



## Broadcasting Information Bulletin CRTC 2008-8-2

PDF version

Additional references: 2008-8 and 2008-8-1

Ottawa, 6 December 2013

### **A guide to the CRTC application process for changes in effective control and certain transfers of shares of broadcasting undertakings as well as for the acquisition of assets of broadcasting undertakings – Change in the manner of issuing related information bulletins**

*As part of its application process for changes in effective control and certain transfers of shares of broadcasting undertakings as well as for the acquisition of assets of broadcasting undertakings, the Commission uses a streamlined approach when an ownership application filed by an applicant meets the criteria set out in paragraph 14 of this bulletin. Because such applications do not require a public process, the Commission's practice has been to issue an information bulletin every two months providing a summary of the applications considered and the Commission's determinations.*

*For timeliness and efficiency, the Commission will now publish this information on its website, as the information becomes available. This new practice replaces the issuance of an information bulletin every two months and will also apply to other broadcasting applications using the administrative process. Broadcasting Information Bulletin 2010-960-1, also issued today, reflects this change.*

#### **Introduction**

1. There are a number of processes available to the Commission to deal with applications for changes in effective control or certain transfers of shares of broadcasting undertakings and for applications resulting in an acquisition of assets.
2. In making determinations on the best processing route for any application, the Commission's objective is to ensure fairness and transparency at all times while dealing with applications in the most efficient and timely manner.
3. The Commission places particular emphasis on changes in the effective control of broadcasting undertakings and, as such, has the discretion to decide for any application the route that will best serve the public interest.

#### **Processing guidelines for applications**

4. In the following sections, the Commission sets out the criteria for processing applications for changes in effective control or certain transfers of shares and for applications resulting in an acquisition of assets.

## A. Changes in effective control or certain share transfers

5. The processing routes for applications for changes in effective control or certain transfers of shares of broadcasting undertakings (share transfer applications) are:
  - the administrative route;
  - notice of consultation (notice of applications received); and
  - notice of consultation (notice of hearing).
6. These processes apply to transactions that are described in section 11(4) of the *Radio Regulations, 1986*; section 14(4) of the *Television Broadcasting Regulations, 1987*; section 10(4) of the *Specialty Services Regulations, 1990*; section 6(4) of the *Pay Television Regulations, 1990* and section 4(4) of the *Broadcasting Distribution Regulations*.
7. Applications processed through a notice of consultation, either as a notice of applications received or as a notice of hearing, are subject to the *Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure* (the Rules of Procedure). Applications processed through the administrative route are subject to the Rules of Procedure only with respect to the designation of information as confidential.
8. Applicants should use the Commission's most recent application forms to file an application. The list of application forms is appended to Broadcasting and Telecom Information Bulletin 2010-453-1, as amended from time to time. In the absence of an application form, applicants should submit a letter that includes all the relevant information set out in section 22(2) of the Rules of Procedure.
9. Broadcasting and Telecom Information Bulletin 2010-453-1 also reiterates the requirement to file applications and related documents in electronic form using [Forms and My CRTC Account](#) (GCKey and Partner LogIn).
10. The procedures for filing confidential information are set out in sections 30 to 34 of the Rules of Procedure and in Broadcasting Information Bulletin 2010-961, and became effective on 1 April 2011.
11. The Commission considers that information on applications that do not require a public process should be published in a timely manner. Summaries of applications and decisions currently appear in an information bulletin published every two months. As of **6 December 2013**, this information will be posted, as it becomes available, on the Commission's website on the [Broadcasting Applications Report](#) page, accessible from the [Broadcasting section](#) of the website, and the [All Public Proceedings Open for Comment](#) page. The report provides a link to the application and related documents, excluding any information designated as confidential.
12. This new practice will also apply to other broadcasting applications processed by the streamlined administrative approach set out in Broadcasting Information Bulletin 2010-960-1, also published today.

13. As a general rule, the Commission undertakes to process share transfer applications as set out below.

***Administrative route***

14. Share transfer applications are reviewed using the administrative route where:

a. the application meets one of the following criteria:

- it involves an intra-corporate reorganization;
- effective control of the licence is passed between family members or to a family estate;
- effective control is subject to a temporary trust arrangement; or
- there is no change in effective control.

OR

b. the application falls below one of the following quantitative thresholds:

- **Radio:** the value of the transaction, as determined by the Commission, is less than \$15 million per station;
- **Broadcasting distribution undertakings:** the change in control involves a single system or a group of systems serving fewer than 100,000 subscribers in total;
- **Conventional television stations:** the value of the transaction, as determined by the Commission, is less than \$30 million per station; or
- **Discretionary television services:** the value of the transaction, as determined by the Commission, is less than \$15 million per service.

AND

c. the application does not raise any concerns with respect to Commission policies or regulations, including conditions of licence.

15. If the application filed by an applicant meets the criteria set out in this section, it is examined by the Commission using the administrative approach.

***Notice of consultation (notice of applications received)***

16. Share transfer applications are reviewed using a notice of consultation (notice of applications received) where the application:

- a. does not meet the requirements to be reviewed using the administrative route; or
- b. involves a transaction the importance of which is such that, in the Commission's opinion, it warrants the issuance of a notice of consultation (notice of applications received).

### **Notice of consultation (notice of hearing)**

17. Share transfer applications are reviewed using a notice of consultation (notice of hearing) where the application:
  - a. has been dealt with via notice of consultation (notice of applications received) and generates interventions that raise substantive concerns as determined by the Commission and which warrant further discussion at a public hearing; or
  - b. involves a transaction the importance of which is such that, in the Commission's opinion, it warrants further discussion at a public hearing.

### **B. Acquisition of assets**

18. A transaction resulting in an acquisition of assets requires the issuance of a new broadcasting licence. Section 18 of the *Broadcasting Act* requires that such an application be considered at a public hearing. Therefore, these applications are processed by way of notice of consultation (notice of hearing) pursuant to the Rules of Procedure.
19. Applications for acquisition of assets are generally reviewed as non-appearing items where:
  - a. the application would be reviewed using the administrative route if it were a share transfer; or
  - b. no interventions are received or, if received, do not, in the Commission's opinion, warrant further discussion at an oral public hearing.
20. However, consistent with its approach for share transfer applications, the Commission may determine that such an application be scheduled as an appearing item if the importance of the transaction so warrants.

### **Conclusion**

21. The routes set out above are designed to ensure that the Commission's processes are conducted with fairness, transparency, predictability and timeliness.

Secretary General

### **Related documents**

- *Procedures for filing confidential information and requesting its disclosure in Commission proceedings*, Broadcasting and Telecom Information Bulletin CRTC 2010-961, 23 December 2010
- *Broadcasting applications that do not require a public process*, Broadcasting Information Bulletin CRTC 2010-960, 23 December 2010, as amended by Broadcasting Information Bulletin CRTC 2010-960-1, 6 December 2013
- *Implementation of new Rules of Practice and Procedure*, Broadcasting and Telecom Regulatory Policy CRTC 2010-958, 23 December 2010

- *Obligation relating to the electronic filing of applications and the use of Commission forms*, Broadcasting and Telecom Information Bulletin CRTC 2010-453-1, 23 December 2010
- *Naming and numbering of official CRTC documents*, Broadcasting and Telecom Information Bulletin CRTC 2009-1, 8 January 2009
- *A guide to the CRTC application process for changes in effective control and certain transfers of shares of broadcasting undertakings as well as for the acquisition of assets of broadcasting undertakings* – Broadcasting Circular CRTC 2008-8, 21 November 2008, as amended by Broadcasting Information Bulletin CRTC 2008-8-1, 23 December 2010