



**On Screen Manitoba**  
(formerly MMPIA)

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**Submitted electronically**

Mr. Robert Morin,  
Secretary General  
Canadian Radio-television and  
Telecommunications Commission  
Ottawa, ON K1A 0N2

January 11, 2011

Dear Mr. Robert Morin:

**Re: BN 2010-926: BCE Inc application to change the effective control of CTVgm's  
broadcasting entities to BCE - App No. 2010-1506-6**

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1. On Screen Manitoba (formerly MMPIA) wishes to take this opportunity to provide the following comments regarding this application.
2. Given the importance of this proceeding to our members and to the regional production communities across Canada, On Screen Manitoba requests the opportunity to appear at the public hearing scheduled to commence on 1 February 2011 in Gatineau.
3. On Screen Manitoba is an innovative membership-driven association that leads, builds and represents the Manitoba screen-based media industry. On Screen Manitoba's membership represents a cross section of individuals and industry organizations (production companies, creators, labour groups, distributors, broadcasters, suppliers and exhibitors) totaling more than 1,500 individuals.
4. Our members - the creators, crews, suppliers of Canadian independent screen-based media in Manitoba - play a vital role in the fulfillment of one of the Broadcasting Act's core mandates, to ensure the Canadian broadcasting spectrum is used to provide a diversity of voices to the Canadian people. We believe this includes ensuring access to broadcast schedules for a wide variety of independent producers including - regional, multi-cultural, Francophone and Aboriginal producers.
5. On Screen Manitoba has reviewed the submission by the **Canadian Media Production Association (CMPA)** and **fully supports the CMPA positions** on this application by BCE Inc especially the key points they make on the proposed public benefits package specifically, that:
  - A tangible benefits package is indeed fully required in this transaction;
  - The quantum of the tangible benefits must represent 10% of the total value of the CTV television assets. The CRTC must be diligent in assessing the real value of these assets. Further, it must not allow BCE to exclude any of its television-related assets in making this calculation;
  - A minimum of 85% of the total tangible benefits must be allocated to the creation of Canadian programming;

- A minimum of 75% of the amount allocated to the creation of Canadian programming must be earmarked for projects by independent producers; and,
  - The resources allocated to the creation of independent Canadian programming must be administered by a third-party, and must not be limited to projects that are ultimately broadcast only on CTV or its many television properties.
6. On behalf of Manitoba's production community we wish to raise the following key points of special concern to regional producers.
  7. Our experience of consolidation in the media sector has been particularly acute in Manitoba. The shift from locally owned to consolidated, Toronto-based mega-corporations has wiped out the regionally-headquartered broadcasters that were founded as Manitoban family-owned enterprises including the A Channels (the Craig family), CKY and WTN (the Moffat family) and Canwest Global Communications (the Asper family). A worsening disconnect between the regional production communities and the broadcast decision-makers in Central Canada is threatening the smaller production markets, reducing the diversity of programming available to Canadians, and weaken the broadcasting and producing systems in Canada.
  8. Between 2007/08 and 2008/09 Manitoba saw a fall in production of 45%. Interestingly, prior to 2006 Manitoban indigenous productions posted a consistent average aggregate level of financing of 30.8% from Canadian broadcasters. In 2007 and 2008 this dropped to an average of 20% and a corresponding decrease in the contributions from broadcaster leveraged funds such as the original Canadian Television Fund was also experienced. CTF average aggregate level of financing of Manitoba indigenous production dropped from 17.8% between 2003 and 2006 to 9.5% in 2007 and 2008.
  9. Regional offices of broadcasters play a key role in encouraging strong relationships with regional producers. We would like to acknowledge the success of the CTV Western Development Office that was established in Winnipeg in 2001 as a part of the benefits package created when CTV purchased CKY in Winnipeg. The creation of this office and appointment of a Development Manager had a direct impact on Manitoba's independent production sector: \$11 million in production leveraged from CTV's investment of \$600,000 from the Manitoba Script and Development Fund and \$1.6 million from the Local and Regional Programming Initiative (*Manitoba Moments*), 56 shows licensed from over 30 Manitoba production companies. Nationally licensed Manitoba-made shows include: ELIJAH, HOCKEY BRAWL (a Gemini-winner), AS SEEN ON TV! THE K-TEL STORY, THERE'S SOMETHING OUT THERE, and MUSIC RISING. It is important to note, prior to 2001, few Manitoba productions had aired nationally on CTV. Unfortunately, the Winnipeg-based CTV Western Development office closed in 2007 once the benefits requirements expired.
  10. A commitment to diversity and outreach to regional producers by Canadian broadcasters benefits the whole broadcasting system and gives Canada a creative competitive edge. Not only do the independent production communities benefit but the broadcasters gain by deepening their access to quality programming and creative talent with unique perspectives, building their Canada Media Fund (CMF) envelopes through the Fund's regional incentives and by using the investment and tax credit programs available in the provinces.
  11. Two examples of Manitoba-made television series demonstrate the critical value these projects have for regional production communities and for the system as a whole. TODD & THE BOOK OF PURE EVIL (13 part series for CTVglobemedia's SPACE) premeired September 29, 2010 to 181,000 viewers, making it the highest-rated premiere for a SPACE original series ever. Manitoban production company Frantic Films and Toronto's Corvid Prictures and Aircraft Pictures filmed the initial season in Manitoba creating several hundred jobs and millions of dollars in economic activity. LESS THAN KIND (13 part comedy series debuted October 13, 2008, on Citytv, and moved to HBO Canada in February 2010 and is airing in Germany and South Africa) was

supported originally with benefits funds from the Rogers Media CityTV transaction. The series is a critics favourite and in just two seasons has been nominated and won almost every award for television in Canada including 2009 and 2010 Gemini awards, Canadian Comedy Awards, WGC awards, DGC awards, and a Leo. The series is produced by Buffalo Gal Pictures of Winnipeg and Breakthrough Entertainment of Toronto and is now completing its third season in Winnipeg.

12. We respectfully request that the Commission ensure that the interests of regional content creators are not overlooked in this major transaction and that information on commissioning of regional independent production form part of the annual reporting on BCE-CTV activities.
13. As fully analyzed by the CMPA in their submission, BCE's proposal for tangible benefits fails to comply with the Commission's longstanding benefits policy. Of particular interest to producers in Manitoba is that the majority of the benefits flow to third parties, such as independent producers and that accountability is ensured through arms length third party benefits administration. Western Canada has experienced the positive impact of independent third party funds such as the Canwest Western Independent Producers Fund (CWIP). In fact, BCE's \$10 million endowment resulting from the BCE/CTV Benefits to the Bell Broadcast & New Media Fund over thirteen years ago provides an excellent example of the impact possible through well-managed independent third party funds. BCE should be encouraged to use this body to manage their benefits contributions.
14. We believe the transaction could strengthen the system if safeguards are put in place and the shortcomings of BCE application that are fully analyzed in the CMPA's submission are properly addressed by the Commission.
15. On Screen Manitoba appreciates the opportunity to provide its comments to the Commission.
16. A copy of this intervention has been provided to the Applicant in accordance with the commission's directives on procedure.

Sincerely,

[Original signed by]

Tara Walker  
Executive Director  
On Screen Manitoba (formerly MMPIA)

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