



## Broadcasting Decision CRTC 2014-41

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Route reference: Part 1 application posted on 18 October 2013

Ottawa, 5 February 2014

**Bell Media Inc.**  
Across Canada

*Application 2013-1357-7*

### **Amendment to tangible benefits related to the transfer of control of CHUM Limited to CTVglobemedia Inc.**

*The Commission **approves** an application by Bell Media Inc. (Bell Media) with respect to the tangible benefits package relating to the transfer of effective control of CHUM Limited to CTVglobemedia Inc. Following this decision, Bell Media must submit a report on tangible benefits accompanied by a written attestation from an officer of the corporation, such as the vice-president of finance, rather than an independent auditor's report.*

#### **The application**

1. In Broadcasting Decision 2007-165, the Commission approved the transfer of effective control of CHUM Limited to CTVglobemedia Inc., which was later purchased by Bell Media Inc. (Bell Media). In that decision, the Commission directed the licensee to file, in each of the next seven years, a detailed audited report concurrent with the filing of its annual return, setting out incremental spending on programming benefits as compared to actual expenditures. This requirement expires at the end of the 2013-2014 broadcast year.
2. Bell Media applied to be relieved of the obligation to provide an independent auditor's report relating to these tangible benefits. Bell Media would, instead, submit a report on tangible benefits accompanied by a written attestation from an officer of the Corporation, such as the vice-president of finance.
3. In support of its application, Bell Media cited recent decisions relieving Shaw Media Inc. (Shaw) and Rogers Media Inc. (Rogers) from audit requirements with respect to reports on tangible benefits.<sup>1</sup> The licensee also noted that requirements with respect to the tangible benefits package related to the change of effective control of CTVglobemedia Inc.'s broadcasting subsidiaries to BCE Inc. set out in Broadcasting Decision 2011-163 did not include an audit requirement.

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<sup>1</sup> See Broadcasting Decisions 2013-175 and 2013-535.

## Interventions

4. The Commission received an intervention from the Public Interest Advocacy Centre (PIAC) opposing the application. The public file for this application is available on the Commission's website at [www.crtc.gc.ca](http://www.crtc.gc.ca) under "Public Proceedings."
5. PIAC submitted that an audit is an important tool that allows the public and the Commission to ensure that spending on tangible benefits is incremental to actual expenditures. It was concerned that an attestation without any evidence would not permit members of the public or the Commission to ensure that spending on tangible benefits is incremental.

## Bell Media's reply

6. Bell Media stated that it would continue to submit detailed programming and financial information on benefits to allow for verification. Bell Media further confirmed that it would devote its benefits spending to support under-funded independent Canadian programs and to serve Canadian audiences and communities, according to its original commitment.

## Commission's analysis and decision

7. The Commission considers that Bell Media's request to no longer provide independent auditor's reports on its tangible benefits is consistent with the Commission's decisions on this issue for Shaw and Rogers. It further notes Bell Media's commitment to continue to submit reports demonstrating the incrementality of its benefits package.

## Conclusion

8. In light of all of the above, the Commission **approves** the application by Bell Media Inc. Rather than an independent auditor's report, Bell Media must submit a detailed report on tangible benefits, concurrent with its annual return, accompanied by a written attestation from an officer of the Corporation, such as the vice-president of finance. This report must set out incremental spending on programming benefits as compared to actual expenditures. This obligation expires with the 2013-2014 broadcast year.

Secretary General

## Related documents

- *CITY-DT Toronto, CHMI-DT Portage la Prairie, CKAL-DT Calgary, CKEM-DT Edmonton, CKVU-DT Vancouver and their transmitters – Amendment to the reporting of tangible benefits spending*, Broadcasting Decision CRTC 2013-535, 3 October 2011

- *Amendment to tangible benefits related to the transfer of control of Alliance Atlantis Broadcasting Inc.*, Broadcasting Decision CRTC 2013-175, 4 April 2013
- *Change in effective control of CTVglobemedia Inc.'s licensed broadcasting subsidiaries*, Broadcasting Decision CRTC 2011-163, 7 March 2011
- *Transfer of effective control of CHUM Limited to CTVglobemedia Inc.*, Broadcasting Decision CRTC 2007-165, 8 June 2007