



Broadcasting Regulatory Policy CRTC 2012-415

PDF version

Route reference: 2012-185

Ottawa, 27 July 2012

Amendment to the *Specialty Services Regulations, 1990* in regard to the definition of “commercial message”

The Commission announces that it has made an amendment to the Specialty Services Regulations, 1990 in regard to the definition of “commercial message.”

The Regulations amending the Specialty Services Regulations, 1990 were registered on 4 July 2012 and published in the Canada Gazette, Part II, Vol.146, No.15 on 18 July 2012 (SOR/2012-142). A copy is attached to this regulatory policy.

Introduction

1. In Broadcasting Decision 2011-441, the Commission implemented its group-based approach to the licensing of large English-language private television ownership groups. In that decision, the Commission noted that Shaw Media Inc. requested that its conditions of licence limiting advertising on its specialty services to 12 minutes per clock hour be amended to specifically exclude forms of non-traditional advertising, such as product placement or virtual ads, from being counted towards that limit.
2. In Broadcasting Decision 2011-441, the Commission stated that it did not intend for specialty services to count non-traditional forms of advertising toward this 12-minute advertising limit. It noted that for conventional television stations, it amended, in Broadcasting Public Notice 2007-98, the definition of “commercial message” set out in the *Television Broadcasting Regulations, 1987* (Television Broadcasting Regulations) so that an advertisement must be “broadcast in a break within a program or between programs” in order to be counted as a commercial message.
3. The Commission therefore announced in Broadcasting Decision 2011-441 that in order to harmonize its treatment of commercial messages for both specialty services and conventional television stations, it intended to amend the definition of “commercial message” in the *Specialty Services Regulations, 1990* (Specialty Services Regulations) so that it would be in line with the definition of “commercial message” set out in the *Television Broadcasting Regulations*.
4. In Broadcasting Notice of Consultation 2012-185, the Commission called for comments on proposed amendments to the Specialty Services Regulations in regard to the definition of “commercial message.” In that notice, the Commission also called for comments on proposed amendments to the *Broadcasting Distribution Regulations*

in regard to the definition of “demarcation point.” The Commission notes, however, that the definition of a demarcation point will be addressed in a subsequent regulatory policy.

Comments

5. The Commission received comments from Pelmorex Communications Inc. (Pelmorex) and Astral Media Inc. (Astral) in support of the proposed amendment to the definition of “commercial message.” The public record of this proceeding is available on the Commission’s website at www.crtc.gc.ca under “Public Proceedings.”
6. In particular, Pelmorex submitted that providing Canadian specialty services with greater flexibility to maximize advertising revenues in creative ways will strengthen their ability to contribute to the Canadian broadcasting system, while Astral submitted that it supports the Commission’s desire to harmonize the definition of “commercial message” set out in the Specialty Services Regulations with that set out in the Television Broadcasting Regulations.

Commission’s analysis and decision

7. The Commission notes that the only comments filed in response to the call for comments expressed support for the proposed amendment.
8. In light of the above, the Commission has adopted the proposed amendment to section 2 of the Regulations as published in Broadcasting Notice of Consultation 2012-185. The *Regulations amending the Specialty Services Regulations, 1990* were registered on 4 July 2012 and published in the Canada Gazette, Part II, Vol. 146, No. 15 on 18 July 2012 (SOR/2012-142). A copy of the amended Specialty Services Regulations is attached to this regulatory policy.

Secretary General

Related documents

- *Call for comments on amendments to the Specialty Services Regulations, 1990 in regard to the definition of “commercial message,” and on amendments to the Broadcasting Distribution Regulations in regard to the definition of “demarcation point”*, Broadcasting Notice of Consultation CRTC 2012-185, 29 March 2012
- *Group-based licence renewals for English-language television groups – Introductory decision*, Broadcasting Decision CRTC 2011-441, 27 July 2011
- *Amendments to the Television Broadcasting Regulations, 1987 - Implementation of the regulatory framework for over-the-air television*, Broadcasting Public Notice CRTC 2007-98, 31 August 2007

Appendix to Broadcasting Regulatory Policy CRTC 2012-415
REGULATIONS AMENDING THE SPECIALTY SERVICES REGULATIONS,
1990

AMENDMENT

1. The definition “commercial message” in section 2 of the *Specialty Services Regulations, 1990*¹ is replaced by the following:

“commercial message” means an advertisement that is intended to sell or promote goods, services, natural resources or activities, including an advertisement that mentions or displays in a list of prizes the name of the person selling or promoting the goods, services, natural resources or activities, and that is broadcast in a break within a program or between programs; (*message publicitaire*)

COMING INTO FORCE

2. These Regulations come into force on the day on which they are registered.

¹ SOR/90-106