



## Broadcasting Decision CRTC 2013-6

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Route reference: 2012-370

Ottawa, 9 January 2013

**Novus Entertainment Inc.**  
Metro Vancouver, British Columbia

*Application 2012-0528-7, received 27 April 2012*  
*Public hearing in Montréal, Quebec*  
*10 September 2012*

### Video-on-demand service

*The Commission **approves** an application for a broadcasting licence to operate a regional video-on-demand service.*

#### The application

1. Novus Entertainment Inc. (Novus) filed an application for a broadcasting licence to operate a regional video-on-demand (VOD) programming undertaking to serve Metro Vancouver, British Columbia. The Commission did not receive any interventions in connection with this application.
2. Novus is controlled by Terrence C. Hui.
3. The applicant indicated that the new VOD service would consist primarily of feature films, but would also include other types of programs, such as television series, documentaries, children's programs, animation, music, sports, adult programming and community programming.
4. Novus confirmed that it would make its VOD program offering available to customers in both official languages. While the programming would be predominantly in English, the applicant made a commitment to offer approximately 5% of all programming in French. In addition, the applicant indicated that approximately 5% of the service's programming would be in either Mandarin or Cantonese.
5. In its application, Novus indicated that it would abide by the standard requirements for VOD services, set out in the appendix to Broadcasting Regulatory Policy 2011-59-1, and proposed to abide by an additional condition of licence requiring it to allocate exclusively to the production of community programming all revenues generated by a subscriber fee for the distribution of community programming offered on the service. The Commission notes that a condition of licence to this effect was

imposed on Videotron Ltd. in the context of its application to amend the broadcasting licence for its VOD service known as Illico télé (formerly known as Illico sur demande; see Broadcasting Decision 2008-121), as well as on Access Communications for its VOD service approved in Broadcasting Decision 2008-342. In both cases, the condition of licence allowed the services to charge a fee to subscribers for community programming that contained commercial messages.

6. The Commission notes that the standard requirements for VOD services do not include a restriction in regard to the administration of subscriber fees for community programming, such as that proposed by Novus. In this regard, the Commission further notes that those standard requirements provide a greater level of flexibility than would be permitted by the requested condition of licence. Accordingly, the Commission does not consider that it would be appropriate to impose on Novus the proposed condition of licence.
7. Finally, as noted above, Novus indicated that it would provide adult programming on its proposed service. As set out in the appendix to Broadcasting Regulatory Policy 2011-59-1, the Commission expects licensees of VOD services that broadcast adult programming to provide their proposed internal policy on adult programming at least one month prior to the implementation of the service. The Commission notes that Novus has submitted its internal policy on adult programming and that this policy satisfies the Commission's requirements in this regard.

### **Commission's analysis and decisions**

8. The Commission is satisfied that the application complies with the licensing framework for VOD services set out in Broadcasting Regulatory Policy 2010-190 and with all applicable requirements set out in Broadcasting Regulatory Policy 2011-59-1. Accordingly, the Commission **approves** the application by Novus Entertainment Inc. for a broadcasting licence to operate a regional video-on-demand programming undertaking to serve Metro Vancouver, British Columbia. The licence will expire 31 August 2017. The licensee shall adhere to the **conditions of licence** set out in Broadcasting Regulatory Policy 2011-59-1. The standard expectations and encouragement applicable to this licensee are also set out in that regulatory policy.
9. The licence for this undertaking will be issued once the applicant has informed the Commission in writing that it is prepared to commence operations. The undertaking must be operational at the earliest possible date and in any event no later than 24 months from the date of this decision, unless a request for an extension of time is approved by the Commission before **9 January 2015**. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before this date.

Secretary General

## Related documents

- *Standard requirements for video-on-demand undertakings – Provision of an outlet for local expression, measures to control the loudness of commercial messages and annual filing of aggregate statistical data*, Broadcasting Regulatory Policy CRTC 2011-59-1, 8 May 2012
- *Regulatory framework for video-on-demand undertakings*, Broadcasting Regulatory Policy CRTC 2010-190, 29 March 2010
- *Video-on-demand service*, Broadcasting Decision CRTC 2008-342, 5 December 2008
- *Illico sur demande – Licence amendment*, Broadcasting Decision CRTC 2008-121, 6 June 2008

*\*This decision is to be appended to the licence.*