



Broadcasting Decision CRTC 2009-399

Route reference: 2009-174

Ottawa, 2 July 2009

Astral Broadcasting Group Inc., on behalf of MusiquePlus Inc.
Across Canada

Application 2009-0117-5, received 14 January 2009

MusiquePlus – Licence amendment

*The Commission **approves** the application by Astral Broadcasting Group Inc., on behalf of MusiquePlus Inc., to amend the broadcasting licence for the national French-language analog specialty television programming undertaking known as MusiquePlus, by amending the condition of licence relating to its annual contribution to the development and production of Canadian music videos.*

The application

1. The Commission received an application by Astral Broadcasting Group Inc., on behalf of MusiquePlus Inc. (MusiquePlus Inc.), to amend the broadcasting licence for the national French-language analog specialty television programming undertaking known as MusiquePlus, by amending the condition of licence relating to its annual contribution to the development and production of Canadian music videos.
2. Under this condition of licence, which is set out in *Licence renewal for MusiquePlus*, Decision CRTC 2001-729, 29 November 2001, the licensee is required to allocate annually to VideoFACT for the development and production of Canadian music videos not less than 3.4% of the previous broadcast year's gross revenues or the applicable portion.
3. The licensee requested authorization to allocate this contribution to MaxFACT for the remainder of the licence term. The licensee maintained that it would be more efficient and appropriate for MusiquePlus to contribute to MaxFACT a program managed by the Harold Greenberg Fund. That Fund currently administers the contributions of MusiMax, a specialty service owned by MusiquePlus Inc.
4. In response to a question by the Commission, the licensee confirmed that the contributions made by MusiquePlus to MaxFACT would be used only for the development and production of Canadian music videos through a program that reflects the specificities of the genre and audience of this specialty service.

Intervention and applicant's reply

5. The Commission received a comment by the Association québécoise de l'industrie du disque, du spectacle et de la vidéo (ADISQ) concerning this application. The applicant responded to the comment. ADISQ expressed concern about the impact of the proposed amendment on funding for music videos by Quebec artists. Since VideoFACT would no longer receive funds from MusiquePlus Inc. if the Commission approved the application, VideoFACT might decide to reduce its contribution to music videos by Quebec artists targeted to a young audience and to videos by Quebec Anglophone artists.
6. ADISQ also expressed concern about the fact that VideoFACT and MaxFACT apply different administrative rules. While VideoFACT grants up to \$25,000 in funding to each music video, MaxFACT limits its funding to \$15,000 per music video. In addition, whereas VideoFACT assesses funding applications six times per year, MaxFACT does so only four times per year. ADISQ was concerned that music video producers may be disadvantaged by MaxFACT's current rules. ADISQ therefore requested that MaxFACT establish two subcommittees: one to process funding applications for music videos aimed at an adult audience and the other to process funding applications for music videos targeted to a young audience, i.e. that of MusiquePlus. The latter would be authorized to grant a maximum of \$25,000 in funding and would assess projects six times per year similar to VideoFACT.
7. ADISQ also suggested that consideration of this application be deferred until MusiquePlus' next licence renewal.
8. In response to ADISQ's comment, the applicant indicated that it is not responsible for commenting on VideoFACT's future practices. MusiquePlus Inc. added that it is not involved in managing financial contributions, making decisions regarding funding or establishing assessment criteria or administrative rules used by MaxFACT. Finally, the applicant pointed out that the licence amendment would not have any impact on the service's programming and that there is no valid reason for postponing examination of its application to the time of the service's next licence renewal.

Commission's analysis and determination

9. The Commission is satisfied with the applicant's response to the comment and with its confirmation that its entire contribution to MaxFACT will be used only for the development and production of Canadian music videos through a program that reflects the specificities of MusiquePlus' genre and audience.
10. The Commission is of the view that the methods for managing contributions are the sole responsibility of MaxFACT and the Harold Greenberg Fund. Nevertheless, the Commission expects MaxFACT to continue VideoFACT's practice of providing funding for music videos by, for example, Quebec Anglophone artists.

11. In light of the above, the Commission **approves** the application by Astral Broadcasting Group Inc., on behalf of MusiquePlus Inc., to amend the broadcasting licence for the national French-language analog specialty television programming undertaking known as MusiquePlus, by amending the condition of licence relating to its annual contribution for the development and production of Canadian music videos.
12. The **condition of licence** now reads as follows:

10. b) From 1 September 2002 to 31 July 2009, the licensee shall allocate to VideoFACT for the development and production of Canadian music videos not less than 3.4% of the previous broadcast year's gross revenues or the applicable portion of it.

From 1 August 2009 and for each subsequent broadcast year of the licence term, the licensee shall allocate to MaxFACT for the development and production of Canadian music videos not less than 3.4% of the previous broadcast year's gross revenues or the applicable portion of it.

Secretary General

This decision is to be appended to the licence. It 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>.