio Bell. This partnership will allow the Hall of Fame to highlight its inductees’ achievements and significant contributions to music, and have their legacy preserved through exhibitions at the National Music Centre. Studio Bell is set to open to the public in the summer of 2016, and we’re thrilled to be part of it.

All in all, SOCAN, its board and staff had a very active and transformative 2015, and through our ongoing efforts and many changes, we continue to step ahead as a leading performing rights organization in the world.
2015 KEY HIGHLIGHTS

RECORD REVENUE: $307.8 MILLION
UP 2.8% FIRST TIME SURPASSING $300 MILLION!

CORPORATE NET EXPENSE RATIO: 9.2%
A NEW RECORD AGAIN!

$276.2 MILLION DISTRIBUTED TO MUSIC CREATORS & PUBLISHERS – UP 15%

$62.7 MILLION INTERNATIONAL ROYALTIES FROM CANADIAN-CREATED MUSIC – UP 13%

1,684,479 WORKS REGISTERED TO SOCAN IN 2015
FINANCIAL REPORT

2015 was another remarkable year for SOCAN’s performance, again breaking records for revenue and distributions to our members. SOCAN’s total revenue, smashed the $300-million barrier for the first time with a total of $307.8-million. Gross Expenses decreased by $1.0-million and we experienced a significant return on investments, ensuring that SOCAN achieved a Corporate Net Expense Ratio of 9.2 percent. Royalty Distributions to members were $276.2-million – an impressive $35.4-million (14.7 percent) increase from the previous year.

This achievement maintains SOCAN position as the one of the top music rights organizations in the world. It demonstrates our strength at licensing the performing right, as well as our continued focus on efficient expense management to ensure that more royalties are provided to tens of thousands of Canadian songwriters, composers and music publishers and the millions of rights-holders we represent in Canada via agreements with 105 societies in 213 countries.

Financial highlights in 2015:

- A new record for total revenue of $307.8-million, the first time in the organization’s history that it has exceeded the $300-million milestone – an increase of 2.8 percent over the record $299.5-million in 2014.

- Corporate Net Expense Ratio of 9.2 percent, another record for SOCAN and among the best of any major music rights organization in the world.

- $62.7-million in foreign royalties identified, collected and distributed for members whose music is played internationally on radio, television, online, on-stage and other public performance uses – a 13.4 percent increase over 2014, and a 60.3 percent increase since 2007.

- Total royalty distributions to members of $276.2-million – a 14.7 percent year-over-year increase.

Domestic Revenues from the performing right and private copying totaled $244.9-million in 2015 (2014: $244.0-million). Year-over-year variances are shown in Chart No.1.
PERFORMING RIGHT REVENUE
Performing rights collections from licensing the use of the world's repertoire in Canada increased by $1.3-million to $243.0-million (2014: $241.6-million), representing an impressive 4.4 percent increase on 2014 normative revenue, which excludes AV Online arrears of $8.8-million.

In 2015, revenue from traditional sources (TV, Cable & Radio) stabilized at $169.4-million – an increase of $4.0-million over the previous year. (2014: $165.4-million).

Internet revenue was $15.5-million up 24.4 percent over the previous year (2014: $12.4-million) due to strong growth from existing licensees and new service providers entering Canada.

Satellite Radio has continued to show double-digit growth, with 2015 revenue at $14.3-million (2014: $12.9-million).

General & Concert revenue increased 4.9 percent to $39.6-million (2014: $37.7-million) as 2015 was a record year with the continuing popularity for live music in Canada.

PRIVATE COPYING ROYALTIES
SOCAN is a member of the Canadian Private Copying Collective (CPCC). The CPCC collects private copying revenues generated by a levy on the sale of blank CDs, audiotapes and similar media only. As a result of market trends, the private copying collections have dramatically declined over the years.

The resulting funds are distributed based on radio airplay and sound recording sales. SOCAN claims royalties on behalf of those members who have assigned SOCAN the right to collect their private copying royalties. In 2015, SOCAN received $1.9-million (2014: $2.4-million) from the CPCC, with the decrease due to lower revenue collected by CPCC.
CHART 1 - SOCAN DOMESTIC REVENUES
TOTAL - 2015: $244,909 (2014: $244,016) IN THOUSANDS OF DOLLARS
SOCAN continues to deduct only direct costs incurred in the distribution of private copying royalties. In 2015, overheads charged on distributions averaged 8 percent (2014: 8 percent).

**INTERNATIONAL ROYALTIES**

The year 2015 was another record one for royalties from international affiliated music rights organizations, increasing by $7.3-million to $62.7-million (2014: $55.5-million). The increase arose from a combination of exceptional member activity abroad and an increasingly proactive approach in the management of our international relations.

CHART No. 2 shows a breakdown of the international revenue SOCAN received from the Top 10 music rights organizations for the past two years, and a summary total for those outside the Top 10. The top two earning music rights organizations in 2015 for SOCAN members were ASCAP and BMI in the United States, where approximately $23.6-million in total was collected (2014: $19.7-million), representing 37.6 percent of total international royalties.

The next top-earning music rights organization was PRS for Music from the United Kingdom, where SOCAN collected royalty income of $8.1-million (2014: $5.4-million), representing 12.9 percent of total international royalties. The weaker Canadian Dollar increased International Revenue by $3.6-million. The top 10 music rights organizations accounted for 82.3 percent of SOCAN's international royalties, which is approximately the same as 2014 (83.0 percent).

**EXPENSES**

SOCAN's net expenses (gross expenses offset by other income, which mainly consists of investment income) favourably decreased to $28.2-million in 2015 from $28.4-million the previous year. Gross expenses decreased by $0.6-million and other income decreased by $0.4-million, which resulted in a net decrease of $0.2-million. These changes, in combination with increased revenue, mean that net expenses in 2015 represented only 9.2 percent of total revenues (2014: 9.5 percent), another record low for SOCAN.

SOCAN's three main operational activities of collecting license fees (Licensing), registering works and analyzing performances (Distribution), and supporting members (Membership) account in total for $18.7-million (2014: $20.1-million), or a little less than half of our gross expenses.

Infrastructure-type costs, such as Information Technology and Facilities & Administration, which are critical support for the three activities above, accounted for $14.2-million (2014: $14.1-million), or a little less than a third of our gross expenses, and other key support services such as Finance, Legal, Communications & Marketing and Human Resources, accounted for most of the remainder. The SOCAN Foundation and Canadian Songwriters Hall of Fame were supported with $1.6-million in 2015.

As shown in TABLE No. 2, SOCAN's 2015 gross expenses were $44.0-million or 1.3 percent less than in 2014. Listed below are explanations for some of the variances by cost category.
CHART 2 - INTERNATIONAL REVENUE BY COUNTRY

<table>
<thead>
<tr>
<th>Country</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top Ten Societies</td>
<td>51,854</td>
<td>45,787</td>
</tr>
<tr>
<td>Non Top Ten</td>
<td>11,022</td>
<td>9,692</td>
</tr>
<tr>
<td>Total</td>
<td>62,876</td>
<td>55,479</td>
</tr>
</tbody>
</table>
TABLE No. 1 details the international revenue received from each MRO and the distributions paid by SOCAN to each MRO in 2015.

### TABLE 1 - ROYALTIES FROM AND TO INTERNATIONAL MROs
### IN THOUSANDS OF DOLLARS

<table>
<thead>
<tr>
<th>COUNTRY</th>
<th>MRO</th>
<th>REVENUE FROM MRO</th>
<th>DISTRIBUTIONS TO MRO</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>2015</td>
<td>2014</td>
</tr>
<tr>
<td>Argentina</td>
<td>SADAIC</td>
<td>153</td>
<td>494</td>
</tr>
<tr>
<td>Australia</td>
<td>APRA</td>
<td>1,631</td>
<td>1,800</td>
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<tr>
<td>Austria</td>
<td>AKM</td>
<td>462</td>
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<td>Belarus</td>
<td>NCIP</td>
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<td>Belgium</td>
<td>SABAM</td>
<td>1,218</td>
<td>841</td>
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<tr>
<td>Brazil</td>
<td>Various</td>
<td>1,580</td>
<td>3,744</td>
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<tr>
<td>Bulgaria</td>
<td>MUSICAUTOR</td>
<td>32</td>
<td>18</td>
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<tr>
<td>Chile</td>
<td>SCD</td>
<td>95</td>
<td>91</td>
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<tr>
<td>Colombia</td>
<td>SAYCO</td>
<td>13</td>
<td>35</td>
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<tr>
<td>Croatia</td>
<td>HDS</td>
<td>84</td>
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<tr>
<td>Czech Republic</td>
<td>OSA</td>
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<td>Denmark</td>
<td>KODA</td>
<td>1,390</td>
<td>1,008</td>
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<td>Israel</td>
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<td>AKKAV/LAA</td>
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<td>Lithuania</td>
<td>LATGA-A</td>
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<td>Mexico</td>
<td>SACM</td>
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<td>Peru</td>
<td>APDAYC</td>
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<td>5</td>
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<td>Philippines</td>
<td>FILSCAP</td>
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<td>Poland</td>
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<td>Portugal</td>
<td>SPA</td>
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<td>UCMR</td>
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<td>Serbia</td>
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<td>COMPASS</td>
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<td>Slovenia</td>
<td>SAZAS</td>
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<td>South Africa</td>
<td>SAMRO</td>
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<td>Spain</td>
<td>SGAE</td>
<td>570</td>
<td>572</td>
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<td>Sweden</td>
<td>STIM</td>
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<td>SUISA</td>
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<td>949</td>
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<td>Taiwan</td>
<td>MUST</td>
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<td>MCT</td>
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<td>Turkey</td>
<td>MESAM</td>
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<tr>
<td>United Kingdom</td>
<td>PRS</td>
<td>8,109</td>
<td>5,436</td>
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<tr>
<td>United States</td>
<td>(See below)</td>
<td>23,889</td>
<td>19,946</td>
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<td>Uruguay</td>
<td>AGADU</td>
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<td>Vietnam</td>
<td>VCPMC</td>
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<tr>
<td>Returns</td>
<td>FDR</td>
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<tr>
<td>Countries under $10k</td>
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<td>48</td>
<td>27</td>
</tr>
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</table>

**TOTAL**

<table>
<thead>
<tr>
<th>United States</th>
<th>62,733</th>
<th>55,325</th>
<th>90,694</th>
<th>80,698</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>AMRA</td>
<td>-</td>
<td>186</td>
<td>-</td>
</tr>
<tr>
<td>United States</td>
<td>ASCAP</td>
<td>14,165</td>
<td>12,275</td>
<td>32,684</td>
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<tr>
<td>United States</td>
<td>BMI</td>
<td>9,481</td>
<td>7,436</td>
<td>31,415</td>
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<td>United States</td>
<td>SESAC</td>
<td>243</td>
<td>235</td>
<td>3,268</td>
</tr>
</tbody>
</table>

**Total United States**

| United States | 23,889 | 19,946 | 67,553 | 61,463 |

* Countries under $10k include Barbados, Cameroon, China, Cuba, Ecuador, Iceland, India, Jamaica, Macedonia, Mali, Mauritius, Panama, Senegal, Serbia, St Lucia, Trinidad & Tobago, Venezuela.
STAFF
SOCAN's most significant expense lies in human resources. On average, there were 291 full- and part-time employees in six offices across the country and the US in 2015. Staff costs decreased by $1.8-million, primarily due to a decrease in the annual pension expense and full year impact of the headcount reductions made in 2014 with Management continually focusing on process improvements and value for money.

LEGAL & PROFESSIONAL
Legal & Professional costs increased by $0.4-million from 2014 due to increased legal costs associated with Copyright Board hearings.

DEPRECIATION
This includes all depreciation relating to SOCAN's fixed assets. This cost increased by $0.8-million in 2015 due to the second phase of SOCAN's enterprise resource planning (ERP) system going live, as well as the first three phases of Operational Data store.

**TABLE NO. 2 - GROSS EXPENSES BY EXPENSE TYPE 2015: $44,049 VS 2014 $44,635**
IN THOUSANDS OF DOLLARS

<table>
<thead>
<tr>
<th>Gross Expenses</th>
<th>2015</th>
<th>2014</th>
<th>Variance 2015-2014</th>
<th>Incr/(Decr) from 2014 to 2015</th>
<th>2015 Expense Type as a percentage of Total Gross Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff</td>
<td>$27,533</td>
<td>$29,332</td>
<td>$1,799</td>
<td>6.1%</td>
<td>62.6%</td>
</tr>
<tr>
<td>Legal &amp; Professional</td>
<td>3,859</td>
<td>3,430</td>
<td>(429)</td>
<td>-12.5%</td>
<td>8.8%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>3,133</td>
<td>2,336</td>
<td>(797)</td>
<td>-34.1%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Accommodation</td>
<td>1,955</td>
<td>1,996</td>
<td>41</td>
<td>2.1%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Information Technology</td>
<td>2,106</td>
<td>1,993</td>
<td>(113)</td>
<td>-5.7%</td>
<td>4.8%</td>
</tr>
<tr>
<td>SOCAN Foundation &amp; CSHF funding</td>
<td>1,551</td>
<td>1,830</td>
<td>279</td>
<td>15.2%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Membership &amp; Communication</td>
<td>1,724</td>
<td>1,506</td>
<td>(218)</td>
<td>-14.5%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Office</td>
<td>1,163</td>
<td>1,234</td>
<td>71</td>
<td>5.8%</td>
<td>2.6%</td>
</tr>
<tr>
<td>Other</td>
<td>1,025</td>
<td>978</td>
<td>(47)</td>
<td>-4.8%</td>
<td>2.3%</td>
</tr>
<tr>
<td><strong>TOTAL GROSS EXPENSES</strong></td>
<td><strong>44,049</strong></td>
<td><strong>44,635</strong></td>
<td><strong>586</strong></td>
<td><strong>1.3%</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
MEMBERSHIP & COMMUNICATION
These costs include sponsorship, advertising, and awards, which were up $0.2-million from the previous year due mainly to an increased presence at major music events and improved SOCAN Award shows.

SOCAN DISTRIBUTIONS
2015 was a record year for SOCAN’s total royalty distributions, which amounted to $276.2-million, a $35.4m or 14.8 percent increase from the previous year (2014: $240.8-million). The main reasons for this impressive increase was due to the record revenues over the last few years as well as a focused effort to improve the speed of Concert distributions.

Member advances are reflected in these numbers. Further details can be found in TABLE No. 3.
### TABLE NO. 3 - DISTRIBUTION BY POOL, BY MEMBER TYPE AND INTERNATIONAL AFFILIATION

IN THOUSANDS OF DOLLARS

<table>
<thead>
<tr>
<th></th>
<th>SOCAN WRITERS</th>
<th>SOCAN PUBLISHERS</th>
<th>INTERNATIONAL AFFILIATION</th>
<th>TOTAL</th>
<th>SOCAN WRITERS</th>
<th>SOCAN PUBLISHERS</th>
<th>INTERNATIONAL AFFILIATION</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DISTRIBUTIONS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CABLE</td>
<td>10,648</td>
<td>22,942</td>
<td>23,032</td>
<td>56,622</td>
<td>10,135</td>
<td>21,626</td>
<td>22,455</td>
<td>54,216</td>
</tr>
<tr>
<td>TELEVISION</td>
<td>7,646</td>
<td>14,728</td>
<td>12,957</td>
<td>35,331</td>
<td>7,903</td>
<td>14,939</td>
<td>13,425</td>
<td>36,267</td>
</tr>
<tr>
<td>RADIO - CENSUS</td>
<td>6,862</td>
<td>17,421</td>
<td>16,917</td>
<td>41,200</td>
<td>6,562</td>
<td>16,636</td>
<td>17,069</td>
<td>40,267</td>
</tr>
<tr>
<td>RADIO - SURVEY</td>
<td>2,402</td>
<td>5,423</td>
<td>5,916</td>
<td>13,741</td>
<td>2,293</td>
<td>5,158</td>
<td>5,923</td>
<td>13,374</td>
</tr>
<tr>
<td>RADIO - CBC</td>
<td>2,455</td>
<td>2,469</td>
<td>2,568</td>
<td>7,492</td>
<td>2,316</td>
<td>2,375</td>
<td>2,628</td>
<td>7,319</td>
</tr>
<tr>
<td><strong>TOTAL RADIO AND GENERAL</strong></td>
<td>11,719</td>
<td>25,313</td>
<td>25,401</td>
<td>62,433</td>
<td>11,171</td>
<td>24,169</td>
<td>25,620</td>
<td>60,960</td>
</tr>
<tr>
<td>CONCERTS</td>
<td>3,517</td>
<td>8,634</td>
<td>9,510</td>
<td>21,661</td>
<td>2,848</td>
<td>7,145</td>
<td>8,567</td>
<td>18,560</td>
</tr>
<tr>
<td>CINEMA + HOTEL, MOTEL SERVICES</td>
<td>15</td>
<td>445</td>
<td>549</td>
<td>1,009</td>
<td>22</td>
<td>386</td>
<td>473</td>
<td>881</td>
</tr>
<tr>
<td>PAY AUDIO</td>
<td>304</td>
<td>1,049</td>
<td>1,455</td>
<td>2,808</td>
<td>335</td>
<td>965</td>
<td>1,384</td>
<td>2,684</td>
</tr>
<tr>
<td>INTERNET</td>
<td>246</td>
<td>1,860</td>
<td>2,423</td>
<td>4,529</td>
<td>106</td>
<td>945</td>
<td>1,289</td>
<td>2,340</td>
</tr>
<tr>
<td>AV ONLINE</td>
<td>407</td>
<td>5,892</td>
<td>7,718</td>
<td>14,017</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>SATELLITE RADIO</td>
<td>1,076</td>
<td>3,876</td>
<td>5,667</td>
<td>10,619</td>
<td>1,009</td>
<td>3,451</td>
<td>5,262</td>
<td>9,722</td>
</tr>
</tbody>
</table>

|                               |               |                  |                           |       |               |                  |                           |       |
| **INTERNATIONAL AFFILIATED SOCIETIES** | 49,612        | 9,542            | 1,057                     | 60,211| 41,845        | 7,569            | 936                       | 50,350|
| **DISTRIBUTIONS IN ADVANCE OF NORMAL PAYMENT DATE** | 2,429         | 2,690            | -                         | 5,119 | 1,391         | 1,498            | 2,889                     |        |

|                               |               |                  |                           |       |               |                  |                           |       |
| **TOTAL DISTRIBUTIONS**       | 88,199        | 97,327           | 90,694                    | 276,220| 77,205        | 82,946           | 80,698                    | 240,849|

David Wood
Chief Financial Officer
FINANCIAL REPORT

SOCIETY OF COMPOSERS, AUTHORS AND MUSIC PUBLISHERS OF CANADA

YEARS ENDED DECEMBER 31, 2015
INDEPENDENT AUDITORS’ REPORT

To the Members of Society of Composers, Authors and Music Publishers of Canada

We have audited the accompanying consolidated financial statements of Society of Composers, Authors and Music Publishers of Canada, which comprise the consolidated statement of financial position as at December 31, 2015, the consolidated statements of operations, changes in net assets and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management’s Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Society of Composers, Authors and Music Publishers of Canada as at December 31, 2015, and its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Chartered Professional Accountants, Licensed Public Accountants

March 21, 2016

Toronto, Canada
Consolidated Statement of Financial Position
(In thousands of dollars)

December 31, 2015, with comparative information for 2014

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>22,803</td>
<td>45,025</td>
</tr>
<tr>
<td>Accrued license fees</td>
<td>9,047</td>
<td>9,537</td>
</tr>
<tr>
<td>Other receivables and assets</td>
<td>3,107</td>
<td>2,524</td>
</tr>
<tr>
<td>Investments (note 2)</td>
<td>157,804</td>
<td>152,734</td>
</tr>
<tr>
<td>Capital assets (note 3)</td>
<td>26,750</td>
<td>21,510</td>
</tr>
<tr>
<td>Accrued employee future benefit asset (note 4)</td>
<td>20,255</td>
<td>14,362</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>192,761</td>
<td>209,820</td>
</tr>
<tr>
<td>Capital assets (note 3)</td>
<td>26,750</td>
<td>21,510</td>
</tr>
<tr>
<td>Accrued employee future benefit asset (note 4)</td>
<td>20,255</td>
<td>14,362</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>239,766</td>
<td>245,692</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities and Net Assets</strong></td>
<td><strong>2015</strong></td>
<td><strong>2014</strong></td>
</tr>
<tr>
<td>Current liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and other liabilities (note 5)</td>
<td>8,580</td>
<td>9,508</td>
</tr>
<tr>
<td>License fees received in advance</td>
<td>2,707</td>
<td>3,172</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>11,287</td>
<td>12,680</td>
</tr>
<tr>
<td>Accrued employee future benefit liability (note 4)</td>
<td>6,551</td>
<td>18,867</td>
</tr>
<tr>
<td>Royalties owing to music copyright owners (members and affiliated societies):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>From distributions allocated</td>
<td>4,633</td>
<td>5,545</td>
</tr>
<tr>
<td>From distribution fund (note 6)</td>
<td>183,313</td>
<td>190,318</td>
</tr>
<tr>
<td><strong>Total Royalties</strong></td>
<td>187,946</td>
<td>195,863</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>205,784</td>
<td>227,410</td>
</tr>
<tr>
<td>Internally restricted (note 7)</td>
<td>32,161</td>
<td>21,817</td>
</tr>
<tr>
<td>Remeasurements and other items (note 4)</td>
<td>1,821</td>
<td>(3,535)</td>
</tr>
<tr>
<td><strong>Total Net Assets</strong></td>
<td>33,982</td>
<td>18,282</td>
</tr>
<tr>
<td><strong>Total Liabilities and Net Assets</strong></td>
<td>$ 239,766</td>
<td>$ 245,692</td>
</tr>
</tbody>
</table>

See accompanying notes to consolidated financial statements.

On behalf of the Board:

[Signatures]
SOCIETY OF COMPOSERS, AUTHORS AND MUSIC PUBLISHERS OF CANADA

Consolidated Statement of Operations
(In thousands of dollars)

Year ended December 31, 2015, with comparative information for 2014

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Performing rights</td>
<td>Private copying</td>
</tr>
<tr>
<td>Fees from Canadian licensees</td>
<td>$ 242,969</td>
<td>$ –</td>
</tr>
<tr>
<td>Royalties received from</td>
<td>62,876</td>
<td>–</td>
</tr>
<tr>
<td>International affiliated societies</td>
<td>–</td>
<td>1,940</td>
</tr>
<tr>
<td>Private copying royalties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenses and other income:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>(43,991)</td>
<td>(58)</td>
</tr>
<tr>
<td>Investment and other income</td>
<td>15,823</td>
<td>–</td>
</tr>
<tr>
<td>(note 9)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total distributable income</td>
<td>277,677</td>
<td>1,882</td>
</tr>
<tr>
<td>Allocated to royalties owing</td>
<td>267,333</td>
<td>1,882</td>
</tr>
<tr>
<td>to music copyright owners</td>
<td>(note 6)</td>
<td></td>
</tr>
<tr>
<td>Unallocated income</td>
<td>$ 10,344</td>
<td>$ –</td>
</tr>
</tbody>
</table>

See accompanying notes to consolidated financial statements.
SOCITY OF COMPOSERS, AUTHORS AND MUSIC PUBLISHERS OF CANADA

Consolidated Statement of Changes in Net Assets
(In thousands of dollars)

Year ended December 31, 2015, with comparative information for 2014

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Internally restricted</td>
<td>Remeasurements and other items</td>
</tr>
<tr>
<td></td>
<td>(note 7)</td>
<td>(note 4)</td>
</tr>
<tr>
<td>Net assets, beginning of year</td>
<td>$ 21,817</td>
<td>$(3,535)</td>
</tr>
<tr>
<td>Unallocated income</td>
<td>10,344</td>
<td>–</td>
</tr>
<tr>
<td>Remeasurements and other items (note 4)</td>
<td>–</td>
<td>5,356</td>
</tr>
<tr>
<td>Net assets, end of year</td>
<td>$32,161</td>
<td>$1,821</td>
</tr>
</tbody>
</table>

See accompanying notes to consolidated financial statements.
# SOCIETY OF COMPOSERS, AUTHORS AND MUSIC PUBLISHERS OF CANADA

Consolidated Statement of Cash Flows  
(In thousands of dollars)  
Year ended December 31, 2015, with comparative information for 2014

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash provided by (used in):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Operating activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unallocated income</td>
<td>$10,344</td>
<td>$9,482</td>
</tr>
<tr>
<td>Increase (decrease) in royalties owing to music copyright owners</td>
<td>$(7,917)</td>
<td>$22,152</td>
</tr>
<tr>
<td>Employer future benefit contributions</td>
<td>$(14,169)</td>
<td>$(2,246)</td>
</tr>
<tr>
<td>Items not involving cash:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortization of capital assets</td>
<td>$3,133</td>
<td>$2,335</td>
</tr>
<tr>
<td>Net realized gain on sale of investments</td>
<td>$(156)</td>
<td>$(1,856)</td>
</tr>
<tr>
<td>Net unrealized gain on investments</td>
<td>$(11,853)</td>
<td>$(9,700)</td>
</tr>
<tr>
<td>Employee future benefits expense</td>
<td>$1,316</td>
<td>$1,722</td>
</tr>
<tr>
<td>Change in non-cash operating working capital</td>
<td>$(1,486)</td>
<td>$(2,567)</td>
</tr>
<tr>
<td><strong>Total operating activities</strong></td>
<td>$(20,788)</td>
<td>$19,322</td>
</tr>
<tr>
<td><strong>Investing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of capital assets</td>
<td>$(8,373)</td>
<td>$(7,182)</td>
</tr>
<tr>
<td>Decrease (increase) in investments, net</td>
<td>$6,939</td>
<td>$(4,257)</td>
</tr>
<tr>
<td><strong>Total investing activities</strong></td>
<td>$(1,434)</td>
<td>$(11,439)</td>
</tr>
<tr>
<td>Increase (decrease) in cash</td>
<td>$(22,222)</td>
<td>$7,883</td>
</tr>
<tr>
<td>Cash, beginning of year</td>
<td>$45,025</td>
<td>$37,142</td>
</tr>
<tr>
<td><strong>Cash, end of year</strong></td>
<td>$22,803</td>
<td>$45,025</td>
</tr>
</tbody>
</table>

See accompanying notes to consolidated financial statements.
SOCIETY OF COMPOSERS, AUTHORS AND MUSIC PUBLISHERS OF CANADA

Notes to Consolidated Financial Statements
(In thousands of dollars)

Year ended December 31, 2015

Society of Composers, Authors and Music Publishers of Canada ("SOCAN") is a not-for-profit organization, incorporated without share capital. SOCAN was previously incorporated under the Canada Corporations Act and was continued under the Canada Not-for-profit Corporations Act on July 2, 2014. SOCAN, which administers, for copyright-protected musical works, the right to perform in public and to communicate to the public by telecommunication in Canada. SOCAN collects license fees on behalf of music copyright owners pursuant to tariffs proposed by SOCAN, and approved by a quasi-judicial federal tribunal, the Copyright Board. Licensees can and do object to proposed tariffs, and public hearings can be, and are, held at which SOCAN acts to support the rights of its members and international affiliates. SOCAN also has reciprocal contracts of affiliation with similar societies throughout the world, which provide for the exchange of copyright royalties. Total revenue, net of operating expenses and internally restricted amounts (note 7), is distributed to members and to affiliated societies on account of their members pursuant to distribution rules approved by the Board of Directors. Amounts generally become distributable upon receipt of the related fees and royalties.

SOCAN is a not-for-profit organization under the Income Tax Act (Canada) and, accordingly, is exempt from income taxes, provided certain requirements of the Income Tax Act (Canada) are met.

SOCAN Foundation - Fondation SOCAN (the "Foundation") is a not-for-profit organization under the Income Tax Act (Canada) and was continued under the Canada Not-for-profit Corporations Act on September 17, 2014. The Foundation is set up to promote and further the publication, recording, distribution and performance of music generally in Canada. SOCAN has the ability to control the Foundation by virtue of common membership in the Boards of Directors of the two organizations. The Foundation is not consolidated in these financial statements. Refer to note 8.

1. Significant accounting policies:

These consolidated financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations.

(a) Basis of consolidation:

These consolidated financial statements incorporate the results of SOCAN and of its wholly owned subsidiaries, MINT Services Corporation ("MINT") (profit-oriented) and Canadian Music Rights Joint Venture Inc. (not-for-profit). All intercompany balances and transactions have been eliminated on consolidation.
1. Significant accounting policies (continued):

(b) Recognition of fees and royalties:

Fees from Canadian licensees and royalties from international affiliated societies are recognized when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Private copying royalties are recognized when received.

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value. SOCAN has elected to carry all its investments at fair value.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, SOCAN determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount SOCAN expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.
1. Significant accounting policies (continued):

(d) Cash:

Cash includes $10,785 (2014 - $12,126) of cash on hand that is used for day to day operations and $12,018 (2014 - $32,899) that is in a high interest bearing cash account that is used specifically for distribution purposes.

(e) Investment income:

Investment income, which is recorded on an accrual basis, includes interest income, dividends, net realized gain (loss) on sale of investments and net unrealized gain (loss) on investments.

(f) Capital assets:

Capital assets, other than land and artwork, are carried at cost less accumulated amortization. Land and artwork are carried at cost. Capital assets are amortized on a straight-line basis over their estimated useful lives. Annual amortization rates used are as follows:

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Building and building improvements</td>
<td>3.70%</td>
</tr>
<tr>
<td>Furniture, fixtures and equipment</td>
<td>20.0% - 33.3%</td>
</tr>
<tr>
<td>Computer software</td>
<td>10.0% - 20.0%</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>10.0%</td>
</tr>
</tbody>
</table>

(g) Impairment of long-lived assets:

Long-lived assets, including capital assets and intangible assets subject to amortization, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.
SOCIAL OF COMPOSERS, AUTHORS AND MUSIC PUBLISHERS OF CANADA

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2015

1. Significant accounting policies (continued):

   (h) Employee future benefits:

   SOCAN offers a pension plan with a defined benefit provision and a defined contribution provision, which between them cover substantially all employees of SOCAN. Employees joining SOCAN after January 1, 2009 are not eligible to join the defined benefit provision plan.

   The cost of pensions earned by employees is actuarially determined using the projected benefit method prorated on service and best estimates of expected plan investment performance, salary escalation and retirement ages with appropriate margins for adverse deviation. SOCAN accrues its obligations under the defined benefit plan as the employees render the services necessary to earn the pension and other retirement benefits. The actuarial determination of the accrued benefit obligation for the defined benefit plan is based on the January 1, 2014 funding valuation, extrapolated to December 31, 2015. The measurement date of the plan assets and accrued benefit obligation coincides with SOCAN's fiscal year. The next required valuation will be no later than January 1, 2017.

   Actuarial gains (losses) on plan assets arising from the difference between the actual return on plan assets for a period and the expected return on plan assets for that period are immediately recognized in the consolidated statement of changes in net assets. Actuarial gains (losses) on the accrued benefit obligation arising from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation are immediately recognized in the consolidated statement of changes in net assets.

   Past service costs arising from plan amendments are immediately recognized in the consolidated statement of changes in net assets.

   The cost of the defined contribution provision is based on a percentage of the employee's pensionable earnings.
1. Significant accounting policies (continued):

Prior to January 1, 2015, SOCAN sponsored a supplementary non-registered plan ("SERP") for its executives that was actuarially determined using an accounting valuation. The SERP was not previously funded.

Effective January 1, 2015, SOCAN elected to pre-fund the SERP benefits for its executives through a Registered Retirement Compensation Arrangement, as defined under the Income Tax Act. The cost of the SERP is actuarially determined using the January 1, 2015 funding valuation which incorporates best estimates of future salary levels, other cost escalation, retirement ages of employees and other actuarial factors, including appropriate margins for adverse deviation. The measurement date of the plan assets and accrued benefit obligation of the SERP coincides with SOCAN's fiscal year. The next required valuation will be no later than January 1, 2018.

Actuarial gains (losses) on plan assets arising from the difference between the actual return on plan assets for a period and the expected return on plan assets for that period are immediately recognized in the consolidated statement of changes in net assets. Actuarial gains (losses) on the accrued benefit obligation arising from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation are immediately recognized in the consolidated statement of changes in net assets.

SOCAN sponsors a retirement medical benefit plan, which provides certain benefits to retired employees and their dependants. The benefits include medical services and dental. The cost of these benefits is actuarially determined using an accounting valuation, prorated on service and management's best estimate of retirement ages of employees, expected health care costs and discount rate. The retirement medical benefit plan is not funded.

(i) Translation of foreign currencies:

SOCAN has investments denominated in foreign currencies which have been translated into Canadian dollars at exchange rates prevailing at the year-end date. Gains and losses have been translated using exchange rates prevailing on transaction date.
1. Significant accounting policies (continued):

   (j) Use of estimates:

   The preparation of consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amount of capital assets and asset and obligation related to employee future benefits. Actual results could differ from those estimates.

2. Investments:

   The fair values of investments are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term investments</td>
<td>$ 772</td>
<td>$ 1,266</td>
</tr>
<tr>
<td>Pooled funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fixed income</td>
<td>84,514</td>
<td>91,848</td>
</tr>
<tr>
<td>Foreign equities</td>
<td>52,351</td>
<td>40,500</td>
</tr>
<tr>
<td>Foreign floating rate bank loan</td>
<td>8,538</td>
<td>7,077</td>
</tr>
<tr>
<td>Global infrastructure securities</td>
<td>7,078</td>
<td>6,882</td>
</tr>
<tr>
<td>Segregated fund:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic equities</td>
<td>4,551</td>
<td>5,161</td>
</tr>
<tr>
<td></td>
<td>$ 157,804</td>
<td>$ 152,734</td>
</tr>
</tbody>
</table>

Short-term investments consist of short-term bonds and guaranteed investment certificates bearing interest at 0.74% - 1.10% and maturing on February 3, 2016 to March 4, 2016 (2014 - 1.00% - 1.60% and maturing on January 7, 2015 to February 13, 2015).
### 3. Capital assets:

<table>
<thead>
<tr>
<th></th>
<th>Cost</th>
<th>Accumulated amortization</th>
<th>Net book value</th>
<th>Net book value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$ 3,073</td>
<td>$ –</td>
<td>$ 3,073</td>
<td>$ 3,073</td>
</tr>
<tr>
<td>Building and building improvements</td>
<td>14,423</td>
<td>8,863</td>
<td>5,560</td>
<td>5,649</td>
</tr>
<tr>
<td>Leasehold improvements</td>
<td>898</td>
<td>84</td>
<td>814</td>
<td>60</td>
</tr>
<tr>
<td>Furniture, fixtures and equipment</td>
<td>9,966</td>
<td>7,389</td>
<td>2,577</td>
<td>3,014</td>
</tr>
<tr>
<td>Computer software</td>
<td>10,892</td>
<td>3,836</td>
<td>7,056</td>
<td>5,285</td>
</tr>
<tr>
<td>Computer software under development</td>
<td>7,574</td>
<td>–</td>
<td>7,574</td>
<td>4,334</td>
</tr>
<tr>
<td>Artwork</td>
<td>96</td>
<td>–</td>
<td>96</td>
<td>95</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 46,922</strong></td>
<td><strong>$ 20,172</strong></td>
<td><strong>$ 26,750</strong></td>
<td><strong>$ 21,510</strong></td>
</tr>
</tbody>
</table>

Amortization charges included in administrative expenses amounted to $3,133 (2014 - $2,335). Disposals include $301 (2014 - $109) of fully amortized assets.
4. **Employee future benefits:**

   (a) Information about SOCAN's employee benefit plans (excluding the defined contribution portion of the pension plan), in aggregate, is as follows:

<table>
<thead>
<tr>
<th>Pension plan</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued benefit obligations</td>
<td>$51,458</td>
<td>$54,479</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>71,713</td>
<td>68,841</td>
</tr>
<tr>
<td>Funded surplus</td>
<td>$20,255</td>
<td>$14,362</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SERP</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued benefit obligations</td>
<td>$15,113</td>
<td>$14,517</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>12,860</td>
<td>–</td>
</tr>
<tr>
<td>Plan deficit</td>
<td>$(2,253)</td>
<td>$(14,517)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Retirement medical benefit plan</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued benefit obligations</td>
<td>$4,298</td>
<td>$4,350</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Plan deficit</td>
<td>$(4,298)</td>
<td>$(4,350)</td>
</tr>
</tbody>
</table>
4. **Employee future benefits (continued):**

Continuity of the accrued benefit liability (asset) is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pension plan</td>
<td>SERP</td>
</tr>
<tr>
<td>Balance, beginning of year</td>
<td>(14,362)</td>
<td>14,517</td>
</tr>
<tr>
<td>Benefit expenses</td>
<td>391</td>
<td>645</td>
</tr>
<tr>
<td>Employer contributions</td>
<td>(1,240)</td>
<td>(12,735)</td>
</tr>
<tr>
<td>Remeasurements and</td>
<td>(5,044)</td>
<td>(174)</td>
</tr>
<tr>
<td>other items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance, end of year</td>
<td>(20,255)</td>
<td>2,253</td>
</tr>
</tbody>
</table>

In December 2015, SOCAN settled a portion of its obligation to current pensioners of the pension plan by purchasing annuities in the amount of $5,010. SOCAN incurred a settlement loss of $1,410 which has been recognized in remeasurements and other items in the consolidated statement of changes in net assets.

(b) The contributions paid and expensed by SOCAN under the defined contribution portion of the pension plan for the year amounted to $243 (2014 - $215).

5. **Accounts payable and other liabilities:**

Included in accounts payable and other liabilities are government remittances payable of $2,311 (2014 - $1,901), which includes amounts payable for harmonized sales tax and payroll-related taxes.
6. Royalties owing to music copyright owners:

The availability of funds for distribution is dependent upon the realization of assets at not less than their carrying values in the financial statements.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, beginning of year</td>
<td>$189,831</td>
<td>$180,318</td>
</tr>
<tr>
<td>Distributable income</td>
<td>267,333</td>
<td>269,215</td>
</tr>
<tr>
<td>Distributions</td>
<td>(274,359)</td>
<td>(276,220)</td>
</tr>
<tr>
<td>Balance, end of year</td>
<td>$182,805</td>
<td>$183,313</td>
</tr>
</tbody>
</table>

7. Internally restricted net assets:

SOCAN distributes all of its income to music copyright owners through an allocation (note 6), except for certain items which the Board of Directors has approved to remain unallocated. These items include investment income, net unrealized gain on investments, net realized gain on sale of investments and certain other items related to pension accounting. The unallocated items described above comprise SOCAN's consolidated internally restricted net asset balance.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance, beginning of year</td>
<td>$21,817</td>
<td>$12,335</td>
</tr>
<tr>
<td>Net realized gain on sale of investments</td>
<td>156</td>
<td>1,856</td>
</tr>
<tr>
<td>Net unrealized gain on investments</td>
<td>11,853</td>
<td>9,700</td>
</tr>
<tr>
<td>Amortization of internally generated computer software</td>
<td>(671)</td>
<td>(470)</td>
</tr>
<tr>
<td>Net income (loss), MINT</td>
<td>6</td>
<td>(168)</td>
</tr>
<tr>
<td>Investment gains allocated to distribution</td>
<td>(1,000)</td>
<td>–</td>
</tr>
<tr>
<td>Pension benefit expense</td>
<td>–</td>
<td>(1,436)</td>
</tr>
<tr>
<td>Balance, end of year</td>
<td>$32,161</td>
<td>$21,817</td>
</tr>
</tbody>
</table>
8. **SOCAN Foundation:**

Included in administrative expenses is $1,516 (2014 - $1,630) in funding provided to the Foundation. Included in other receivables and assets is nil (2014 - $8) owing from the Foundation.

A summary of the financial information for the Foundation for the years ended December 31, 2015 and 2014 is as follows:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total assets</strong></td>
<td>$5,873</td>
<td>$5,654</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>734</td>
<td>602</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td>$5,139</td>
<td>$5,052</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$1,854</td>
<td>$2,150</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td>(1,767)</td>
<td>(1,870)</td>
</tr>
<tr>
<td><strong>Excess of revenue over expenses</strong></td>
<td>$87</td>
<td>$280</td>
</tr>
</tbody>
</table>

9. **Investment and other income:**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest income</strong></td>
<td>$2,727</td>
<td>$3,500</td>
</tr>
<tr>
<td><strong>Dividend income</strong></td>
<td>1,263</td>
<td>910</td>
</tr>
<tr>
<td><strong>Miscellaneous income</strong></td>
<td>126</td>
<td>620</td>
</tr>
<tr>
<td><strong>Net realized gain on sale of investments</strong></td>
<td>156</td>
<td>1,856</td>
</tr>
<tr>
<td><strong>Net unrealized gain on investments</strong></td>
<td>11,853</td>
<td>9,700</td>
</tr>
<tr>
<td><strong>Brokerage and investment consulting fees</strong></td>
<td>(302)</td>
<td>(299)</td>
</tr>
</tbody>
</table>

**Total** | $15,823  | $16,287  |
SOCIETY OF COMPOSERS, AUTHORS AND MUSIC PUBLISHERS OF CANADA

Notes to Consolidated Financial Statements (continued)
(In thousands of dollars)

Year ended December 31, 2015

10. Commitments and contingencies:

(a) SOCAN has various operating lease commitments for branch office premises, vehicles and office equipment. The future minimum lease payments, inclusive of maintenance costs and realty taxes, for years subsequent to December 31, 2015, are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>$316</td>
</tr>
<tr>
<td>2017</td>
<td>373</td>
</tr>
<tr>
<td>2018</td>
<td>321</td>
</tr>
<tr>
<td>2019</td>
<td>260</td>
</tr>
<tr>
<td>2020</td>
<td>252</td>
</tr>
<tr>
<td>Thereafter</td>
<td>1,373</td>
</tr>
<tr>
<td></td>
<td><strong>$2,895</strong></td>
</tr>
</tbody>
</table>

(b) SOCAN is party to legal actions arising in the normal course of operations. While it is not feasible to predict the outcome of these actions, it is the opinion of management that the resolution of these matters will not have a material adverse effect on operations.

(c) SOCAN has a Retirement Compensation Arrangement Trust Agreement with CIBC Mellon Trust Company to secure all or a portion of the payments required under the pension plan by letters of credit totalling $3,300.

11. Financial risk and concentration risk:

Financial risk relates to the understanding and active management of risks associated with all areas of the business and the associated operating environment. Investments are primarily exposed to interest rate, market price and foreign currency risks. SOCAN has formal policies and procedures that establish target asset mix. SOCAN's policies also require diversification of investments within categories, and set limits on exposure to individual investments. There has been no change in risk exposure from the prior year.

(a) Interest rate risk:

SOCAN is exposed to interest rate risk on its fixed interest rate financial instruments.
11. Financial risk and concentration risk (continued):

(b) Market price risk:

Market price risk arises as a result of trading in equity securities and fixed income securities. Fluctuations in the market expose SOCAN to a risk of loss. SOCAN mitigates this risk through controls to monitor and limit concentration levels.

(c) Foreign currency risk:

SOCAN is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. Foreign currency risk arises from gains and losses due to fluctuations in foreign currency exchange rates on SOCAN's foreign equity securities. SOCAN does not currently enter into forward contracts to mitigate this risk.

12. Comparative information:

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.
“Today I’m gonna try and change the world,” SOCAN member Johnny Reid wrote in his 2010 hit song of the same name, and his anthem of change couldn’t be more relevant to SOCAN and, in particular, our Membership department.

2015 was a year of significant change and unparalleled accomplishment for SOCAN’s Membership team. Recognizing the imperative not just to keep up with the times, but to stay a wide step ahead of them, in March a new department structure was announced, including the creation of new strategic roles, the appointment of new leaders, and a renewed commitment to deliver on our mission of the recruitment, retention, and servicing of our members.

The re-structure resulted in three divisions:

- Member Services (focused on customer service)
- A&R (focused on recruitment and retention)
- Membership Operations (focused on continuous improvement)

The result is that we have more staff engaged directly with and serving members than at any time in SOCAN’s history.

All of this was accomplished without a major interruption in our day-to-day business, a remarkable feat that speaks to the resilience of our staff and the long hours of hard work that went into the planning and delivering these changes. We’re exceeding our ambitious customer service targets while balancing vacancies and new processes that enable SOCAN to be even more efficient.

Our accomplishments are like turning a (pretty nice) bus travelling at 100 km/hr into a high-speed electric train accelerating to 250 km/hr.

One of the most important but hard-to-quantify characteristics of the department is culture. We’re pleased with our progress on this front. Our current environment requires us to demand constant excellence from ourselves and those around us. This attitude is good for the department, for SOCAN as a whole, and, ultimately, most importantly, for our members. SOCAN’s more than 135,000 members are counting on us to evolve rapidly to continue our excellent track record of meeting and exceeding their needs and expectations.
The “Get Set. Get Paid” concert royalty campaign was an important initiative launched late in the year. In collaboration with Distribution, Finance, and Communications & Marketing, we worked to reach out individually to members who had missed the crucial step of submitting their set lists for shows and concerts. In the end, we were able to help them complete the royalty payment loop and put more than $2-million previously “orphan” dollars into the pockets of the members who deservedly earned these royalties.

Led by the A&R team, we retained important globally successful members (that helped drive SOCAN’s record foreign revenue), and brought several back in to the SOCAN fold, mitigating the potential loss of close to $5-million in revenue. We’re also creating new connections between members, as well as career and business opportunities for them that would not have existed without us.

We partnered with Canadian Music Week to achieve a first for Canada by awarding a major music conference and festival with a special Licensed To Play designation, confirming that more than 60 Canadian Music Week venues were licensed by SOCAN. For Canadian Music Week, we simplified the concert notification process by allowing members to submit their set list by “tweet,” which ensured members were paid even faster.

All of our member segments benefit from new Royalty Tracker expertise in the Membership department. This team is dedicated to tracking our members’ activity, and initiates claims domestically and around the world. They have been particularly effective maximizing royalties for many of our AV composer and music publisher members. Our International Relations team works in tandem with the Membership Department to proactively track our members’ activity in the Top 15 international performing rights societies – representing the source of more than 90 percent of total international revenue – resulting in more money in our members’ pockets.

In 2015 we created Kenekt, our first SOCAN-produced songwriting camp, which along with other camps sponsored by us, resulted in important new collaborative relationships for our writer members, and the creation of numerous commercially successful copyrights that earned new revenue for both writer and publisher members.

SOCAN hosted a very lively and successful songwriting circle as part of a Market Builder Residency Program for Aboriginal Artists & Music Industry, a new initiative launched by Manitoba Music and the Canadian Council of Arts, which works to connect musicians from indigenous music communities with Canada’s music industry professionals, creators, and key influencers.

We continue to work for all our writer and publisher members, across Canada in both official languages, and have many more exciting projects on the horizon. In short, I expect that 2016 will be even more transformative, challenging and successful as 2015.
MEMBERSHIP HIGHLIGHTS

• More than 4,000 person-hours were spent creating and implementing new projects to put more money in our member's pockets, including a simplified online writer application.

• Our Royalty Tracker efforts in 2015 resulted in an additional $722,000 put into our members' pockets.

• In 2015, SOCAN passed the 130,000-member milestone.
In 2015, SOCAN’s Licensing department collected $242.9-million in domestic licenses – $10.1-million more than in 2014 (excluding non-recurring retroactive payment), exceeding our target of $234-million by almost $9-million. A strong year in concerts and online audio-visual services was punctuated by a resurgence in television and radio revenue.

After experiencing mild declines in traditional television and radio revenues since 2012 and 2013, respectively, SOCAN was pleased to see that revenue started to recover and rebound in 2015. Contributing to this upsurge was that many online music and audio-visual services in Canada continued to grow and flourish, with more new services emerging.

Our media industry is quickly changing, and SOCAN continually monitors, forecasts and proactively plans for changes, such as the growth of streaming and the potential impact of “pick-and-pay” services.

Concert revenue surpassed the $20-million mark for the first time in SOCAN’s history, and ended the year at $21.1-million. A total of $469,000 was directly attributable to new concerts accounts, a large portion of which are identified by the set lists that our members submit.

Our online B2B portal, eSOCAN, simplifies how businesses report and pay their licence fees, but also simplifies how we administer their licences. In 2015, online reports increased 25.8% and payments increased a further 40%.

For the first time since we launched the eSOCAN online payments system for licensed businesses, we surpassed $1-million to a total of $1.2-million in online payments. Allowing our licensees easy access to report and pay is also crucial as we continue to grow the number of our licensees – currently more than 131,000 – while ensuring that we keep costs low for our members.

Licensing is working closely with our Legal department to accelerate the escalations for businesses that willfully infringe on members’ right to fair compensation. This endeavour generated more than $460,000 in revenue in 2015.

Our strategic and ongoing “Licensed To Play” program continued to build through our awareness campaign. In addition to our sticker initiative for licensed establishments, we’re pleased to report that online stickers were also developed and provided to online licensees to celebrate and proudly boast of their ethical use of music and support of SOCAN’s members.

The Licensing and Communications & Marketing teams partnered with Canadian Music Week, to ensure that each of the major conference-festival’s live music venues is licensed with SOCAN and, in a North American first, designated Canadian Music Week as a whole officially Licensed To Play. True to our strategy, this has inspired other
festivals, including BreakOut West, Pop Montréal, and East Coast Music Festival to proactively approach SOCAN to become officially Licensed To Play.

While acknowledging the challenges stemming from our vast and diverse country, SOCAN’s Licensing department endeavours to be a wide step ahead of other major performing rights organization worldwide. SOCAN works to ensure that licensing is easy to understand and to access, with our rates and reporting requirements easily accessible, understood and payable online.

In addition, we work closely with our Distribution and Membership departments to follow the trending preferences of how our members create and perform music. With this in mind, we’re looking at improving our end-to-end process for electronic dance music (EDM) and making sure that all online services are appropriately licensed.

Without music licensing there would be no royalties for our members. We serve SOCAN’s member songwriters, composers and music publishers, and year after year we strive to continue to build on our successes by expanding our licensing efforts to reach new licensees and bring in even more revenue that our members have rightfully, fairly and legally earned.

**Licensing Highlights**
- Collected $242.9-million in domestic licenses – $10.1-million more than in 2014
- Concert revenue reached $21.1 million, surpassing the $20-million mark for the first time in SOCAN’s history
- Collected a total of $1.2-million in online payments through eSOCAN
- “Licensed to Play” 4224 new businesses in 2015

![Image showing dollar coins with text: Collected $242.9 million in license fees, $10 million more than 2014.](image1.png)

<table>
<thead>
<tr>
<th>$21.1 MILLION IN CONCERT LICENSING REVENUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,224 NEW BUSINESSES IN 2015</td>
</tr>
</tbody>
</table>

| 131,000+ LICENSED BUSINESSES OVERALL |

39  SOCAN 2015 Annual Report
SOCAN's Distribution team enjoyed its most successful year ever, with $276.2-million in royalties issued in 2015, of which $62.7-million were foreign royalties, exceeding our 2014 records for the organization by 15% and 13%, respectively.

These results were achieved by improving the accuracy and currency of the records of more than 20-million songs in SOCAN’s repertoire by the almost four-million songwriters, composers and music publishers from Canada and around the world that we represent in Canada.

By using sophisticated technology to track and analyze performance data from the more than 125,000 licensed businesses in Canada, SOCAN ensures that music creators and publishers receive fair, timely and accurate compensation for the public performance of their music.

In addition to allocating royalties to members and affiliate performing rights organizations, in 2015 the Distribution department streamlined our processes and adapted to changes in the music landscape, leveraging technology in order to manage:

- Increasing online volumes of performances, now in the billions
- Changes in digital services – new players, mergers, those terminating their business
- Explosion of data and necessary granularity of information

**DISTRIBUTION HIGHLIGHTS**

- $276.2-million total royalties paid in 2015
- $62.7-million foreign royalties paid to SOCAN members
- 20-million-plus songs in SOCAN’s repertoire
- 4.2-million songwriters, composers, publishers worldwide
• Distributed in 2015

• 5.3-million traditional audiovisual performances

• 41.9-million radio and satellite radio performances

• 8.4-billion internet performances

• 5.3-billion AV internet performances

• 33,365 live concerts
The International Relations department built on our 2014 momentum with another record year for revenue, achieving $62.7-million, more than 24% above the target.

- streamlining the analysis of foreign lists of unidentified works;

- improving how we track and resolve inbound queries; and

- expediting how we process international live performance notifications – without increasing our headcount.

We’re proud of the added value that we’ve always provided to our members, but we’ll never be satisfied, always looking for ways to do even more. In 2015 the International team partnered with our Membership team to deploy new processes to proactively track international member activity – so that we can better and more effectively anticipate incoming revenue. We’ve participated in meetings with our songwriter/composer members, and our music publishers, and we’re part of the task force for our audiovisual composers.

The International Relations department continues to ensure that we remain top-of-mind with our sister societies around the world by calling on them in person. In 2015, we diligently met in-person with ASCAP (U.S.), BMI (U.S.), SESAC (U.S.), PRSfM (U.K.), SACEM (France), SABAM (Belgium) SIAE (Italy), APRA (Australia) and UBC (Brazil), some several times over. These face-to-face encounters generate business intelligence, and help to ensure that our members’ revenues flow back to SOCAN even faster and more efficiently.

**INTERNATIONAL HIGHLIGHTS**

- $62.7-million in revenue, more than 24% above our target

- $1.6-million collected from queries and unidentified performances, double the target

- Improved and streamlined processes

- Proactive tracking of member activity

- Improved service with no increase in headcount

- International revenue now represents SOCAN’s second largest source of revenue after cable
$62.7 MILLION COLLECTED IN INTERNATIONAL ROYALTIES FOR CANADIAN-CREATED MUSIC
A national non-profit organization, the Canadian Songwriters Hall of Fame (CSHF) was transferred to SOCAN in late 2011. The mandate of the Hall of Fame 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 these achievements. SOCAN’s continued support and involvement ensures that the Hall of Fame will be able to preserve this rich musical heritage for years to come.

From 2011 to 2015, the Canadian Songwriters Hall of Fame set out to establish a foundation for sustainable success, and then proceeded to develop and implement activities to help achieve and promote its mandate. In 2015, the Hall of Fame focused on building core initiatives to re-invigorate and raise public awareness of the organization and its inductees:

The CSHF introduced social media pages (i.e., Facebook, Twitter and Instagram), as well as uploading engaging blog posts on its website. These activities are part of the Hall of Fame’s comprehensive digital marketing plan, which was developed in order to increase the organization’s online presence.

• In February 2015, the Hall of Fame once again began inducting songs; this time, through a new element in its song induction program: Covered Classics / Classiques Revisités. A collaboration between the Hall of Fame and CBC/Radio-Canada, the series publicly honours songs newly inducted into the Hall of Fame with tribute performances by some of our nation’s brightest musical talent. The inaugural season was a huge success with fantastic covers that promoted classic Canadian songs, captured new generations of music lovers, and increased the profile and visibility of some of Canada’s greatest songwriters and artists. A total of 12 songs (eight Anglophone and four Francophone) were inducted in 2015 and celebrated via performances by Alejandra Ribera, Nikki Yanofsky with Dan Kanter, Matthew Barber, Justin Rutledge, Jill Barber, Antoine Gratton, The Good Family, Alexandre Désilets and Royal Wood.

• The Canadian Songwriters Hall of Fame partnered with the National Music Centre, which will provide the CSHF with a permanent home in Calgary within Studio Bell. The state-of-the-art, 160,000-square-foot facility will highlight Canada’s music story through programming that includes artist incubation, performances, interactive education programs, engaging exhibitions, and an expanded collection of rare instruments and artifacts. This partnership will allow the Hall of Fame to highlight its inductees’ achievements and significant contributions to music, and have their legacies preserved through exhibitions at the Centre. The Canadian Songwriters Hall of
Fame joins the Canadian Music Hall of Fame and the Canadian Country Music Hall of Fame Collection, on level five of Studio Bell, a floor entirely dedicated to celebrating and recognizing Canadian music creators and artists who have left their mark on this country, and beyond. Studio Bell is set to open to the public in the Summer of 2016.

CSHF HIGHLIGHTS

• Increasing public awareness through digital marketing

• Song inductions via Covered Classics

• Permanent home at the National Music Centre

• National online education program, Educating Through Music

12 SONGS
INDUCTED THROUGH THE HALL OF FAME’S COVERED CLASSICS SERIES
The SOCAN Foundation was established in 1992, as a distinct legal entity separate from SOCAN, to support events and projects benefiting songwriters, composers and music publishers. Details on the SOCAN Foundation’s programs and activities are available on its website. In 2015, the SOCAN Foundation provided core funding to 10 national associations, each of which ran programs that benefitted Canadian music creators and publishers. These organizations foster musical creativity and promote a better understanding of the role that music creators play in today’s society.

The SOCAN Foundation’s Board of Directors approved grants in several categories, such as music festivals, international showcasing and educational initiatives, which benefited 736 recipients – a 26 percent increase from the previous year.

Following an extensive search after the retirement of long-time manager Rick McMillan, Charlie Wall-Andrews was identified and appointed to the manager role.

A new Board of Directors was also appointed. The following Directors will serve on the Foundation for a three-year term: Marc Ouellette, President; Jean-François Denis, Past-President; Victor Davies, Vice-President; Craig Horton, Secretary-Treasurer; John Burge, Mario Chenart, Ajene “Agile” Griffith, Martine Groulx, Ed Henderson, Safwan Javed, Neville Quinlan, and Earl Rosen.

The Foundation’s revenue is derived, in part, through funding from SOCAN, which amounted to approximately $1.6-million for the year 2015. The Foundation also earned approximately $436,000 in investment revenue from its own endowment fund and other sources. After expenses, the Foundation distributed $1.7-million through various grants and competitions.

In 2013, the Foundation streamlined its online grant-application process and grant review process, and completely restructured the content and functionality of its website, with a new version that was launched in January 2014. Further refinements and new features were added throughout 2014 and into 2015. In 2013, the Foundation streamlined its online grant-application process and grant review process, and completely restructured the content and functionality of its website, with a new version that was launched in January 2014. Further refinements and new features were added throughout 2014 and into 2015.
FOUNDATION HIGHLIGHTS

- In 2015, The SOCAN Foundation received a record 752 grant applications and approved 736 of them – almost 98 percent of all applicants received grants.

- More than $190,000 in grant payments went directly to Canadian songwriters and composers through two programs: Popular Music International Showcasing and Composer Outreach Residencies.

- In 2015, The SOCAN Foundation appointed a new Board of Directors and Manager.
In other the parts of this annual report, you’ll hear about our successes in domestic licensing and royalty distribution. In addition to those activities, we had several other major successes in 2015 from an Operations perspective.

SOCAN continues to develop and deploy our new BEST operating system, which is bringing new levels of efficiency, speed, accuracy and flexibility to our business process.

We’ve launched our operational data store, which allows SOCAN to handle enormous amounts of data, which is crucial in the streaming world, where billions of transactions occur every day.

We’ve also been upgrading our technical infrastructure to process payments to members faster and more efficiently. We have not only acquired new servers and increased our capacity, we’re also using new software to help us manage our workflows. These decisions to invest in better technology have allowed SOCAN to process the exploding volume of performances in the digital space, particularly streaming of music and audio-visual content.

Similarly, we’ve brought new technologies and techniques to bear in order to increase our international collections. We’ve begun using performance monitoring services, automatically comparing the information we receive to the licensing fees we’ve received. We then immediately make claims on the performances that are missing. These activities have allowed us to secure an additional $1 million in international collections.

And SOCAN has been building new relationships both inside and outside of Canada to provide cost-effective and efficient solutions for rights holders. We are now processing data and payments for a variety of organizations outside of Canada, and the revenue from these activities helps to offset the cost of running SOCAN.
2015 was the first full year of our new Québec Affairs strategy. When developing our strategy, a core objective was to cater to and address the specific needs and concerns of our Quebec-based members, licensed businesses and other partners.

The position of Chief Québec Affairs Officer was created with a clear mandate of not only keeping a finger on the pulse of all SOCAN Québec creators and publishers, but also be SOCAN’s strong and clear voice in the media and in various industry forums, and for that voice to reflect the realities and nuances of the Québec market, notably its Francophone stakeholders.

In 2015, SOCAN's Montréal team succeeded in making SOCAN a lot more visible to the local music scene and to local government. Here are a few of the highlights.

In March 2015, SOCAN unveiled brand new offices in Montréal. We went from a somewhat austere downtown/banking sector to a more artistic surrounding, with Just for Laughs' headquarters and Place des Festivals just a few steps away. We feel more at home in this Saint-Laurent Boulevard location, as will our members who come to visit. Our new location is a far better reflection of SOCAN's spirit and culture in Québec.

As Chief of Québec Affairs, Geneviève Côté voice is also now heard in SOCAN's federal government advocacy efforts. When a coalition of Canadian industry stakeholders went to Parliament Hill in May 2015 to prepare for the federal election campaign, Geneviève met with government officials and elected MPs on behalf of SOCAN. This was a first for us as an organization.

In the fall of 2015, the Montréal SOCAN Awards took on a bold new format at Metropolis, the famous Montréal music venue. This move was designed to reflect an even more positive and current music industry vibe. Our red carpet was overflowing with members, major players from the music ecosystem and more than two-dozen media reporters, photographers and videographers, resulting in by far the most intense and widespread media coverage we have ever received, placing a brilliant spotlight on SOCAN, Québec music creation and music publishing.

Throughout the year, SOCAN’s Québec presence was strong at various local and international music events, including those tailored for “export” to markets more specifically inclined to Francophone music, for example VISA for music (Morroco), MaMA (Paris), FrancoFolies (La Rochelle), Nuit Boreale and the Great Escape.

SOCAN was proud to present a networking reception at the ADISQ Gala. We delivered a special SOCAN panel on embracing the change in the digital world with rapidly-rising Montréal-based stars Milk & Bone, and we attended SxSW, NxNE, Canadian Music Week, FrancoFête in New Brunswick, Gala des Trille Or and Contact Ontarois in French-speaking Ontario.
Another important strategic project is the new SOCAN Paris House. This location will be available to support SOCAN members looking to develop their careers in Europe. Building upon our hugely successful Nashville and LA houses, SOCAN is making available a 250 square metre flat in the trendy South Pigalle (“SoPi”) to both our writer and publisher members for professional stays.

Twenty-fifteen was an extremely productive and busy year for SOCAN’s Montréal office, and we look forward to continuing to represent our Québec members and promote all their successes here and around the globe.

QUÉBEC AFFAIRS HIGHLIGHTS

- Moved Montréal offices to new more relevant and cost-effective location.
- Implemented a new Montréal SOCAN Awards format.
- SOCAN Paris House established.
- Stronger Québec presence at trade events and strategic government advocacy initiatives.
MAJOR ACCOMPLISHMENTS BY SOCAN MEMBERS IN 2015

INTERNATIONAL

In 2015, Canadian music – and SOCAN member-created music – didn’t simply punch above its weight class internationally, and especially in the crucial American market, it meted out hit after hit after hit that brought the world’s music fans of virtually every stripe not to their knees, but to their feet.

Call it a standing O count.

On the Billboard Hot 100 chart dated the week of Dec. 19, 2015 – after dominating the top of the chart since September – Canadian artists owned a staggering seven of the Top 10 spots. That included four SOCAN members: Drake at No. 3 with “Hotline Bling,” The Weeknd at No. 5 with “The Hills,” Shawn Mendes at No. 6 with “Stitches,” and Alessia Cara at No. 8 with “Here.” Adele was No. 1 with “Hello,” and SOCAN member Tobias Jesso Jr. co-wrote “When We Were Young” with her, a song included in her album 25, which sold seven million units in less than a month.

Rolling Stone called the Weeknd’s “Can’t Feel My Face” the top song of 2015, and the Grammys gave him seven nominations. Drake earned three Grammy nominations on his own, and two as a feature on Nicki Minaj recordings. Several other SOCAN members also received multiple Grammy nods, including Belly, Daheala, Stephan Moccio (all three for their co-writing work on the Weeknd’s “Earned It”) and Boi-1da (for his work on songs by Drake and others).

The Weeknd took home two 2016 Grammys for his work in 2015, as “Earned It” won for Best R&B Performance, while Beauty Behind the Madness won for Best Urban Contemporary Album. He won five JUNO Awards in 2016, for his 2015 work: the SOCAN-sponsored Songwriter of the Year, Artist of the Year, Single of the Year (for “Can’t Feel My Face”), Album of the Year and R&B/Soul Recording of the Year (both for Beauty Behind the Madness). The Weeknd also performed on both the Grammy and JUNO Awards broadcasts. In 2015, he commandeered pop radio worldwide, appeared on the cover of Rolling Stone, and performed on Saturday Night Live. Beauty Behind the Madness was Spotify’s most streamed album of 2015 worldwide, contributing to The Weeknd’s total to date of well over a billion streams on the service.
According to Spotify, **Alessia Cara** had the most viral song in the U.S. in 2015 with her breakthrough debut single, “Here” – co-written with Bobby Brass, Sammy Blues, and Tee, all of Kuya Productions. Cara was Breakthrough Artist of the Year at the 2016 JUNO Awards, one of four nominations (the three others being the Fan Choice Award, Single of the Year for “Here,” and R&B/Soul Recording of the Year for her Four Pink Walls EP). “Here” reached the Top Five in the U.S. and the Top 20 in Canada, and its video has now been viewed more than 88 million times on YouTube. Her debut full-length album Know-It-All album went Top 10 in Canada and the U.S., Top 20 in the U.K. and Australia, and won rave reviews from Billboard, the NME, the New York Times, and Exclaim! In 2015, Cara made her U.S. network television debut singing “Here” on The Tonight Show Starring Jimmy Fallon, and Taylor Swift invited Cara onstage to sing it with her in front of 55,000 people in Tampa, Florida.

In 2015 **Shawn Mendes** released his full-length album Handwritten, which debuted at No. 1 on the Billboard 200 chart with 119,000 equivalent album units, selling 106,000 copies in its first week. The third single from the album, “Stitches,” reached No. 4 on the Billboard Hot 100, becoming his first Top 10 single in the U.S., and later his first No. 1 on the Mainstream Top 40 chart. Mendes also opened for Taylor Swift during 1989 World Tour dates in North America. Mendes was listed among Time magazine’s “25 Most Influential Teens in 2015.” Mendes and Camila Cabello from Fifth Harmony released their collaborative track “I Know What You Did Last Summer,” included on Mendes’ Handwritten Revisited re-issue. It reached the Top 20 on both the U.S. Billboard Hot 100 and the Canadian Hot 100.

2015 was also **Drake’s** year, as confirmed when SPIN magazine called him Artist of the Year. From releasing his surprise album If You’re Reading This It’s Too Late, to teaming up with Future to release another album, What a Time to Be Alive, to “Hotline Bling,” he owned 2015. Reading sold about 500,000 units in its first three days, and became 2015’s first album to sell a million copies. Drake had more than 25 songs on the Billboard Hot 100 chart in 2015. “Hotline Bling” became an instant sensation and viral meme, and the official video has now been viewed more than 680 million times. “Bling” quickly achieved the kind of pop-cultural ubiquity no other major artist achieved in 2015. The song peaked at No. 2 on the Hot 100 and inspired covers and re-mixes from Sufjan Stevens, Erykah Badu, Lil Wayne, Disclosure and Sam Smith, Justin Bieber, Jadakiss, Alessia Cara, and countless others.

SOCAN screen composers also excelled. **Andrew Lockington** – who recorded an old upright piano being systematically destroyed in order to create unique sounds for the movie San Andreas – saw the film reach the top of the North American box office in May of 2015, then repeat that feat in seven other countries around the world. Also on the global front, Mychael Danna (Academy Award winner for Life of Pi) and his brother Jeff Danna scored the animated worldwide hit movie The Good Dinosaur.
DOMESTIC

Alexe Gaudreault exploded onto the music scene in 2013 when she blew away two million TV viewers on the hit TV show La Voix (the Quebec edition of the TV series franchise The Voice) with her powerful interpretation of the Jacques Brel classic “Quand on n’a que l’amour.” In 2015, Gaudreault spent 52 weeks (a full year!) on the Top 100 BDS chart – including a seven-week run at No. 1, and 10 weeks in the Top 10 – with her song “Placebo,” co-written with John Nathaniel (ASCAP) and her fellow SOCAN member Mariane Cossette-Bacon. SOCAN surprised Gaudreault by presenting her with a No. 1 Song Award on the popular Quebec TV program Belle et Bum.

Ria Mae’s huge 2015 hit single “Clothes Off” was nominated for Single of the Year at the 2016 JUNO Award. “Clothes Off” hit Top 10 at Adult Contemporary Radio, was certified Gold in Canada, and garnered more than 1.7 million views on Vevo. In the 2016 EMCAs, she was nominated for Fans’ Choice Video of the Year and Video of the Year, both for the 2015 clip for “Clothes Off.”

Since his JUNO Breakthrough Artist of the Year in 2014, Brett Kissel has played the Grand Ole Opry in Nashville, and was nominated for Country Album of the Year (for 2015’s Pick Me Up) at the 2016 JUNOs. Pick Me Up’s first single, “Airwaves,” became Brett’s first No. 1 song at country radio, while its music video reached number 1 on CMT’s Top 20 Countdown.

Jean Leloup won no less than five ADISQ Awards in 2015: Singer, Songwriter, and Song of the Year (for “Paradis City”), the Critic’s Choice Award, and Rock Album of the Year (both for À Paradis City). The album also won a 2016 JUNO Award as Francophone Album of the Year, and a nomination for Album of the Year as well. It was quite the comeback for his first studio album in six years, which Leloup said he wrote over the course of the past decade.

Cœur de Pirate was nominated for the 2016 JUNO Fan Choice Award, as well as a nomination for the SOCAN-sponsored Songwriter of the Year JUNO, based on the huge success of her bilingual 2015 album Roses. In 2015, she also signed a record contract with American label Cherrytree/Interscope, expanding her efforts not only to English Canada by singing in English, but also to the United States – where she’s garnering significant attention.

Among SOCAN’s screen composers, Parmjit Sarai and Manjeet Ral won a 2015 Canadian Screen Award for Achievement in Music – Original Song, for their co-write, “Dal Makhani,” from the movie Dr. Cabbie. Robert Carli took home the honours for Best Original Music Score, for the CBC series Still Life: A Three Pines Mystery; John Welsman was awarded Best Original Music for a Non-Fiction Program or Series, for the documentary Tales from the Organ Trade; Trevor Yuile won Best Original Music Score for a Series, for Orphan Black. At the eighteenth annual Quebec Cinema Awards in 2016, Martin Léon won Best Original Music for his work in 2015 on Guibord s’en va-t-en guerre (My Internship in Canada).
Singer-songwriter, producer, arranger, and recording engineer (largely at his own Studio 1036), Claude Bégin is a predominant figure in Québec City's pop and rap scenes, and is best known for his work with Accrophone, Movè泽be, and especially the rebellious Alaclair Ensemble. Now his first solo outing has earned him a SOCAN No. 1 Award (in 2016) – his first as a solo artist – as “Celle qui chante” reached No. 1 on the Correspondants chart on Nov. 10, 2015, and stayed there for seven weeks.

**PUBLISHERS**

Music publisher ole was extremely active in 2015. On the acquisitions front, ole acquired the Anthem Entertainment Group – the label home of Rush as well as Big Wreck, Ian Thornley, Steven Page, The Tea Party, and other artists – and U.S.-based Jingle Punks, creating one of the world's largest production music libraries. ole also signed or expanded its co-publishing deals with various high-profile singer-songwriters, including award-winning electronic DJ/producer Ryan Hemsworth, 19-time CCMA winner Gord Bamford, country superstar George Canyon (including both his back catalog and future copyrights), and renowned American Grammy Award-winning producer and artist Timbaland.

In 2015, internationally, Sony/ATV Music Publishing signed a $750-million agreement with Michael Jackson's estate to buy his stake in the company, and signed a licensing deal with online radio service Pandora, and laid the groundwork to sign SOCAN member pop sensation Grimes to a worldwide publishing deal in 2016. Sony/ATV Music Publishing Canada had huge, worldwide success representing the latest work of Drake, Arcade Fire (both via EMI Music Publishing Canada) and The Weeknd, as well as great domestic success with Scott Helman and staff songwriter/producers like Thomas “Tawgs” Salter and Dave “Dwave” Thomson.

Publisher Warner/Chappell Music Canada continues to work its wide-ranging Canadian catalogue repertoire, including Spirit of the West, The Rheostatics, Stan Meissner, Gordon Lightfoot (which they acquired in 2014) and Rita MacNeil – whose songs, perhaps surprisingly, continue to find placements worldwide, including in Australia, Japan, Germany, Sweden, England and more. Other SOCAN members signed to Warner/Chappell include Tomi Swick, Michael Bernard Fitzgerald, and a strong roster of urban Canadian artists, including Jolly Black, Kardinal Offishall (signed at age 20), Glenn Lewis and Saukrates — whose catalogue track “Father Time” has been sampled recently by Skrillex, A$AP Rocky, and French DJ group Birdy Nam Nam.
THE 2015 SOCAN AWARDS

TORONTO

Riffing on our first-ever Cultural Impact Award winner’s classic song, the 2015 SOCAN Awards focused on a theme of “Born To Be...” with a who's who of the Canadian music industry gathering in Toronto on June 22, 2015, to honour Canada's most talented songwriters, composers, lyricists and music publishers. Sponsored by Gowlings, KPMG, RBC and HMV, and hosted by CMT Canada's Paul McGuire, the 26th SOCAN Awards recognized the lifetime and more recent achievements of Canada's music creators and publishers.

Recipients of SOCAN’s major achievement awards were the legendary Randy Bachman (Lifetime Achievement, Dallas Green (National Achievement, MAGIC! (International Achievement, music industry pioneer Bernie Finkelstein (Special Achievement), and “Born to be Wild” songwriter Mars Bonfire, who received the Cultural Impact Award. All accepted their honours in-person, as did R&B chart-toppers The Weeknd and Belly, rising country stars Brett Kissel and Tim Hicks, and film and TV composers Keith Power and Andrew Lockington, among many others.

Performers included soulful young sensation Francesco Yates, who sang “Better to be Loved”; heavy metal rockers Anvil, who honoured Mars Bonfire with a thundering rendition of “Born to be Wild”; Kristian Alexandrov, Olena Kilchyk, Calvin Beale and Doan Pham, who played a medley of film and TV themes; “doom soul” singer-songwriter Cold Specks, who re-defined Warren Pash's SOCAN Classic Award-winning song “Private Eyes”; and Randy Bachman, backed by Toronto rockers Big Sugar and an all-star cast of Canadian music makers and executives who closed the show “Takin' Care of Business” – accompanied by 600 guests each playing a custom cowbell – more cowbell!
MONTRÉAL

Montréal’s famed Métropolis for the first time set the stage for the annual SOCAN Awards Gala, on Monday, October 5, 2015. The legendary Gilles Vigneault and his immortal anthem “Gens du pays” was honoured with SOCAN’s first-ever Francophone Cultural Impact Award. The evening was hosted by the prolific singer-songwriter Dumas.

Recognizing the massive contribution that film and television composers make to the genre and economy, no fewer than seven SOCAN Awards were presented to the most successful. Alex Nevsky won the Songwriter of the Year Award, and two additional Popular Song awards (Francophone) for “Les coloriés” and “Notre amour.”

Donald Tarlton, founder of the concert promoting company Donald K. Donald, and co-founder of Tacca Musique and Aquarius Records, won the SOCAN Special Achievement Award. The SOCAN Lifetime Achievement Award was presented to Pierre Létourneau, one of the most important songwriters in Québec; a prolific artist who has written an impressive number of hits, both for himself and many, many artists. Arcade Fire won the SOCAN Award for International Achievement, the International Song award for their song “Reflektor,” as well as two Popular Song (Anglophone) awards for “Afterlife” and “Reflektor.”

Kevin Parent earned five SOCAN Classic Awards, making him the most awarded songwriter of the 2015 gala. The SOCAN Classic Award presented to Michel Rivard for his song “Le Privé” was the 15th of his career, while the two SOCAN Classic Awards offered to Luc Plamondon were the 31st and 32nd of his storied career, making him the most awarded songwriter in the history of the SOCAN Montreal Awards Gala.
Throughout the year, SOCAN honours our creator members who achieve the No. 1 position on various renowned Canadian and international charts. We work to present each member, in-person, with a beautiful medallion-plaque that's inspired by “The SOCAN,” the trophy that we present to achievement winners at our annual awards in Toronto and Montréal. The following is the list of SOCAN members whom we honoured over 2015 with a SOCAN No.1 Song Award.
“Meneo”
Performer: Fito Blanko
Writers: Fito Blanko, Sensei Musica, Roberto Fernandez (ASCAP), Jose Garcia (BMI), Pitbull (BMI) and Jorge Martinez Gomez (BMI)
Used in a key scene in the movie Furious 7, which reached No. 1 on the North American Box Office Chart on April 15, 2015

“It’s a double win for Scott Helman: “Bungalow” and “That Sweater.”

Film Score for San Andreas
Performer: Andrew Lockington
Composer: Andrew Lockington
Publisher: N/A
San Andreas reached No. 1 at the North American box office in May of 2015, and in seven other countries after that.

“It’s a double win for Scott Helman: “Bungalow” and “That Sweater.”

“Bungalow”
“That Sweater”
Performer: Scott Helman
Writers: Both songs were co-written by Scott Helman, Ron Lopata, Thomas “Tawgs” Salter and Simon Wilcox, while “That Sweater” was also co-written with Michael Wise.
Publishers: Fun Cooker, peer International Ltd. (Canada), Sony ATV Music Publishing Canada.
Reached No. 1 On: Both on the CBC Radio 2 Top 20 chart, on Nov. 21, 2014 (“Bungalow”) and May 29, 2015 (“That Sweater”)
“I Can’t Feel My Face”
“Earned It”
“The Hills”
“Often”
“Love Me Harder”
“Live For”
Performer: The Weeknd

“Blame”
Performer: Autumn Hill
Writers: Dwave Thomson, Stephanie Schlosser (BMI), Christian Rada (ASCAP)
Publisher: Sony ATV Music Publishing Canada
Reached No. 1: On the CMT Countdown Chart, July 24, 2015

“Upside Down”
Performer: Dean Brody
Writer: Dean Brody
Publisher: Scurvy Dog Music
Reached No. 1 On: CMT Countdown Chart, April 9, 2015

“Make You Mine”
“She’s With Me”
Performer: High Valley
Writers: Brad Rempel, Seth Mosley (SESAC), Ben Stennis (BMI),
Publisher: Centricity Music Publishing (ASCAP)

“Downtown”
Performer: Whitehorse
Writers: Luke Doucet, Melissa McClelland, Gustavo Coriandoli
Publisher: N/A
Reached No. 1 On: CBC Radio 2 Top 20 Chart, Jan. 23, 2015

Whitehorse receive their No. 1 plaque for “Downtown.”
“Mine Would Be You”
Performer: Blake Shelton
Writers: Deric Ruttan, Jessi Alexander (ASCAP), Connie Hannington (BMI)
Publisher: Warner Chappell Music Canada Ltd.

“Clothes Off”
Performer: Ria Mae
Writers: Ria Mae, Classified, Robert Mullan
Publishers: Nettwerk One Music Canada, Ria Mae Media
Reached No. 1 On: CBC Radio 2 Top 20, May 26, 2015

“Hideaway”
Performer: Kiesza
Writers: Kiesza, Rami Afuni
Reached No. 1 On: U.K. Singles Chart, April 26, 2014

SOCAN Francophone No. 1 Song Awards in 2015

“Oublie-moi (Carry On)”
Performer: Cœur de Pirate
Writer: Cœur de Pirate
Publisher: by Les Éditions Dare to Care
 Reached No. 1 On: Québec BDS Chart, June 15, 2015

“Nous autres”
Performer: 2Frères
Writers: Sonny Caouette, Érik Caouette
Reached No. 1 On: Correspondents Chart, Aug. 11, 2015
“Rien ne sert de courir”
Performer: Karim Ouellet
Writer: Karim Ouellet
Publisher: Coyote Records
Reached No. 1 On: Québec BDS Chart, May 19, 2014

“Vivre pauvre”
Performer: Alex Nevsky
Writer: Alex Nevsky, Gabriel Gratton, Mathieu Laliberté
Publisher: Avenue Éditorial
Reached No. 1 On: Québec BDS Chart, October 13, 2014

"Je cours après Marie"
Performer: Patrice Michaud
Writer: Patrice Michaud
Publisher: N/A
Reached No. 1 On: Québec BDS Chart, October 20, 2014

“L’amour est un monstre”
Performer: Karim Ouellet & Misteur Valaire
Writer: Claude Bégin, Karim Ouellet, François Simon Déziel, Jonathan Drouin, Julien Harbec, Thomas Hébert, Louis-Pierre Phaneuf
Publisher: Coyote Records, Éditions M. Label, Indica Records, Éditions LaBe, Sync.mu
Reached No. 1 On: Québec BDS Chart, November 3, 2014

“La bonne franquette”
Performer: Kain
Writer: Éric Maheu
Publisher: Éditions Groupe Archambault
Reached No. 1 On: Québec BDS Chart, January 5, 2015

“Là dans ma tête”
Performer: Marc Dupré
Writer: Marc Dupré, Nelson Minville, Gautier Marinof
Publisher: Éditions Dama, Éditions chansons du Suisse
Reached No. 1 On: Québec BDS Chart, January 12, 2015

“Les heures de visite”
Performer: Sally Folk
Writer: Anique Granger, Michel Dagenais, Sophia D’Arago Krim
Publisher: Éditions Bloc-Notes, David Murphy et cie, Éditions de l’Ère Atomique
Reached No. 1 On: Québec BDS Chart, April 2, 2015

Louis-Jean Cormier receives a No. 1 from SOCAN’s Geneviève Côté.
“Rien à faire”
Performer: Marie-Pierre Arthur
Writer: Gaele Tavernier, Marie-Pierre Arthur, François Lafontaine, Samuel Joly
Publisher: Éditions Fon Fon, David Murphy et cie, Éditions Gratte moi l’idos, Éditions Pout Blishing
Reached No. 1 On: Québec Correspondents Chart, April 2, 2015

“Debout”
Performer: Ariane Moffatt
Writer: Ariane Moffatt
Publisher: Éditions Mo’Fat
Reached No. 1 On: Québec BDS Chart, April 13, 2015

“Avant de disparaître”
Performer: Claude Bégin
Writer: Claude Bégin
Publisher: Coyote Records
Reached No. 1 On: Québec BDS Chart, April 27, 2015 & Québec Correspondents Chart, April 20, 2015

“Si tu reviens”
Performer: Louis-Jean Cormier
Writer: Louis-Jean Cormier
Publisher: Yeux Boussoles
Reached No. 1 On: Québec Correspondents Chart, May 4, 2015

“Fanny”
Performer: Alex Nevsky
Writer: Alex Nevsky, Gabriel Gratton, Laurence Lafond-Beaulne
Publisher: Avenue Éditorial
Reached No. 1 On: Québec BDS Chart, June 8, 2015 & Québec Correspondents Chart, June 1, 2015

**SOCAN Publishers No. 1 Song Awards in 2015**

“Truffle Butter”
Performer: Nicki Minaj feat. Drake
Publisher: EMI Music Publishing Canada
Represented Writer: Drake
Chart: Billboard Mainstream Hip Hop/R&B Airplay Chart, Mar. 21, 2015

“We Exist”
Performer: Arcade Fire
Publisher: EMI Music Publishing Canada
Represented Writers: Win Butler, Will Butler, Régine Chassagne, Jeremy Gara, Tim Kingsbury, Richard Parry
Chart: MuchMusic Countdown, Oct. 10, 2014
“The Hills”
Performer: The Weeknd
Publisher: Sony/ATV Music Publishing
Represented Writer: The Weeknd

“That Sweater”
Performer: Scott Helman
Publisher: Sony/ATV Music Publishing, Fun Cooker/peermusic
Represented Writers: Scott Helman, Ron Lopata, Thomas Salter, Simon Wilcox, Michael Wise
Chart: CBC Radio 2 Top 20, May 29, 2015

“Jealous (I Ain’t With It)”
Performer: Chromeo
Publisher: Sony/ATV Music Publishing, Fun Cooker/peermusic
Represented Writers: Simon Wilcox, Nolan Lambrozza (BMI), Nick Jonas (BMI)

“Together We Are One”
Performer: Serena Ryder
Publishers: Cymba Music, Bloc Notes Music Publishing Inc,
Represented Writers: Jasmine Baird, Serena Ryder, Murray Daigle, Roberto Biscigia
Chart: CBC Radio 2 Top 20, July 10, 2015
THE 2015 SOCAN SONGWRITING PRIZE

The tenth year of the prestigious SOCAN Songwriting Prize celebrated the best Canadian music written by emerging English and French songwriters over the past year. Since its original inception as the “Echo Songwriting Prize,” the stature of the award has gone from strength to strength, and is considered throughout the Canadian music ecosystem and beyond as the pre-eminent prize for emerging songwriters.

For two weeks, votes were cast online for the English and French nominees’ songs. Fans voted for one of the five nominated songs – nominated by a panel of music industry experts – in each of the English- and French-language contests.

Vancouver-based “alt-rock, electro-dance and all around rad music duo” Dear Rouge won the English 2015 SOCAN Songwriting Prize for their song “I Heard I Had,” written by band members Drew and Danielle McTaggart. Montréaler Antoine Corriveau achieved the equivalent Francophone prize for his song “Le nouveau vocabulaire.”

Dear Rouge and Corriveau each took home a $10,000 cash prize, along with a Martin D-16GT acoustic guitar, a Yamaha PSR-S950 keyboard, a $500 Gift Card from Long & McQuade, 20 hours of studio time with Timothy Abraham, and six hours of vocal coaching with Amanda Mabro.

Dear Rouge visited the SOCAN Toronto offices to be presented with their prizes, play an acoustic session for our staff, and answer some friendly questions. “Being honoured and recognized for songwriter craftsmanship is probably the greatest respect and appreciation a musician can receive,” said Danielle McTaggart.
“We’re awestruck by every one of the nine other nominated songs, each of which could have been a worthy winner. Thanks to our fans for voting and to SOCAN for organizing this great contest, and for sticking up for the rights of songwriters like us.”

Antoine Corriveau received his cheque and prizes during the Festival d’été de Québec. He said, “I’m stunned and unbelievably happy to announce that I’ve won the Prix de la chanson SOCAN! That song was there, on the back burner, a long-haul work in progress, for several months. To see it rewarded like this today touches me deeply.”

The other nine nominated English songs were:

- “Archie, Marry Me” – written by Alec O’Hanley and Molly Rankin; performed by Alvvays
- “Old Knives” – written by James Anderson and Cold Specks; performed by Cold Specks; published by Kobalt and Cold Specks Music Ltd.
- “In My Solitude” – written by Laura Bates, Tyler Belluz, Aaron Brooks, Lisa Conway, Karen Ng, Chris Sandes, Ira Zingraff; performed by Del Bel
- “Hideaway” – written by Rami Afuni and Kiesza; performed by Kiesza; published by Universal Music Publishing Group, Afuni Music (BMI), Music Of Liberal Arts Publishing (BMI), Songs Of Universal (BMI), EMI Blackwood Music Canada Ltd., Elephant Eye Publishing, and Stellar Songs Ltd.
- “You Look Like Trouble (But I Guess I Do Too)” – written and performed by Lisa Leblanc; published by Third Side Music Inc.
- “The Bells” – written by Lowell, Justin Broad and Paul Herman; performed by Lowell; published by BMG Rights, BMG Rights Management Ltd. (PRS), Peermusic, Submarine Music Ltd., Fintage, and Voxwatch Ltd. (PRS)
- “It’s A Burn” – written and performed by Samantha Savage Smith
- “Young Gunner” – written by Joel Chambers, Nevon Sinclair and Renee Wisdom; performed by Shi Wisdom
- “Private Island” – written by Daniel Jacques and Allie Ho-Sang; performed by 2nd Son featuring Allie

The other nine nominated French songs were:

- “De pluie et de cendre” – written and performed by Guillaume Beauregard; published by Les Éditions de La Tribu
- “Kryuchkova” – written by Alexandre Bernier Leclerc; performed by Bernhari; published by Avenue Éditorial
- “Publi Sac” – written by Louis-Nicolas Imbeau and Emmanuel Blouin Lajoie; performed by Eman X Vlooper; published by Disques 7e Ciel
- “Piscine” – written by Fanny Grosjean and Étienne Dupuis Cloutier; performed by Fanny Bloom; published by Les Éditions Dare to Care
• “Mardi Gras” – written by Alexandre Bilodeau, Jacques Alphonse Doucet and Pierre Kwenders; performed by Pierre Kwenders

• “Arlon” – written by Salomé Leclerc and Philippe Brault; performed by Salomé Leclerc; published by Avenue Éditorial

• “Neguac and back” – written by Julie Aubé and Katrine Noel; performed by Les Hay Babies; published by Hay Babies Music, Éditions Ladilafe

• “Ficelle” – written by Julien Sagot and Antoine Binette Mercier; performed by Julien Sagot; published by Simone Records

• “Jolie Anne” – written by Benoit Pinette; performed by Tire le Coyote; published by Les Éditions de La Tribu

The SOCAN Songwriting Prize continues to build its reputation in both French and English as the most prestigious award for emerging Canadian songwriters, and we look forward to showcasing more of Canada’s amazing talent going forward.
WHO WE ARE

SOCAN is a member-based and member-governed organization that represents the Canadian performing rights of more than three-million Canadian and international music creators and publishers. SOCAN is proud to play a leading role in supporting the long-term success of its more than 135,000 Canadian members, and the Canadian music industry overall. SOCAN licenses more than 130,000 businesses in Canada, and distributes royalties to its members and music rights organizations (MROs) around the world. SOCAN also distributes royalties to its members for the use of their music internationally in collaboration with its peer MROs. www.socan.ca

STRATEGY

SOCAN’s activities are prepared and deployed within the framework of a five-year Strategic Plan, which is refreshed and renewed annually. We welcome you to read our plan.

VISION

To raise the bar for music rights.

BUSINESS PURPOSE

SOCAN serves and champions music creators and publishers. We advocate for them and protect their rights, license access to the world’s music, and collect and distribute royalties in Canada and around the world.

STRATEGIC OBJECTIVES

• Improve Member Recruitment and Retention
• Increase, Maintain and Develop Revenue Sources
• Optimize / Improve Value
• Strengthen Reputation with Industry Stakeholders
• Improve Visibility of Copyright Advocacy
• Expand Role
• Transform Corporate Culture

**SOCAN is currently updating its corporate strategy, and we look forward to sharing it later in 2016.**
Core to SOCAN’s operational success is a robust governance structure that helps us to maintain the trust and respect of members, licensees, employees, media and the government, and allows us to operate in an open and transparent way.

We pride ourselves on a sound governance structure that supports us in achieving our Vision and Strategic Objectives. This structure includes a Code of Conduct for Directors and a Policy on Committees of the Board. There is a regular evaluation of the CEO’s performance process by the Board and a self-assessment questionnaire completed by the directors to measure the Board’s own performance.

SOCAN provides an orientation program on Governance Policies and Procedures for new directors, and a refresher for returning directors. Directors are provided with a Resource Guide at the start of their three-year term and there are structured education and orientation sessions. While the formal interface between the Board and Management is through the CEO, there are numerous opportunities, both formal and informal, for Board members to interact with management.

For full Governance information, please visit socan.ca.

BOARD OF DIRECTORS

Left to right
Back row: Marc Ouellette, Composer; Rosaire Archambault, Éditorial Avenue; Ed Henderson, Composer; Denis Wolff, Ho-Tune Musique; Craig Horton, Nettwerk Music Publishing
Middle row: Patrick Curley, Third Side Music; Gilles Valiquette, Songwriter; Vivian Barclay, Warner Chappel Music Canada Ltd; Ben Mink, Songwriter; Victor Davies, Composer; Gary Furniss, Sony/ATV Music Canada Publishing; Glenn Morley, Composer; Safwan Javed, songwriter
Front row: Earl Rosen, de Sade Songs; Jennifer Mitchell, Casablanca Media Publishing Inc; Stan Meissner, Board President, Songwriter
Absent: Jean-Robert Bisaillon, Songwriter; Rober Ott, ole
EXECUTIVE TEAM

Left to right

Back row: Mike King, Vice President – Human Capital; Janice Scott, Vice President – Information Technology; Jeff King, Chief Operating Officer; Michael McCarty, Chief Membership & Business Development Officer; Jennifer Brown, Vice President – Licensing; Andrew Berthoff, Chief Communications & Marketing Officer; Catharine Saxberg, Vice President – International Relations; David Wood, Chief Financial Officer; Gilles Daigle, General Counsel – Legal Services;

Front row: Geneviève Côté, Chief Québec Affairs Officer; Eric Baptiste, Chief Executive Officer; Kit Wheeler, Vice President – Distribution;
SOCAN ENVIRONMENT

SOCAN as an organization reflects the diversity of the songwriters, composers and music publishers that we represent. We encourage and foster a music-rich workplace, and promote a positive, productive and enjoyable working environment for the 294 employees who comprised our staff at the end of 2015.

SOCAN works to back to the communities in which we operate, whether the neighborhoods that surround our offices, or charitable organizations that support musicians. Just a few examples of SOCAN's demonstrated commitment to our employees, the environment and community in 2015:

**Aevitas Light Bulb and Lamps Recycling**
Upon completion of renovations at our head office, 206 light bulbs and lamps were diverted from landfill and donated to Aevitas, an industry leader in providing environmentally responsible, cost-effective solutions for unique waste streams.

**Bike Building Challenge**
During SOCAN's annual “People.Connected.Day.”, an annual event that brings employees together for a day of fun activities and team building, 12 children's bikes were assembled and donated to Toronto's Toy Mountain initiative during the 2015 holiday season.

**Building and Owners Managers Association of Canada (BOMA) Certification**
Our employees ensure that their everyday practices uphold the highest environmental standards. As a result of these efforts, SOCAN received a certification from the Building and Owners Managers Association of Canada (BOMA, which recognizes environmental achievement in all aspects of building management, (i.e., energy management, water usage, waste reduction, lighting, emergency response, “green” cleaning, etc.). Our Toronto building achieved a prestigious Level 3 designation (Level 4 is the highest and usually designated to newer building), recognizing our commitment to continually improving our environmental performance. Of those that apply for certification, only 30% of applicants achieve Level 3 and a rare 2% attain Level 4.

**Canadian Music Therapy Trust Fund**
From our talented employees, SOCAN assembled our own “Unlicensed to Play” band to perform classic songs by our members at the annual Re:Cital Benefit Concert to raise funds for the Canadian Music Therapy Trust Fund. A total of $10,000 was raised that evening, and many SOCAN employees attended the downtown Toronto event to support their musically-talented colleagues.
Canadian Lions Eye Glass Donation
Employees generously donated their old glasses to the Canadian Lions Eyeglass Recycling Centre, an organization that provides free eyewear to underprivileged people around the world.

Dress for Success
Dress for Success, a global not-for-profit organization that promotes the economic independence of disadvantaged people by providing professional attire, awarded SOCAN a certificate of appreciation for our generous donations to the charity’s clothing drive over the last two years.

Earth Day – Community Clean-Up
On Earth Day, employees took to the surrounding community to pick-up garbage and waste. Five large bags of waste were collected by employees from around our Toronto building alone.

Habitat for Humanity
As a result of renovations to the SOCAN head office, we were able to donate 28 doors to Habitat for Humanity.

North York Harvest Food Bank
During Halloween festivities, non-perishable food items were collected from employees and donated to the North York Harvest Food Bank. With more than 75,000 visits from Toronto residents to GTA food banks each month, it’s important for SOCAN employees to contribute to families in need.

Paper Recycling
According a report by Shred-it, SOCAN’s partnership with them and dedication to recycling helped save no fewer than 330 trees in 2015.

Sick Kids Corporate IceWave Challenge
SOCAN colleagues, relatives and friends participated again in the annual Corporate IceWave Challenge, Toronto’s largest indoor beach volleyball tournament, in support of children receiving treatment for cancer at the Hospital for Sick Children in Toronto.

Sheridan College
As part of SOCAN’s dedication to helping students get ‘real world’ experience, the Communications & Marketing teamed up once again with students and recent grads of Sheridan College’s Media Arts program to film and produce three 15-second videos to promote SOCAN’s Licensed to Play campaign and the value of music to businesses.

Socially Conscious
Each year, the SOCAN Social Committees organize events to bring employees together to help build camaraderie and showcase what makes SOCAN such a great place to work. Events such as Ice Cream Day, Donut Day, Diversity Day, People.Connected.Day (an annual event that brings employees from across the organization together for a full-day of activities), the Holiday Party, Halloween and Valentine’s Day festivities, were just some of the ways the Social Committees helped foster corporate culture in 2015 and rewarded employees for all their hard work and dedication to the company.
**Unison Benevolent Fund**

SOCAN employees committed personal time over the year to support the Unison Benevolent Fund – the non-profit, registered charity that provides counselling and emergency relief services to the Canadian music community. We sponsored, and fielded a team at the cause’s annual golf tournament, and at its “Canada Rocks” curling bonspiel, where SOCAN’s “Unlicensed To Curl” team competed against the rest of the music industry over a fun-filled day. At these events, close to $100,000 was raised for the cause.