



Broadcasting Decision CRTC 2011-202

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Route reference: 2010-888

Ottawa, 22 March 2011

The Score Television Network Ltd.
Across Canada

Application 2010-1542-0, received 8 October 2010

The Score – Licence amendment

*The Commission **approves in part** the application by The Score Television Network Ltd. to amend the broadcasting licence for the national English-language analog specialty service known as The Score. Specifically, the Commission **approves** the requests to:*

- *increase its Canadian programming expenditure requirement and reduce its Canadian programming exhibition requirement;*
- *add to the program categories from which it may draw programming; and*
- *delete the condition of licence setting the wholesale rate for The Score.*

*However, the Commission **denies** the request to amend the condition of licence requiring The Score to devote no less than 50% of live sports event coverage in prime time to the exhibition of Canadian programs.*

The application

1. The Commission received an application by The Score Television Network Ltd. to amend the broadcasting licence for the national English-language analog specialty programming undertaking known as The Score. The Commission did not receive any interventions concerning this application.
2. The licensee proposed to:
 - increase The Score's Canadian programming expenditure requirement from 45% to 47.8% of gross revenues and reduce its Canadian programming exhibition requirement from 80% to 75% of the broadcast day.
 - replace its condition of licence requiring it to devote no less than 50% of live sports event coverage in prime time to the exhibition of Canadian programs with the following condition:

- In the event that the licensee devotes more than 10% of its quarterly broadcast schedule to the exhibition of live sports events, no less than 50% of such excess hours during the prime time period shall be devoted to the exhibition of Canadian programs.
- add categories 3, 4, 5(a), 5(b), 7, 8(a), 8(b), 8(c), 9 and 10, as set out item 6 of Schedule I to the *Specialty Services Regulations, 1990*, to the categories from which it may draw programming.
- delete the condition of licence setting the wholesale rate for The Score.

Commission's analysis and determinations

Amendments relating to Canadian programming expenditures and exhibition

3. The licensee stated that these amendments were consistent with the general approach on Canadian programming expenditures and exhibition announced in Broadcasting Regulatory Policy 2010-167.
4. The Commission notes that the above-noted policy announced a shift in regulatory focus from program exhibition to program creation. The Commission is satisfied that the increased spending on Canadian programming will allow The Score to focus its resources on the production of Canadian programming of higher quality. Accordingly, the Commission determines that these amendments are consistent with its policy.

Amendment relating to the broadcast of live Canadian sports events

5. The licensee stated that this amendment would not alter its nature of service and that it would remain committed to broadcasting live Canadian sports events. Specifically, it argued that it would remain true to its nature of service because it would still have to break into live sports every 15 minutes to provide sports updates and would still be subject to a 15% quarterly cap on the broadcast of live sports events. It also argued that the proposed amendment was consistent with Broadcasting Decision 2006-12, in which the Commission deleted the condition of licence that required Réseau Info Sports (RIS) to limit the broadcast of sports events to weekends. The licensee noted that RIS does not have a minimum Canadian programming exhibition requirement for live programming.
6. The Commission notes that RIS was given the right to devote up to 15% of each broadcast week to the broadcast of live sports events (Decision 2000-465) with the expectation that these events would give priority not just to amateur sports but also to local and regional sports. With regard to the current proposal, the Commission has concerns with the wording of the proposed condition of licence for the following reasons:

- The Score would not have to maintain a minimum of 50% live Canadian sports events if it broadcast less than 10% of live sports events in its quarterly schedule.
 - The 50% Canadian programming requirement would only apply to the hours that would be in excess of the 10% of live sports events and not to the totality of such events. In this respect, the Commission notes that it imposed the 50% requirement to ensure that The Score's schedule is not predicated on the consistent presentation of non-Canadian sports events in prime time.
7. The Commission further considers that the proposed condition is not consistent with any of its policies, including Broadcasting Public Notice 2008-100, and that the proposed condition could reduce the level of live Canadian sports events broadcast by the service.
 8. In light of the above, the Commission finds that it would not be appropriate to grant the proposed amendment.

Addition of program categories and limitations

9. The licensee stated that this amendment was in accordance with Broadcasting Public Notice 2008-100. The licensee also stated that it would accept further conditions limiting the broadcast of programming drawn from each of categories 7 and 8(b) and 8(c) combined to no more than 10% of its quarterly broadcast schedule. The licensee explained that these limitations would be measured on a quarterly rather than on a monthly basis, as set out in Broadcasting Public Notice 2008-100, as its current programming limitations are expressed in terms of the quarterly broadcast schedule.
10. The Commission is of the view that these amendments, including the proposed limitations on categories 7 and 8(b) and 8(c), are consistent with Broadcasting Public Notice 2008-100.

Deletion of condition of licence setting the wholesale rate

11. The licensee submitted that this amendment was consistent with Broadcasting Public Notice 2006-23, in which the Commission stated that it would discontinue wholesale rate regulation in the digital environment. It added that the amendment would better equip it for its upcoming affiliation agreement negotiations with broadcasting distribution undertakings.
12. The Commission notes that this amendment is consistent with Broadcasting Public Notice 2006-23. Specifically, the Commission stated that it would discontinue rate regulation in the digital environment except for those services that must be distributed as a result of an order under section 9(1)(h) of the *Broadcasting Act*.

Conclusion

13. In light of all of the above, the Commission **approves in part** the application by The Score Television Network Ltd. to amend the broadcasting licence for the national English-language analog specialty programming undertaking known as The Score. Specifically, the Commission **approves** the requests to:

- increase its Canadian programming expenditure requirement and reduce its Canadian programming exhibition requirement;
- add to the program categories from which it may draw programming; and
- delete the condition of licence setting the wholesale rate for The Score.

14. However, the Commission **denies** the request to amend the condition of licence requiring The Score to devote no less than 50% of live sports event coverage in prime time to the exhibition of Canadian programs.

15. Accordingly, the Commission replaces the licensee's conditions of licence 2(a) and 3(a) with the following **conditions of licence**:

2(a) In each broadcast year, the licensee shall devote to the exhibition of Canadian programs not less than 75% of the broadcast day and not less than 60% of the evening broadcast period.

3(a) In each broadcast year of the licence term, the licensee shall expend on the acquisition of and/or investment in Canadian programs a minimum of 47.8% of the gross revenues derived from the operation of this service during the previous broadcast year.

16. The Commission also replaces condition of licence 1(b) with the following **condition of licence**:

1. (b) The licensee shall draw its programming exclusively from the following categories, as set out in item 6 of Schedule I of 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
- 4 Religion
- 5 (a) Formal education and pre-school
(b) Informal education/Recreation and leisure
- 6 (a) Professional sports
(b) Amateur sports
- 7 Drama and comedy
(a) Ongoing dramatic series

- (b) Ongoing comedy series (sitcoms)
- (c) Specials, mini-series or made-for-TV feature films
- (d) Theatrical feature films aired on TV
- (e) Animated television programs and films
- (f) Programs of comedy sketches, improvisations, unscripted works, stand-up comedy
- (g) Other drama
- 8 (a) Music and dance other than music video programs or clips
- (b) Music video clips
- (c) Music video programs
- 9 Variety
- 10 Game shows
- 11 General entertainment and human interest
- 12 Interstitials
- 13 Public service announcements
- 14 Infomercials, promotional and corporate videos

17. The Commission further imposes the following **conditions of licence**:

No more than 10% of the licensee's quarterly broadcast schedule shall be drawn from category 7.

No more than 10% of the licensee's quarterly broadcast schedule shall be drawn from categories 8(b) and 8(c) combined.

18. Finally, the Commission deletes condition of licence 6 setting the wholesale rate for The Score.

Secretary General

Related documents

- *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010
- *Regulatory frameworks for broadcasting distribution undertakings (BDUs) and discretionary programming services* – Regulatory policy, Broadcasting Public Notice CRTC 2008-100, 30 October 2008
- *Réseau Info Sports – Licence amendment*, Broadcasting Decision CRTC 2006-12, 20 January 2006
- *Digital migration framework*, Broadcasting Public Notice CRTC 2006-23, 27 February 2006
- *Réseau Info Sports – a new specialty service*, Decision CRTC 2000-465, 14 December 2000

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