



Broadcasting Decision CRTC 2013-565

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Ottawa, 25 October 2013

MTS Inc.

Province of Manitoba

Application 2013-1004-4

Regional video-on-demand programming undertaking – Licence amendment

*The Commission **denies** an application by MTS Inc. to amend the condition of licence of its regional video-on-demand programming undertaking serving Manitoba that requires it to file quarterly compliance reports on the closed captioning of its program library.*

Introduction

1. MTS Inc. (MTS) filed an application to amend the broadcasting licence for its regional video-on-demand (VOD) programming undertaking serving Manitoba. Specifically, it proposed to amend the current condition of licence 4, set out in Appendix 3 to Broadcasting Decision 2012-292 (the renewal decision),¹ which requires it to file quarterly compliance reports on the closed captioning of its program library throughout the licence term. MTS requested to amend this condition of licence so that it would be required to file reports only until such a time as it has been in compliance for four consecutive quarters.
2. The licensee indicated that the non-compliance that resulted in the Commission imposing this condition of licence was due to technical issues regarding encoded captioning. It also indicated that it has been in compliance with that requirement since 29 August 2011 and that to ensure compliance, all programs are screened before being released. MTS argued that the compilation of these reports is a time-consuming effort and that it has been sufficiently penalized, since it was granted a short-term licence renewal as a result of its non-compliance. In light of the fact that the reports already filed indicate that it has been in compliance for more than four consecutive quarters, MTS would no longer be required to file reports if its application were approved.

¹ The current condition reads as follows: Beginning June 2012, the licensee shall file with the Commission quarterly compliance reports that include the titles of programs available in each preceding quarter, and whether or not the programs are closed captioned. The reports must be approved by a member of the licensee's senior management and submitted to the Commission on the fifteenth day of the month that follows the end of each quarterly period.

Commission's analysis

3. In the renewal decision, the Commission found MTS in non-compliance with its previous closed-captioning condition of licence,² according to which 90% of the titles in its VOD library were to have been closed captioned by 31 August 2008. The Commission noted that the closed-captioning condition of licence was first imposed in Broadcasting Decision 2003-590 (the service's licensing decision), prior to the launch of MTS's VOD service, and that it did not take effect until September 2008, five years later. As such, the Commission was of the view that the licensee had sufficient time to ensure compliance with that condition of licence. As a result, the Commission imposed condition of licence 4 cited above and granted the licensee a short-term four-year licence renewal. In that decision, the Commission indicated that this requirement would provide the licensee with an incentive to implement mechanisms and processes that would ensure future compliance.
4. The Commission notes that, in its application, MTS did not provide any evidence demonstrating that filing the compliance reports required by condition of licence would be unduly burdensome. Further, the Commission finds that approval of this application would undermine the integrity of the Commission's determinations relating to non-compliance, would remove incentive for future compliance with closed-captioning requirements and would encourage other licensees to file applications to delete or amend this condition of licence. Accordingly, the Commission does not find that there is sufficient reason to amend this condition of licence as proposed by MTS.

Conclusion

5. In light of all of the above, the Commission **denies** the application by MTS Inc. to amend the condition of licence of its regional video-on-demand programming undertaking serving Manitoba that requires it to file quarterly compliance reports on the closed captioning of its program library.

Secretary General

Related documents

- *Various national and regional video-on-demand programming undertakings – Licence renewals and amendments*, Broadcasting Decision CRTC 2012-292, 17 May 2012
- *Video-on-demand service for Manitoba*, Broadcasting Decision CRTC 2003-590, 21 November 2003

² See condition of licence 9 set out in the appendix to Broadcasting Decision 2003-590.