



## Broadcasting Public Notice CRTC 2008-103

Ottawa, 30 October 2008

### Notice of consultation

#### **Proposed conditions of licence for competitive Canadian specialty services operating in the genres of mainstream sports and mainstream national news**

*The Commission invites written comments on proposed conditions of licence relating to nature of service, Canadian programming exhibition and Canadian programming expenditures for specialty services in the competitive genres of mainstream sports and mainstream national news, consistent with the new framework announced in Regulatory frameworks for broadcasting distribution undertakings and discretionary programming services, Broadcasting Public Notice CRTC 2008-100, issued today. The deadline for filing written comments is **1 December 2008**.*

#### **Introduction**

1. In *Regulatory frameworks for broadcasting distribution undertakings and discretionary programming services*, Broadcasting Public Notice CRTC 2008-100, also issued today, the Commission announced, among other matters, its intention to open up the genres of mainstream sports and national news to competition among licensed Canadian specialty services<sup>1</sup>.
2. In that notice, the Commission specified that these services would be subject to the following:
  - a standard nature of service definition;
  - common Canadian programming exhibition and spending obligations, based on the obligations of the existing licensees;
  - no Commission-approved wholesale fee;
  - no access rights; and
  - continued genre protection from non-Canadian services and from Category B services, as defined in Broadcasting Public Notice 2008-100.

#### **Proposed conditions of licence**

3. In Appendices 1 and 2 of this notice, the Commission has set out proposed nature of service definitions for Canadian mainstream sports and national news specialty services, along with proposed conditions of licence governing their exhibition of and spending on Canadian programming. The Commission notes that the proposed nature of service

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<sup>1</sup> The existing mainstream sports and national news specialty services are: The Sports Network, Sportsnet, Le Réseau des sports, CBC Newsworld, Newsnet, Le Réseau de l'information and Le Canal Nouvelles.

definitions have been drafted in accordance with its new approach to nature of service definitions for Category A specialty and pay services, as set out in Broadcasting Public Notice 2008-100, as well as with the conditions of licence of the existing licensees.

4. Following the consultation undertaken in this notice, the Commission will publish final conditions of licence that will apply to all competitive Canadian mainstream sports and national news specialty services. New entrants may then apply for services in the genres of mainstream sports and mainstream national news. Similarly, existing licensees of mainstream sports and national news specialty services will be invited to apply to amend their conditions of licence to reflect these new conditions.
5. The Commission also intends to include standard conditions respecting advertising, closed captioning, described video<sup>2</sup> and industry codes in the conditions of licence of these services. A list of these standard conditions is set out in Appendix 3 of this notice.

### **Call for comments**

6. The Commission invites written comments on the proposed conditions of licence set out in the appendices to this notice. The Commission will accept comments that it receives on or before **1 December 2008**.
7. The Commission will not formally acknowledge comments. It will, however, fully consider all comments and they will form part of the public record of the proceeding, provided that the procedures for filing set out below have been followed.

### **Procedures for filing comments**

8. Interested parties can file their comments to the Secretary General of the Commission:
  - **by using the**  
[Broadcasting Intervention/Comments Form](#)

OR

  - **by mail to**  
CRTC, Ottawa, Ontario K1A 0N2

OR

  - **by fax at**  
819-994-0218

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<sup>2</sup> The Commission notes that there are currently no standard conditions relating to described video. However, the Commission plans to examine this question in the context of the proceeding on issues related to the accessibility of telecommunications and broadcasting services to person with disabilities (Broadcasting Notice of Public Hearing and Telecom Public Notice 2008-8). Accordingly, in the interim, the Commission will consider adding conditions of licence relating to described video where appropriate.

9. Submissions longer than five pages should include a summary.
10. Please number each paragraph of your submission. In addition, please enter the line \*\*\*End of document\*\*\* following the last paragraph. This will help the Commission verify that the document has not been damaged during transmission.

**Important notice**

11. Note that all information that you provide as part of this public process, except information granted confidentiality, whether sent by postal mail, facsimile, e-mail or through the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca), becomes part of a publicly accessible file and will be posted on the Commission's website. This information includes your personal information, such as your full name, e-mail address, postal/street address, telephone and facsimile number(s), and any other personal information you provide.
12. The personal information you provide will be used and may be disclosed for the purpose for which the information was obtained or compiled by the Commission, or for a use consistent with that purpose.
13. Documents received electronically or otherwise will be put on the Commission's website in their entirety exactly as you send them, including any personal information contained therein, in the official language and format in which they are received. Documents not received electronically will be available in PDF format.
14. Please note that the information you provide to the Commission as part of this public process is entered into an unsearchable database dedicated to this specific public process. This database is accessible only from the webpage of this particular public process. As a result, a general search of our website with the help of either our own search engine or a third-party search engine will not provide access to the information which was provided as part of this public process.
15. The Commission encourages interested parties to monitor the public examination file and the Commission's website for additional information that they may find useful when preparing their comments.

**Examination of public comments and related documents at the following Commission offices during normal business hours**

Toll-free telephone: 1-877-249-2782

Toll-free TDD: 1-877-909-2782

Central Building  
Les Terrasses de la Chaudière  
1 Promenade du Portage, Room 206  
Gatineau, Quebec K1A 0N2  
Tel.: 819-997-2429  
Fax: 819-994-0218

Metropolitan Place  
99 Wyse Road  
Suite 1410  
Dartmouth, Nova Scotia B3A 4S5  
Tel.: 902-426-7997  
Fax: 902-426-2721

205 Viger Avenue West  
Suite 504  
Montréal, Quebec H2Z 1G2  
Tel.: 514-283-6607

55 St. Clair Avenue East  
Suite 624  
Toronto, Ontario M4T 1M2  
Tel.: 416-952-9096

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Winnipeg, Manitoba R3B 2B3  
Tel.: 204-983-6306  
TDD: 204-983-8274  
Fax: 204-983-6317

Cornwall Professional Building  
2125 - 11<sup>th</sup> Avenue  
Room 103  
Regina, Saskatchewan S4P 3X3  
Tel.: 306-780-3422

10405 Jasper Avenue  
Suite 520  
Edmonton, Alberta T5J 3N4  
Tel.: 780-495-3224

530-580 Hornby Street  
Vancouver, British Columbia V6C 3B6  
Tel.: 604-666-2111  
TDD: 604-666-0778  
Fax: 604-666-8322

Secretary General

*This document 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 Public Notice CRTC 2008-103

### Proposed conditions of licence for Canadian mainstream sports specialty services

1.
  - (a) The licensee shall provide a national, English or French-language specialty service which shall consist of programming dedicated to all aspects of sports with an emphasis on mainstream Canadian professional sports. The licensee may provide multiple feeds.
  - (b) Programming may be drawn from the program categories set out in Schedule I of the *Specialty Services Regulations, 1990*.
  - (c) The licensee shall devote no more than 10% of all programming broadcast during the broadcast month to programming from each of the following categories: 7, 7(d), 7(e), 8(b), 8(c).
2.
  - (a) During each broadcast year, the licensee shall devote not less than 50% of the broadcast day and not less than 60% of the evening broadcast period to Canadian programming.
  - (b) The levels set out in (a) above shall be met on each feed offered by the service.
3. 

In accordance with the Commission's position on Canadian programming expenditures as set out in *New Flexibility With Regard to Canadian Program Expenditures by Canadian Television Stations*, Public Notice CRTC 1992-28, 8 April 1992, in *The reporting of Canadian programming expenditures*, Public Notice CRTC 1993-93, 22 June 1993, and in *Additional clarification regarding the reporting of Canadian programming expenditures*, Public Notice CRTC 1993-174, 10 December 1993, as may be amended from time to time:

  - (a) In each broadcast year of the licence term following the first year of operation, the licensee shall expend on the acquisition of and/or investment in Canadian programs a minimum of 45% of the gross revenues derived from the operation of this service during the previous broadcast year.
  - (b) In each broadcast year of the licence term following the first year of operation, excluding the final year, the licensee may expend an amount on Canadian programs that is up to five percent (5%) less than the minimum required expenditure for that year calculated in accordance with this condition; in such a case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.

- (c) In each broadcast year of the licence term following the first year of operation, where the licensee expends an amount on Canadian programs that is greater than the minimum required expenditure for that year calculated in accordance with this condition, the licensee may deduct:
- i) from the minimum required expenditure for the following year of the licence term, an amount not exceeding the amount of the previous year's over-expenditure; and
  - ii) from the minimum required expenditure for any subsequent broadcast year of the licence term, an amount not exceeding the difference between the over-expenditure and any amount deducted under (i) above.
- (d) Notwithstanding paragraphs (b) and (c) above, during the licence term, the licensee shall expend on Canadian programs, at a minimum, the total of the minimum required expenditures calculated in accordance with this condition of licence.

For the purposes of these conditions:

“broadcast day” means a 24-hour period beginning at six o'clock in the morning, or any other period approved by the Commission;

“broadcast month” means the total number of hours devoted by the licensee to broadcasting during the aggregate of the broadcast days in a month;

“broadcast year” means the total number of hours devoted by the licensee to broadcasting during the aggregate of the broadcasting months in a 12-month period, beginning on 1 September in any year.

## Appendix 2 to Broadcasting Public Notice CRTC 2008-103

### Proposed conditions of licence for Canadian mainstream national news specialty services

1. (a) The licensee shall provide a national, English or French-language specialty service which shall consist of news and information programming. The licensee must provide updated news reports every 120 minutes.
  - (b) Programming may be drawn from the program categories set out in Schedule I of the *Specialty Services Regulations, 1990*.
  - (c) The licensee shall devote no more than 10% of all programming broadcast during the broadcast month to programming from each of the following categories: 7, 7(d), 7(e), 8(b), 8(c).
2. During each broadcast year, the licensee shall devote not less than 90% of the broadcast day to Canadian programming.
3. In accordance with the Commission's position on Canadian programming expenditures as set out in *New Flexibility With Regard to Canadian Program expenditures by Canadian Television Stations*, Public Notice CRTC 1992-28, 8 April 1992, in *The reporting of Canadian programming expenditures*, Public Notice CRTC 1993-93, 22 June 1993, and in *Additional clarification regarding the reporting of Canadian programming expenditures*, Public Notice CRTC 1993-174, 10 December 1993, as may be amended from time to time:
    - (a) In each broadcast year of the licence term following the first year of operation, the licensee shall expend on the acquisition of and/or investment in Canadian programs a minimum of 45% of the gross revenues derived from the operation of this service during the previous broadcast year.
    - (b) In each broadcast year of the licence term following the first year of operation, excluding the final year, the licensee may expend an amount on Canadian programs that is up to five percent (5%) less than the minimum required expenditure for that year calculated in accordance with this condition; in such a case, the licensee shall expend in the next broadcast year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's under-expenditure.
    - (c) In each broadcast year of the licence term following the first year of operation, where the licensee expends an amount on Canadian programs that is greater than the minimum required expenditure for that year calculated in accordance with this condition, the licensee may deduct:

- i) from the minimum required expenditure for the following year of the licence term, an amount not exceeding the amount of the previous year's over-expenditure; and
  - ii) from the minimum required expenditure for any subsequent broadcast year of the licence term, an amount not exceeding the difference between the over-expenditure and any amount deducted under (i) above.
- (d) Notwithstanding paragraphs (b) and (c) above, during the licence term, the licensee shall expend on Canadian programs, at a minimum, the total of the minimum required expenditures calculated in accordance with this condition of licence.

For the purposes of these conditions:

“broadcast day” means a 24-hour period beginning at six o'clock in the morning, or any other period approved by the Commission;

“broadcast month” means the total number of hours devoted by the licensee to broadcasting during the aggregate of the broadcast days in a month;

“broadcast year” means the total number of hours devoted by the licensee to broadcasting during the aggregate of the broadcasting months in a 12-month period, beginning on 1 September in any year.

## Appendix 3 to Broadcasting Public Notice CRTC 2008-103

### Standard conditions of licence respecting advertising, closed captioning and industry codes

1. (a) Subject to subparagraphs (b) and (c), the licensee shall not distribute more than 12 minutes of advertising material during each clock hour.
  - (b) Where a program occupies time in two or more consecutive clock hours, the licensee may exceed the maximum number of minutes of advertising material allowed in those clock hours if the average number of minutes of advertising material in the clock hours occupied by the program does not exceed the maximum number of minutes that would otherwise be allowed per clock hour.
  - (c) In addition to the 12 minutes of advertising material referred to in subparagraph (a), the licensee may broadcast partisan political advertising during an election period.
  - (d) The licensee shall not distribute any advertising material other than national paid advertising.
2. The licensee shall caption 100% of its programs over the broadcast day, consistent with the approach set out in *A new policy with respect to closed captioning*, Broadcasting Public Notice CRTC 2007-54, 17 May 2007.
3. The licensee shall adhere to the Canadian Association of Broadcasters' *Equitable Portrayal Code*, as amended from time to time and approved by the Commission. However, the application of the foregoing condition of licence will be suspended if the licensee is a member in good standing of the Canadian Broadcast Standards Council.
4. The licensee shall adhere to the Canadian Association of Broadcasters' *Broadcast Code for Advertising to Children*, as amended from time to time and approved by the Commission.
5. The licensee shall adhere to the Canadian Association of Broadcasters' *CAB Violence Code*, as amended from time to time and approved by the Commission. However, the application of the foregoing condition of licence will be suspended if the licensee is a member in good standing of the Canadian Broadcast Standards Council.

**Definitions**

For the purposes of these conditions:

“broadcast day” means a 24-hour period beginning at six o’clock in the morning, or any other period approved by the Commission;

“clock hour” shall have the same meaning as that set out in the *Television Broadcasting Regulations, 1987*.