Broadcasting Decision CRTC 2011-157

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Route reference: 2010-715

Ottawa, 4 March 2011

Claude Turcotte, on behalf of a corporation to be incorporated
Vaudreuil-Soulanges, Quebec

Application 2010-1185-8, received 23 July 2010
Public Hearing in the National Capital Region
26 November 2010

Le Canal Information Vaudreuil-Soulanges – Category 2 specialty service

*The Commission **approves** an application for a broadcasting licence to operate a new Category 2 specialty service.*

Application

1. The Commission received an application by Claude Turcotte, on behalf of a corporation to be incorporated, for a broadcasting licence to operate a regional, French-language Category 2 specialty programming undertaking to be known as Le Canal Information Vaudreuil-Soulanges. The programming would focus on local news, sports, weather, cultural events and traffic. The applicant stated that it would eventually broadcast provincial, national and international news.
2. The licensee, a corporation to be incorporated, will be owned and controlled by its sole shareholder Claude Turcotte.
3. The applicant proposed to offer programming drawn from the following program categories set out in Item 6 of Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time: 1, 2(*a*), 2(*b*), 3, 6(*b*), 12, 13 and 14.
4. The applicant requested permission to devote up to 6 of the 12 minutes of advertising material during each clock hour to local advertising.
5. The Commission received interventions opposing the application, as well as a general comment from Csur la Télé. The public record for this proceeding can be found on the Commission's website at www.crtc.gc.ca under "Public Proceedings."

Commission's analysis and determinations

6. After examining the application in light of applicable policies and regulations, and taking into account the interventions and the comment received, as well as the applicant's reply to the comment, the Commission considers that the issues to be addressed in its determinations are the following:

- the broadcast of local and regional advertising; and
- the ability of the Vaudreuil-Soulanges market to support a local television service.

The Commission notes that when issuing licences for Category 2 services, it does not assess the viability and probability of financial success of the application.

Broadcast of local and regional advertising

7. The Commission notes that the applicant requested authority to broadcast local and regional advertising. Under the current regulatory framework, Category 2 services must not broadcast any paid advertising material other than national paid advertising. However, the Commission has granted exceptions to the licensees of Category 2 ethnic services and local or regional news services. In present case, the applicant intends to offer a regional service that directly targets the local market of Vaudreuil-Soulanges and broadcast programming that is produced locally for that market. In light of the above, the Commission considers that based on the applicant's proposal, it is justified in granting an exception to its approach for the broadcast of advertising by Category 2 services.

8. The Commission notes that in Broadcasting Regulatory Policy 2009-406, local programming is defined as "programming produced by local stations with local personnel or programming produced by locally based independent producers that reflects the particular needs and interests of the market's residents."

Ability of the Vaudreuil-Soulanges market to support a local television service

9. The Commission is of the view that the service's advertising revenues will be generated mainly at the local and regional levels. In this respect, the Commission notes the statement by CJDV-FM, which considers that the Vaudreuil-Soulanges market is already appropriately served in terms of information programming by a large number of local and regional media, and adds that the entry of a new player could adversely affect it.

10. The Commission is aware that any additional competition for local advertising revenues could have a negative impact on the radio stations in the Vaudreuil-Soulanges market. That being said, in view of the differences between the radio and television advertising markets, the Commission considers that the radio advertising market will continue to attract business clients from Vaudreuil-Soulanges.

Conclusion

11. In light of the above, the Commission is satisfied that the application complies with the frameworks set out in Public Notice 2000-6 and Broadcasting Public Notice 2008-100, with the approaches set out in Broadcasting Public Notices 2003-61 and 2006-74, and with all applicable terms and conditions set out in Public Notice 2000-171-1. Accordingly, the Commission **approves** the application by

Claude Turcotte, on behalf of a corporation to be incorporated, for a broadcasting licence to operate the regional, French-language Category 2 specialty programming undertaking known as Le Canal Information Vaudreuil-Soulanges. The terms and **conditions of licence** are set out in the appendix to this decision.

Reminder

12. The Commission reminds the applicant that distribution of this service is subject to the applicable distribution rules set out in Broadcasting Public Notice 2008-100.

Secretary General

Related documents

- *Regulatory frameworks for broadcasting distribution undertakings and discretionary programming services* – Regulatory Policy, Broadcasting Public Notice CRTC 2008-100, 30 October 2008
- *Regulatory framework for the licensing and distribution of high definition pay and specialty services*, Broadcasting Public Notice CRTC 2006-74, 15 June 2006
- *The regulatory framework for the distribution of digital television signals*, Broadcasting Public Notice CRTC 2003-61, 11 November 2003
- *Introductory statement – Licensing of new digital pay and specialty services – Corrected Appendix 2*, Public Notice CRTC 2000-171-1, 6 March 2001
- *Licensing framework policy for new digital pay and specialty services*, Public Notice CRTC 2000-6, 13 January 2000

** This decision is to be appended to the licence.*

Appendix to Broadcasting Decision CRTC 2011-157

Terms and conditions of licence for the French-language Category 2 specialty programming undertaking known as Le Canal Information Vaudreuil-Soulanges

Terms

The licence will be issued once the applicant has satisfied the Commission, with supporting documentation, that the following requirements have been met:

- an eligible Canadian corporation has been incorporated in accordance with the application in all material respects;
- the applicant has entered into a distribution agreement with at least one licensed distributor; and
- the applicant has informed the Commission in writing that it is prepared to commence operations and has provided the Commission with a launch date for the service. The undertaking must be operational at the earliest possible date and in any event during the 48 months following the date of this decision.

The licence will expire 31 August 2017.

Conditions of licence

1. The licence will be subject to the conditions set out in *Introductory statement – Licensing of new digital pay and specialty services – Corrected Appendix 2*, Public Notice CRTC 2000-171-1, 6 March 2001, except for condition 4d), which will not apply, and condition 4a), which is replaced by the following:

   > Except as otherwise provided in subparagraphs b) and c), the licensee shall not broadcast more than 12 minutes of advertising material during each clock hour, no more than 6 minutes of which may consist of local advertising.

   For the purposes of this condition of licence, "local advertising" is advertising that does not fall within the definitions of national and regional advertising – which are defined as advertising to persons who provide goods or services in more than one market and/or province.

2. The licence will be subject to the conditions set out in *Implementation of the Accessibility Policy with respect to Category 2 pay and specialty services*, Broadcasting Regulatory Policy CRTC 2010-355, 8 June 2010.

3. The licensee must provide a regional, French-language Category 2 specialty programming service devoted to the broadcast of local news, sports, weather, cultural events and traffic.

4. The programming will be drawn exclusively from the following categories set out in Item 6 of Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time:

   1 News
   2 (*a*) Analysis and interpretation
   (*b*) Long-form documentary
   3 Reporting and actualities
   6 (*b*) Amateur sports
   12 Interstitials
   13 Public service announcements
   14 Infomercials, promotional and corporate videos

5. No more than 10% of all programming broadcast during the broadcast month shall be drawn from category 2(*b*).

6. In order to ensure that the licensee complies at all times with the *Direction to the CRTC (Ineligibility of non-Canadians)*, P.C. 1997-486, 8 April 1997, as amended by P.C. 1998-1268, 15 July 1998, the licensee shall file, for the Commission's prior review, a copy of any programming supply agreement and/or licence trademark agreement it intends to enter into with a non-Canadian party.

7. The licensee is authorized to make available for distribution a version of its service in high definition (HD) format, provided that not less than 95% of the video and audio components of the upgraded and standard definition versions of the service are the same, exclusive of commercial messages and of any part of the service carried on a subsidiary signal. Further, all of the programming making up the 5% allowance shall be provided in HD.

For the purposes of the conditions of this licence, including condition of licence 1, *broadcast day* refers to the 24-hour period beginning each day at 6 a.m. or any other period approved by the Commission.