



Broadcasting Decision CRTC 2017-263

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Reference: Part 1 application posted on 6 March 2017

Ottawa, 25 July 2017

Corus Entertainment Inc.
Across Canada

Application 2017-0140-0

TELETOON/TÉLÉTOON, TELETOON Retro, TÉLÉTOON Rétro, Cartoon Network, Historia and Séries+ – Reallocation of tangible benefits

*The Commission **approves** an application by Corus Entertainment Inc. to reallocate from Companies Committed to Kids to MediaSmarts the tangible benefits stemming from the change in the ownership and effective control of TELETOON/TÉLÉTOON, TELETOON Retro, TÉLÉTOON Rétro, Cartoon Network, Historia and Séries+.*

Background

1. In Broadcasting Decision 2013-737, the Commission approved an application by 8324441 Canada Inc. (8324441 Canada), a subsidiary of Corus Entertainment Inc. (Corus), on behalf of TELETOON Canada Inc. (TELETOON Canada), for authority to effect a change in TELETOON Canada's ownership to 8324441 Canada so that control of the services TELETOON/TÉLÉTOON, TELETOON Retro, TÉLÉTOON Rétro and Cartoon Network would be exercised by Corus.
2. In Broadcasting Decision 2013-738, the Commission approved, subject to certain modifications and conditions, applications by Corus, on its behalf and on behalf of 8504644 Canada Inc. and 8504652 Canada Inc., for authority to acquire from Shaw Media Inc. and 8504610 Canada Inc., partners in a general partnership carrying on business as Historia & Séries+ s.e.n.c., the assets of the services Historia and Séries+ and to change their effective control so that it would be exercised by Corus.
3. As part of those decisions, Corus was required by condition of licence to direct a total of \$375,000 (\$200,000 in the case of the TELETOON/TÉLÉTOON, TELETOON Retro, TÉLÉTOON Rétro and Cartoon Network decision and \$175,000 in the case of the Historia and Séries+ decision) to Concerned Children's Advertisers, which became known as Companies Committed to Kids (CCK).

Application

4. Corus has requested amendments to the conditions of licence relating to tangible benefits packages set out in Broadcasting Decisions 2013-737 (Appendix 1) and 2013-738 (Appendix 4) that would allow it to reallocate the benefits that had been approved for CCK to MediaSmarts, a Canadian not-for-profit charitable organization that develops digital and media literacy programs and resources for Canadian homes, schools and communities. The mandate of this organisation is to ensure that children and youth have the fundamental skills to appropriately interact with media and digital technologies. This reallocation would start at the beginning of the 2017 fiscal year and run until the end of the licence term in 2020. The Commission did not receive any interventions regarding this application.
5. Corus indicated that in December 2016 CCK announced its decision to wind down its operations by February 2017 and that the CCK Board of Directors recently voted to donate its remaining funds to MediaSmarts. Corus noted that the Commission listed MediaSmarts as an eligible discretionary initiative in Broadcasting Regulatory Policy 2014-459 and that there is considerable overlap between the mandates of CCK and MediaSmarts. It further noted that the Commission has already approved at least one tangible benefits package that included funding for MediaSmarts (see Broadcasting Decision 2013-310).

Commission's analysis and decision

6. In Broadcasting Regulatory Policy 2014-459, which sets out the Commission's approach to tangible benefits, the Commission set out a list of eligible discretionary initiatives as a guideline to applicants for ownership transactions involving television broadcasting undertakings. MediaSmarts is one of those eligible initiatives. In light of this and in light of the reasons provided by Corus in support of its request, the Commission **approves** the application by Corus Entertainment Inc. to reallocate from Companies Committed to Kids to MediaSmarts the tangible benefits funding approved in Broadcasting Decisions 2013-737 and 2013-738.

Secretary General

Related documents

- *Simplified approach to tangible benefits and determining the value of the transaction*, Broadcasting Regulatory Policy CRTC 2014-459, 5 September 2014
- *Historia and Séries+ – Acquisition of assets and changes in effective control*, Broadcasting Decision CRTC 2013-738, 20 December 2013
- *TELETOON/TÉLÉTOON, TELETOON Retro, TÉLÉTOON Rétro and Cartoon Network – Change of effective control; TELETOON/TÉLÉTOON, TELETOON Retro and TÉLÉTOON Rétro – Licence renewal and amendment*, Broadcasting Decision CRTC 2013-737, 20 December 2013

- *Astral broadcasting undertakings – Change of effective control*, Broadcasting Decision CRTC 2013-310, 27 June 2013

This decision is to be appended to each licence.