



## Broadcasting Decision CRTC 2007-360

Ottawa, 28 September 2007

### **Rogers Media Inc., on behalf of 1708487 Ontario Inc., 1738700 Ontario Inc. and CHUM Television Vancouver Inc.**

Vancouver, British Columbia; Edmonton and Calgary, Alberta; Portage La Prairie/Winnipeg, Manitoba; and Toronto, Ontario

*Application 2007-0925-6, received 20 June 2007*

*Public Hearing in the National Capital Region*

*29 August 2007*

### **Transfer of effective control of 1708487 Ontario Inc., 1738700 Ontario Inc. and CHUM Television Vancouver Inc. to Rogers Media Inc.**

*The Commission **approves** an application for authority to transfer the effective control of 1708487 Ontario Inc., 1738700 Ontario Inc. and CHUM Television Vancouver Inc. to Rogers Media Inc.*

### **Introduction**

1. The Commission received an application by Rogers Media Inc. (Rogers Media), on behalf of 1708487 Ontario Inc. (1708487 Ontario), 1738700 Ontario Inc. (1738700 Ontario) and CHUM Television Vancouver Inc. (CHUM Vancouver), for authority to transfer the effective control of 1708487 Ontario, 1738700 Ontario and CHUM Vancouver from the Trustee, Mr. John D. McKellar, C.M., Q.C. (the Trustee), to Rogers Media.

### **Background**

2. This transaction follows Broadcasting Decision 2007-165, in which the Commission approved the transfer of effective control of CHUM Limited<sup>1</sup> (CHUM) to CTVglobemedia Inc. (CTVglobemedia), conditional upon CTVglobemedia's divestiture of CHUM's five Citytv stations.
3. This transaction also follows Broadcasting Decision 2007-345, in which the Commission approved an application by the Trustee, on behalf of 1738700 Ontario, for broadcasting licences to continue the operation of the CHUM Citytv television stations in Calgary, Edmonton and Portage La Prairie/Winnipeg under the same terms and conditions as those in effect under the current licences.

---

<sup>1</sup> Now known as CTV Limited

## The application

4. The transfer proposed in the current application would be effected through the acquisition by Rogers Broadcasting Limited (Rogers), a wholly-owned subsidiary of Rogers Media, of all of the issued and outstanding shares of 1708487 Ontario, 1738700 Ontario and CHUM Vancouver from the Trustee. As a result, Rogers Media would control the following television stations (collectively, the “Stations”):
  - CITY-TV Toronto and its transmitters CITY-TV-2 Woodstock, CITY-TV-3 Ottawa, and CITY-DT Toronto, Ontario;
  - CKAL-TV Calgary and its transmitter CKAL-TV-1 Lethbridge, Alberta;
  - CKEM-TV Edmonton and its transmitter CKEM-TV-1 Red Deer, Alberta;
  - CHMI-TV Portage La Prairie/Winnipeg, Manitoba; and
  - CKVU-TV Vancouver and its transmitter CKVU-TV-1 Courtenay, British Columbia.
5. The applicant has ascribed a value for the negotiated purchase price of \$375 million.
6. The proposed tangible benefits package for the Stations amounts to \$37.5 million, representing 10 percent of the value of the negotiated purchase price.
7. Rogers Media proposed that the tangible benefits be allocated to three initiatives:
  - *Allan Waters Canadian Content Initiative* – \$32.5 million;
  - *Script and Concept Development* – \$2 million; and
  - *Industry Initiatives* – \$3 million.
8. Finally, Rogers Media proposed to divest itself of, within the 12-month period following a decision on this application, its two religious television stations, CHNU-TV Fraser Valley and CIIT-TV Winnipeg. Rogers Media indicated that retention of these two television stations would require exceptions to the Commission’s Common Ownership Policy of a single licensee holding one station in a given language in each market, since these stations are English-language television programming undertakings, as are the Vancouver and Winnipeg Citytv stations to be acquired.

9. Rogers Media indicated its belief that its existing CFMT-TV and CJMT-TV OMNI stations in Toronto as well as its two recently-licensed television stations in Calgary and Edmonton do not raise the same issues with respect to the Common Ownership Policy, since the Toronto, Calgary and Edmonton stations are ethnic stations and broadcast in multiple languages including English, while the Toronto, Calgary and Edmonton Citytv stations to be acquired are strictly English-language television stations.

### **The proceeding**

10. The Commission received written interventions in connection with this application, and numerous parties made oral presentations at the hearing. The Commission has carefully reviewed and considered the submissions of all parties. The public record of this proceeding, which includes interventions in support of, in opposition to, and commenting on the application, is available on the Commission's Web site at [www.crtc.gc.ca](http://www.crtc.gc.ca) under "Public Proceedings."
11. The Commission has identified the following five issues to be addressed in its determinations:
- Would the ownership of these five Citytv stations by Rogers Media respect the Common Ownership Policy?
  - What effect would there be on local and regional programming?
  - Would the proposed transaction enhance programming diversity?
  - Is the proposed value of the transaction reasonable and the value of the tangible benefits adequate? and
  - Is the proposed allocation of the tangible benefits acceptable?

### **Would the ownership of these five Citytv stations by Rogers Media respect the Common Ownership Policy?**

12. The Commission's Common Ownership Policy, set out in Public Notice 1999-97 (the 1999 Television Policy), generally permits ownership of no more than one over-the-air television station serving a given market in a given language. This policy is intended to ensure diversity of programming in a given market, particularly in relation to editorial voices, and to guard against the creation of undue competitive advantage.
13. In Broadcasting Decision 2002-82, the Commission approved an application by Rogers to establish a new ethnic television station in Toronto, even though Rogers was the licensee of an existing multilingual television station in that market. In that decision, the Commission recognized that, because the majority of the programming offered by the two ethnic stations would be presented in different languages, Rogers' ownership of two ethnic stations in Toronto was not inconsistent with its one-station-per-market policy.

14. Similar to the Toronto situation noted above, and with respect to the current application, Rogers Media submitted that its continued ownership of OMNI's ethnic multilingual stations in Toronto (CFMT-TV and CJMT-TV), the new television stations in Calgary and Edmonton, along with the English-language Citytv stations it proposed to acquire in those markets, would not be in contravention of the Common Ownership Policy.
15. On the other hand, Rogers Media acknowledged that its ownership of the English-language religious Citytv stations in Vancouver (CKVU-TV and its transmitter CKVU-TV-1 Courtenay) and in Portage La Prairie/Winnipeg (CHMI-TV) would require the Commission to approve an exemption to its one station in a given language per market policy, since Rogers Media's existing stations in those markets are English-language undertakings. In recognition of this fact, Rogers Media made a commitment to divest itself of its religious stations CHNU-TV Fraser Valley and CIIT-TV Winnipeg to a third-party buyer within twelve months of a decision by the Commission to approve this application.
16. Rogers Media further committed that, in the event that it has not divested of CHNU-TV and CIIT-TV within a twelve-month period, that the stations would be put under trusteeship, and that the Trustee would then have full authority to sell the stations by auction. Subject to a plan acceptable to the Commission, such that the two stations may be divested and put under trusteeship, the Commission accepts the commitment and expects the applicant to fulfil it. In light of the poor financial performance of the religious stations and the recent acquisition of these stations from Trinity Television, Inc. by Rogers Media, the Commission does not require the immediate placement in trust of the stations. However, considering the circumstances, the Commission expects that an application to sell the stations will be filed as soon as possible.
17. In light of the commitment made by Rogers Media concerning the proposed divestiture of CHNU-TV Fraser Valley and CIIT-TV Winnipeg, the Commission is satisfied that the proposed acquisition of the Citytv stations in Vancouver and Winnipeg is consistent with the Common Ownership Policy.
18. In order to monitor the sale of CHNU-TV and CIIT-TV, the Commission directs the applicant to file, every 90 days, a detailed progress report regarding the steps taken in relation to the sale of the stations.

### **What effect would there be on local and regional programming?**

19. Section 3(1)(i)(ii) of the *Broadcasting Act* (the Act) states that the programming provided by the Canadian broadcasting system should be "drawn from local, regional, national and international sources."
20. Section 3(1)(i)(iv) of the Act also states that the programming provided by the Canadian broadcasting system should "provide a reasonable opportunity for the public to be exposed to the expression of differing views on matters of public concern."

21. Several interveners commented on Citytv's history of supporting local and regional programming. Although generally supportive of Rogers Media's acquisition of Citytv, some expressed concern that without further investment in local and regional programming, Citytv's local service would not further evolve. Others commented that much of the local news offered by the Citytv stations has been significantly cut and what remains is repetitive and dated, and fails to represent local interests.
22. Rogers Media stated that, under its ownership, the identity of the Citytv stations would be defined by their "localness", urban reflection and reflection of the diversity of the communities served. Rogers Media further advanced that Citytv's extensive morning news programming adds to the diversity of voices in its markets and provides in-depth coverage that none of its competitors provide. Rogers Media made a commitment to the maintenance of the independent management of its news departments and separate presentation structures for Citytv and OMNI.
23. In light of Rogers Media's statement that it will make "localness" a defining element of the programming offered by the Citytv stations, the Commission directs the applicant, at licence renewal, to review its strategy for local news on the Citytv stations in western Canada.
24. In light of Rogers Media's commitment to the maintenance of the independent management of its news departments and the maintenance of separate presentation structures for Citytv and OMNI, the Commission expects that this commitment will apply to all of the applicant's broadcast services that provide news programming, and to report to the Commission at licence renewal how it has done so.

**Would the proposed transaction enhance programming diversity?**

25. Section 3(1)(d)(ii) of the Act states that the Canadian broadcasting system should:

encourage the development of Canadian expression by providing a wide range of programming that reflects Canadian attitudes, opinions, ideas, values and artistic creativity, by displaying Canadian talent in entertainment programming and by offering information and analysis concerning Canada and other countries from a Canadian point of view.
26. In markets containing both a Citytv and an OMNI ethnic television station, Rogers Media proposed to adhere to conditions of licence requiring that not more than 10% of programming on the two stations would be broadcast by both stations. The applicant also indicated that it would adhere to a condition of licence requiring that there be no overlap of third-language ethnic programming on the two stations in any given broadcast year.

27. With respect to priority programming, Rogers proposed to adhere to a condition of licence requiring that CITY-TV Toronto broadcast an average of eight hours of priority programming each week. The applicant also made a commitment that, during each broadcast week, all priority programming broadcast on a Citytv station would be distinct from the English-language programming broadcast between 7 p.m. and 11 p.m. on any OMNI ethnic station in the same market. In response to interventions and at the public hearing, Rogers Media also made a commitment to take a lead role in negotiating Terms of Trade agreements with independent producers.
28. The Commission is satisfied with the applicant's proposals with respect to programming diversity. It also accepts Rogers Media's commitment to take a lead role in negotiating Terms of Trade agreements. In addition, it expects the applicant to continue to ensure that on average, at least 75% of all Canadian priority programming broadcast by the applicant over the broadcast year is produced by independent production companies. For the purpose of this expectation, an independent production company is defined as a production company in which the applicant, and any company related to the applicant, owns or controls, directly or indirectly, in aggregate, less than 30% of the equity.
29. Rogers Media also requested approval of an amendment to conditions of licence that require CITY-TV Toronto and CKVU-TV Vancouver to broadcast in each broadcast year a minimum of 100 hours of Canadian long-form features. These conditions currently specify that no more than 10 hours of that total may be devoted to the broadcast of long-form documentaries. Rogers Media requested that the maximum number of hours devoted to feature-length documentaries per year be increased to 20. Interveners generally supported an increase in the broadcast of documentaries, but were concerned that this would come at the expense of the broadcast of fewer feature films.
30. The Commission is of the view that such an increase could result in a commensurate decrease in the broadcast of Canadian feature films. The Commission considers that the upcoming proceeding for the licence renewal of the Citytv stations would be a more appropriate venue in which to consider this matter, in the context of overall programming plans for the Citytv stations. The proposal is therefore **denied** at this time.

**Is the proposed value of the transaction reasonable and the value of the tangible benefits adequate?**

31. Because the Commission does not solicit competing applications for authority to transfer the ownership or control of radio, television and other programming undertakings, the onus is on the applicant to demonstrate that the benefits proposed in the application are commensurate with the size and nature of the transaction. The Commission generally expects applicants to make commitments to clear and unequivocal benefits representing a financial contribution of 10% of the value of the transaction, as accepted by the Commission for television undertakings (the 1999 Television Policy and maintained in Broadcasting Public Notice 2007-53, the 2007 Television Policy).

32. Rogers Media's purchase price for the shares amounts to \$375 million and it proposed \$37.5 million in tangible benefits. In a letter dated 28 August 2007, Rogers Media indicated that this amount did not include the value of the Vancouver (\$7.3 million) and Calgary (\$12.7 million) real estate, and agreed to include this amount in the value of the transaction. The value of the real estate being \$20 million, this increases the value of the transaction to \$395 million and the tangible benefits to \$39.5 million. Rogers Media noted that the value of the Calgary property is an estimate and stated that to the extent the final valuation differs from this amount the additional benefits will be adjusted accordingly.
33. When assessing the value of a transaction for the purpose of the tangible benefits policy, the Commission takes into account the value of assumed liabilities and commitments. In determining the value of the current transaction, Rogers Media did not include the assumed operating lease commitments associated with the Citytv stations. As operating leases represent an alternative form of financing assets used in operations and, as they are assumed commitments, the Commission is of the view that their value should be included in the determination of the value of the transaction. The Commission has therefore determined that the revised value of the transaction should include the value of the operating leases associated with the Citytv stations that would be disclosed in the notes to the financial statements in accordance with the Canadian Institute of Chartered Accountants disclosure requirements and attested to by the company's auditors. Subject to any adjustment then to the value of the transaction associated with the value of the Calgary property as set out in the preceding paragraph, the revised value of the transaction will amount to \$395 million, plus the value of the assumed operating lease commitments, with the tangible benefits adjusted accordingly.

### **Is the proposed allocation of the tangible benefits acceptable?**

34. In the 1999 Television Policy, the Commission stated that it will generally expect applicants to make clear and unequivocal commitments to provide tangible benefits representing 10% of the value of the transaction, as accepted by the Commission. The Commission expects such benefits to be directed to the communities served and to the broadcasting system as a whole. Rogers Media proposed a self-administered benefits package in which approximately 92% of the tangible benefits of the proposed transaction would go to programming initiatives, and the remainder would be directed to industry initiatives. Rogers Media made a commitment that it would not charge administration fees for any of the self-administered funds.
35. Under the applicant's proposal, the majority of tangible benefits would be directed to the development, production and promotion of new priority programming, i.e., Canadian programs from under-represented categories as defined in the 1999 Television Policy, i.e., drama, long-form documentary, and music and dance. The applicant also made a commitment to ensure that all production associated with its benefits package would be incremental, i.e., over and above the current level of expenditures on Canadian programming made by Citytv television operations.

36. Rogers Media proposed the following minimum annual tangible benefit payments:
- *Allan Waters Canadian Content Initiative* – \$3.5 million
  - *Script and Concept Development* – \$240,000
  - *Industry Initiatives* – \$428,500
  - *Documentary Script and Concept Development* – \$120,000
37. The Commission notes that Rogers Media originally proposed to allocate \$37.5 million to benefit funds, but increased that amount by \$2 million, based on the value of the Vancouver and Calgary television stations. Rogers stated that, of the additional \$2 million, \$1 million would be allocated to *Documentary Script and Concept Development*, and the remainder (including any change resulting from the final valuation of the Calgary television station) would be added to the *Allan Waters Canadian Content Initiative*. It is also noted that, given the Commission’s determination at paragraph 33 above, the revised value of the tangible benefits is to include any amounts associated with the value of the operating lease commitments associated with the Citytv stations. Therefore, the Commission directs the applicant to advise how the additional contributions will be allocated to eligible benefits initiatives. These expenditures are incremental to existing requirements, including all outstanding spending obligations associated with previous ownership transactions. A complete description of the incremental benefits package is set out in Appendix 2 to this decision.
38. In its intervention, ACTRA National submitted that 65% of the *Allan Waters Canadian Content Initiative* and of script and concept development monies should be allocated to the production of 10-point Canadian drama. In response to interventions, Rogers proposed that 100% of the programming benefits package would be allocated to priority programming, with a minimum of 85% dedicated to independent production and 65% to drama. The applicant further confirmed that a maximum of 10% of the *Allan Waters Canadian Content Initiative* would be made available for programs in niche service areas, such as multicultural or Aboriginal programming, and 10% of this initiative would be made available to help producers promote priority programs using new media. To determine incrementality, the applicant proposed a baseline of \$4.1 million, since that was the highest level of programming spending that had been attained by CHUM after it acquired Craig Media Inc. (Craig), the previous owner of a number of the Citytv television stations (see Broadcasting Decision 2004-502). Rogers Media further committed to filing annual benefit reports for all contributions.
39. The Commission is satisfied with the package of tangible benefits offered with respect to this transaction, and with the programming baseline of \$4.1 million for priority programming. Consistent with Rogers Media’s commitment, it directs the applicant to file, in each of the next seven years, a detailed audited report concurrent with the filing of

the annual return for Rogers Media Inc. The report must set out the incremental spending on programming benefits as compared to the actual expenditures on the base level amount of eight hours per week of priority programming. The benefits package is set out in Appendix 2 to this decision.

40. Regarding ACTRA National's proposal for the funding of 10-point Canadian drama, the Commission expects that at the time of the renewal of the individual television station licences, Rogers Media will address this issue and indicate to what extent it can meet this proposal.

#### **Outstanding benefits**

41. In the current application, Rogers Media indicated that approximately \$20 million in tangible benefits remained outstanding from the transactions approved in Decision 2001-647 and Broadcasting Decision 2004-502. Various interveners requested that the applicant accelerate benefit payments, and that Rogers Media indicate how it would fulfill the outstanding CHUM/Craig benefit expenditures by 2011. Rogers Media indicated its intention to make the following annual minimum payments for the four years remaining in the CHUM/Craig benefits period, and completing all benefit payments by August 2011:
  - Production funding – \$2,500,000
  - Social benefits and talent development – \$438,200
42. Rogers Media also proposed to re-direct some of the \$4.2 million originally allocated to establish news bureaux in Red Deer and Lethbridge, to support new and incremental local programming initiatives in other parts of western Canada, although the amounts to be redirected and the initiatives to receive such funding have not yet been determined. Once determined, Rogers Media will seek Commission approval.
43. The Commission notes the applicant's proposals with respect to tangible benefits set out above, and considers the benefits offered to be acceptable.
44. With respect to the outstanding benefits flowing from the CHUM/Craig transaction discussed above, the Commission is satisfied with the applicant's proposed minimum annual contributions and payment schedule as supplied to the Commission on 13 September 2007. Regarding the redirection of funds from the news bureaux, the Commission will consider this proposal in the context of the Citytv stations' next licence renewal. The Commission also notes the applicant's commitment to filing annual tangible benefit reports for all contributions, and expects the applicant to clearly identify its annual contributions for any outstanding benefits.

## Commission's determination

45. Based on all of the above, the Commission **approves** the application by Rogers Media Inc., on behalf of 1708487 Ontario Inc., 1738700 Ontario Inc., and CHUM Television Vancouver Inc., for authority to transfer the effective control of 1708487 Ontario, 1738700 Ontario and CHUM Vancouver, from the Trustee, Mr. John D. McKellar, C.M., Q.C. to Rogers Media, subject to the **conditions of approval** set out in Appendix 1 to this decision.

Secretary General

## Related documents

- *CKAL-TV Calgary, CKEM-TV Edmonton, and CHMI-TV Portage La Prairie/Winnipeg – Acquisition of assets*, Broadcasting Decision CRTC 2007-345, 30 August 2007
- *Determinations regarding certain aspects of the regulatory framework for over-the-air television*, Broadcasting Public Notice CRTC 2007-53, 17 May 2007
- *Transfer of effective control of CHUM Limited to CTVglobemedia Inc.*, Broadcasting Decision CRTC 2007-165, 8 June 2007
- *Transfer of effective control of Craig Media Inc. to CHUM Limited; and Acquisition of assets – reorganization of Toronto One*, Broadcasting Decision CRTC 2004-502, 19 November 2004
- *New multicultural ethnic television station to serve Toronto*, Broadcasting Decision CRTC 2002-82, 8 April 2002
- *Transfer of control of CKVU-TV Vancouver*, Decision CRTC 2001-647, 15 October 2001
- *Building on success – A policy framework for Canadian television*, Public Notice CRTC 1999-97, 11 June 1999

*This decision is to be appended to each licence. It is available in alternative format upon request and may also be examined in PDF format or in HTML at the following Internet site: <http://www.crtc.gc.ca>*

## Appendix 1 to Broadcasting Decision CRTC 2007-360

### Conditions of approval

Rogers Media Inc. shall, within 30 days of the date of this decision, submit a revised benefits package acceptable to the Commission, related to television undertakings, that reflects the value of the transaction, as determined by the Commission in this decision.

Rogers Media Inc. shall, within 30 days of the date of this decision, apply for conditions of licence for the relevant undertakings, to the following effects:

1. In any market containing both an OMNI and a Citytv television undertaking, no more than 10% of all programming broadcast during each broadcast week shall be broadcast on both the OMNI and the Citytv television station.
2. In any market containing both an OMNI and a Citytv television undertaking, no third-language ethnic programming shall be broadcast on both the OMNI and the Citytv television station.
3. The licensee shall broadcast, at a minimum, in each broadcast year, an average of eight hours per week of Canadian programs in the priority program categories between 7:00 p.m. and 11:00 p.m. This programming shall be distinct from the English-language programming broadcast on the OMNI ethnic television stations in a given market.

For the purpose of fulfilling the above-noted condition, the licensee may claim the dramatic programming credit announced in *Definitions for new types of priority programs; revisions to the definitions of television content categories; definitions of Canadian dramatic programs that will qualify for time credits towards priority programming requirements*, Public Notice CRTC 1999-205, 23 December 1999, as may be amended from time to time.

For the purpose of this condition of licence, the priority program categories shall be as specified in that public notice, namely: Canadian drama programs; Canadian music and dance and variety programs; Canadian long-form documentaries; Canadian regionally-produced programs in all categories other than News and information and Sports; Canadian entertainment magazine programs.

4. The licensee shall complete by 31 August 2011 all outstanding benefits from *Transfer of control of CKVU-TV Vancouver*, Decision CRTC 2001-647, 15 October 2001 and *Transfer of effective control of Craig Media Inc. to CHUM Limited; and Acquisition of assets – reorganization of Toronto One*, Broadcasting Decision CRTC 2004-502, 19 November 2004. The licensee shall make minimum payments of \$2.5 million allocated to production funding, and \$438,200 in social benefits and talent development, in annual contributions.

5. The licensee shall make the following annual minimum payments, with respect to the tangible benefits of this transaction:
  - (a) *Allan Waters Canadian Content Initiative* – \$3.5 million
  - (b) *Script and Concept Development* – \$240,000
  - (c) *Industry Initiatives* – \$428,500
  - (d) *Documentary Script and Concept Development* – \$120,000
6. The licensee shall allocate 100% of the *Allan Waters Canadian Content Initiative* and of the script and concept development monies to priority programming.
7. The licensee shall allocate a minimum of 85% of all programming and development benefits flowing from the *Allan Waters Canadian Content Initiative* to independent production.
8. The licensee shall allocate a minimum of 65% of the *Allan Waters Canadian Content Initiative* and of the script and concept development monies to drama programming.
9. The licensee shall file a detailed audited report, concurrent with its filing of the annual return, setting out the incremental spending on programming benefits as compared to the actual expenditures on the base level amount of eight hours per week of priority programming.

## **Expectations**

1. The Commission expects the licensee to maintain independent management of news departments, and to maintain separate presentation structures for all broadcast services that provide news programming.
2. The Commission expects the licensee to file an executed copy of the Transfer Agreements and Transitional Services Agreements referred to in the Purchase Agreement dated 27 August 2007, within 30 days following the date of closing of the transaction.
3. The Commission expects the licensee to take a lead role in negotiating Terms of Trade agreements with independent producers.
4. The Commission expects the licensee to file, every 90 days, a detailed progress report regarding the steps taken in relation to the sale of CHNU-TV Fraser Valley and CIIT-TV Winnipeg.

5. The Commission expects the licensee at licence renewal to:

- Better document its request to raise from 10 to 20 the number of hours that may be devoted to long form documentaries out of the minimum 100 hours of Canadian long-form features required by its condition of licence for CITY-TV Toronto and CKVU-TV Vancouver.
- Address ACTRA National's proposal for the funding of 10-point Canadian drama and indicate to what extent it can meet this proposal.
- To demonstrate in concrete fashion how the Citytv stations will meet the "localness" objective, and particularly to review its strategy for local news on the Citytv stations in western Canada.

## Appendix 2 to Broadcasting Decision CRTC 2007-360

### Summary table of tangible benefits\*

Rogers Media Inc. proposed that:

- 100% of the on-screen benefits package would be allocated to priority programming,
- a minimum of 85% would be dedicated to independent production, and
- 65% would be dedicated to drama programming.

#### Tangible Benefits Programming (timeframe: 7 years)

Initiative	Expenditures	Description
<i>Allan Waters Canadian Content Initiative</i>	\$33.5 million	To stimulate the production of high-quality Canadian programming.
<i>Script and Concept Development</i>	\$2 million	To provide resources for the research and preparation of treatments, outlines, ideas and scripts for Canadian program projects.
<i>Documentary Script and Concept Development</i>	\$1 million	To assist groups in their efforts to develop documentaries.

#### Tangible Benefits Industry Initiatives (timeframe: 7 years)

Rogers Media Inc. proposed that a total of \$3 million be allocated to industry initiatives, specifically, social benefits and talent development. The funds will be distributed in the following manner:

Initiative	Expenditures	Description
Canadian Film Centre: Funding for CFC Features Initiative	\$1 million	To advance training in film, television and new media.
Vancouver International Film Centre: Sponsorship of Canadian Film Screenings	\$500,000	To support and promote the screenings of all Canadian films at the Centre.

Vancouver International Film Festival: Sponsorship of Vancouver Film and Television Forum	\$200,000	To support, educate, and develop the local film and television industry.
Hot Docs Canadian International Documentary Festival: Sponsorship of Doc Soup Screening Series	\$500,000	To establish monthly screenings and interactive filmmaker discussions in Vancouver, Calgary, Edmonton and Winnipeg.
National Screen Institute: Funding for NSI Initiatives	\$250,000	To train emerging and mid-career writers, directors and independent producers working in Canadian film, television and interactive media sectors.
Banff World Television Festival: Sponsorship of Citytv Digital Media Plenary	\$250,000	To showcase the current state of technology and digital media, and their impact on social media and local communities, to inspire leaders in the field of digital media and social networking from Canada and abroad.
Canadian Women in Communications: Sponsorship of C-Suite Professional Development Workshops	\$300,000	To build on management skills and experience to develop executive competencies within the context of the converged communications industry.

\*The Commission has determined that the revised value of the tangible benefits is to include any amounts associated with the value of the operating lease commitments associated with the Citytv stations, and has directed Rogers Media Inc. to advise how any additional contributions will be allocated to eligible benefits initiatives.