



Broadcasting Notice of Consultation CRTC 2009-235

Ottawa, 28 April 2009

Call for comments on the public disclosure of aggregate financial data for owners of large broadcasting distribution undertakings, multi-system operators and conventional television and radio ownership groups

The Commission calls for comments on its proposal to publicly disclose aggregate financial data for owners of large broadcasting distribution undertakings, multi-system operators and conventional television and radio ownership groups. The deadline for comments is 2 June 2009.

Introduction

1. In Broadcasting Public Notice 2008-97, the Commission announced its determination to require the disclosure of aggregate financial data by owners of large broadcasting distribution undertakings (BDUs), multi-system operators (MSOs) and conventional television and radio ownership groups. The groups affected were Astral Media Inc., BCE Inc., Bragg Communications Inc., the Canadian Broadcasting Corporation/Société Radio-Canada, Canwest Media Inc., Cogeco Inc., Corus Entertainment Inc., CTVglobemedia Inc., Newcap Inc., Quebecor Media Inc., Remstar Diffusion inc., Rogers Communications Inc., Shaw Communications Inc. and their successors.
2. The Commission's determination was the result of a public process initiated by Broadcasting Public Notice 2008-6 and Broadcasting Notice of Public Hearing 2007-10 1. In Broadcasting Public Notice 2008-6, the Commission called for comments on its proposal to publicly disclose aggregate financial data for large ownership groups of conventional television and radio undertakings. In Broadcasting Notice of Public Hearing 2007-10-1, the Commission called for comments on the possible impact of disclosing aggregate financial data of large BDUs and MSOs by ownership group.
3. In arriving at its determination, the Commission reasoned that because:
 - increased consolidation has resulted in fewer but larger ownership groups controlling an increasing number of services across the Canadian broadcasting system,
 - advantages have accrued to these large ownership groups in terms of the increased vertical and horizontal integration that has resulted from this consolidation, and
 - the disclosure of the financial information of the large broadcasters will benefit the Canadian broadcasting system, as it will allow for better submissions from the public to the Commission's proceedings and ultimately better and more informed decisions,

the public interest would best be served by disclosing the annual returns of large BDUs and MSOs and of large conventional television and radio ownership groups in aggregate form by ownership group.

4. Following the issuance of Broadcasting Public Notice 2008-97, the majority of the affected ownership groups –Astral Media Inc., Bragg Communications Inc., Cogeco Inc., Corus Entertainment Inc., CTVglobemedia Inc., Quebecor Media Inc., Rogers Communications Inc. and Shaw Communications Inc. – made written submissions expressing various concerns with the process and substance of the resulting policy on the disclosure of financial information. Those concerns were strongly stated and the Commission has taken note of them.
5. Given the importance of the issues raised, the number of parties that have expressed concern, and the importance that the Commission places on providing affected parties with an opportunity to comment on policies that may apply to them, the Commission has determined that it would be in the public interest to initiate a further public process. Under this process, the Commission is proposing revised reporting and disclosure requirements that respond to industry concerns and provides all interested parties with a full opportunity to comment on the revised requirements. The Commission will place the written submissions related to Broadcasting Public Notice 2008-97 that are referred to in paragraph 4 on the public file for this proceeding.
6. The Commission’s policy objective with respect to the disclosure of financial information is to make available sufficient financial data from the large broadcast ownership groups so that the public can participate in the Commission’s public proceedings and decision-making processes in a better informed and more constructive manner. Submissions based on more complete disclosure will result in better and more informed Commission decisions and will ultimately benefit the Canadian broadcasting system. To achieve this goal, the Commission proposes to require each of the ownership groups identified in this notice to file, on behalf of the licensed broadcasting undertakings within their respective groups, the financial data in respect of those licensed broadcasting undertakings that is set out in the applicable aggregated annual return forms referred to in paragraphs 7 and 8 below which are as follows¹:
 - Aggregated 2008 Broadcasting Distribution Undertaking (BDU) Annual Return Form – Confidential
 - Aggregated 2008 Broadcasting Distribution Undertaking (BDU) Annual Return form – Public
 - Aggregated 2008 Radio Annual Return Form – Confidential
 - Aggregated 2008 Radio Annual Return Form – Public
 - Aggregated 2008 Television Annual Return Form – Confidential
 - Aggregated 2008 Television Annual Return Form – Public

¹ The PDF versions of these forms can be accessed through links in the electronic versions of this document, which are available on the Commission’s website.

7. Specifically, the Commission proposes to require each ownership group identified in this notice to file two completed copies of the applicable aggregated annual return form, in the manner described below:
 - i) one copy, in which all of the applicable information set out in the form is provided (the Confidential version), and
 - ii) an abridged copy, in which all of the applicable information set out in the Confidential version of the form, but *excluding* the information in the “shaded” cells, is provided (the Public version).
8. The Commission also proposes to require those ownership groups identified in this notice to file their aggregated annual returns, as applicable, in the manner described below:
 - i) for those groups with interests in both cable BDU and direct-to-home satellite distribution services (DTH BDUs), separate Confidential and Public group-level aggregated annual return forms for each service;
 - ii) for those groups with interests in both television and radio undertakings, separate Confidential and Public group-level aggregate annual return forms, for each; and
 - iii) for those groups with both English- and French-language services, separate Confidential and Public group-level aggregated forms for each language.

These aggregated annual returns will be treated as confidential, while the Public versions will be placed on the public file.

Where disclosure of a group’s Public aggregated annual return would result in the disclosure of the financial results of a group of three or fewer small conventional television or radio undertakings, the Public aggregated annual return of that ownership group will be treated as confidential.

9. In the context of the Commission’s desire to achieve the policy objective set out in paragraph 6, and without limiting the scope of any of the comments, interested parties are invited to comment on what specific additional information, if any, in the proposed Public aggregated annual return forms, and in the information referred to in paragraphs 7 and 8, should be kept confidential. Where a party submits that certain information should be kept confidential, the Commission expects that party to fully address the specific harm that is likely to result from the disclosure of the information in question and how such harm is sufficient to outweigh the public interest in disclosure.
10. As is current Commission practice, the aggregated BDU, television and radio industry statistics will continue to be disclosed on a regional and national basis.

11. The ownership groups for the large BDUs and MSOs will include BCE Inc., Bragg Communications Inc., Cogeco Inc., Quebecor Media Inc., Rogers Communications Inc. and Shaw Communications Inc. The ownership groups for the large conventional television and radio undertakings will include Astral Media Inc., the Canadian Broadcasting Corporation/Société Radio-Canada, CTVglobemedia Inc., Canwest Media Inc., Cogeco Inc., Corus Entertainment Inc., Newcap Inc., Quebecor Media Inc., Remstar Diffusion inc., Rogers Communications Inc. and Shaw Communications Inc.
12. The Commission may request additional ownership groups to file aggregated annual return data in the future as changes in the ownership and landscape of the broadcasting industry warrant.
13. The ownership groups identified in this notice will be required to file their Confidential and Public aggregated annual return forms with the Commission each year by 30 November. At the same time, the groups will be required to post a copy of the Public version of their aggregated annual return forms on their respective websites. Upon receipt of the Public aggregated financial data, the Commission will post such data on its own website. The filing requirement for these Confidential and Public aggregated annual returns will begin with the 2008 broadcast year. These returns must be filed within 30 days following the release of the Commission's determinations on this process.

Call for comments

14. The Commission invites comments that address the issues and questions set out in this notice. The Commission will accept comments that it receives on or before **2 June 2009**.
15. 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

16. 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

17. Submissions longer than five pages should include a summary.
18. 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

19. 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, 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.
20. 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.
21. 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.
22. 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.
23. 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

Kensington Building
275 Portage Avenue
Suite 1810
Winnipeg, Manitoba R3B 2B3
Tel.: 204-983-6306
TDD: 204-983-8274
Fax: 204-983-6317

Cornwall Professional Building
2125 - 11th 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

Related documents

- *Disclosure of aggregate financial data for large broadcasting distribution undertakings and over-the-air television and radio ownership groups – Regulatory Policy, Broadcasting Public Notice CRTC 2008-97, 21 October 2008*
- *Call for comments on the public disclosure of aggregate financial data for large ownership groups of over-the-air television and radio broadcasters – Notice of Consultation, Broadcasting Public Notice CRTC 2008-6, 15 January 2008*
- *Review of the regulatory frameworks for broadcasting distribution undertakings and discretionary programming services, Broadcasting Notice of Public Hearing CRTC 2007-10-1, 12 September 2007*

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>.