



On Screen Manitoba

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Submitted electronically

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

February 9, 2011

Re: Broadcasting Notice of Consultation CRTC 2010-952
Group-based Licence Renewals for English-language television groups -
CTVglobemedia Inc. 2010-1261-6, Shaw Media Inc. 2010-1307-8,
Corus Entertainment Inc. 2010-1350-8, Rogers Broadcasting Ltd 2010-1253-3

1. On Screen Manitoba (formerly MMPIA) wishes to take this opportunity to provide the following comments regarding the Group-based Licence Renewals for the English-language television groups (CTVglobemedia, Shaw Media, Corus Entertainment and Rogers Broadcasting).
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 April 4 and 5, 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 fulfilment 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 submissions by the **Canadian Media Production Association** (CMPA) national and the **CMPA BC / BC Film** and **fully supports their positions** on these renewals especially the key points they put forward on Canadian Programming Expenditures, Programs of National Interest and Independent Production:
 - The Commission's Group Licensing Policy (GLP) framework, as outlined in Broadcasting Regulatory Policy CRTC 2010-167 is appropriate, especially the essential obligations the

Commission sets out for all group applicants to adhere to: a 30% minimum CPE requirement, a 5% PNI starting point requirement for drama (higher percentages set for other forms should be maintained), Canadian content exhibition requirements, and an obligation to allocate a minimum 75% of PNI spending to independent production.

- Percentages of CPE, PNI and of PNI spending on independent productions that have historically been set at a higher percentage should be maintained.
 - Concerns about unintended detrimental effects of a rapid implementation of new spending and programming flexibility by the broadcast groups justifies **a phasing in** of the broadcasters' new flexibility over the course of the next licence period. Specifically, as the CMPA submits, the specialty services and conventional television stations should be accorded the same spending flexibility in the first year of the new licence term, such that all qualifying licensees within a group would be permitted to attribute up to 25% of their required CPE to other qualifying services within the same group. Under this proposal, the 25% limit would remain for conventional television stations through the remainder of the licence term, as the GLP requires; however, the limit would gradually increase for specialty services: to 50% in year 2; then to 75% in year 3; and then to 100% in year 4 (and year 5). This phased approach would allow independent producers and other stakeholders a reasonable opportunity to adjust their business models to the new regime and to the manner in which broadcasters will change their buying and scheduling practices. This would also protect against a sudden loss of choice and diversity that might occur if broadcasters substantially reduce or even eliminate programs which serve an important public policy function but which the market alone may not support, such as children's programming.
 - Given the quintessential role Pay TV services have in the Canadian broadcasting system; especially for supporting long-form Canadian drama, they should be excluded from the GLP and the group licence renewal process.
6. On behalf of Manitoba's production community we wish to raise the following key points of special concern to regional producers. We wish to recognize the Commission's stated expectation under the GLP, that the broadcaster groups commission programs of national interest from all regions of Canada, and to engage in levels of production activity that are commensurate with their presence in their respective markets.
7. Essentially, we too champion the CMPA BC/BC Film's objective to *"ensure a level playing field for producers across the country to find a place to tell their stories on the broadcasting assets owned and controlled by these large broadcast ownership groups."*

Regional Production

8. Historically, it has been difficult for regionally based producers and creative talent to get the attention of the broadcasters decision-makers based in Toronto. Regional offices of broadcasters played a key role in encouraging strong relationships with regional producers. In Manitoba we have been fortunate to see first-hand the impact engaged locally-based broadcaster development offices can have on bringing forward the best projects and talent – our experiences with CTV have exemplified this. CTV is currently the only broadcaster

included in the group-based licence renewal applications to have a development office outside of Toronto and they have made no commitment to keep the office open during the next licence term.

9. Over the past several years the wave of consolidation and budget cutting has worsened the isolation experienced by production communities outside of central Ontario. Regionally based programming executives have all but disappeared and outreach beyond Ontario by Toronto-based decision-makers is now rare and in our experience, often requires the community to initiate and fund the visits.
10. Based upon available data on each broadcaster's regional production activity over the last licence term we gathered what little data is available on the CRTC's website. We were disappointed to find insufficient and inconsistent information on public record. Only two of the applicants (Shaw and CTV) are required to file reports on their annual independent production activity and CTV has not yet filed for 2010. Our provincial funding agency, Manitoba Film & Music (MFM), provided a list of Manitoba productions that involved participation by Canadian broadcasters (see Appendix A).
11. Drawing on research into the independent production activity reports available from Shaw Media (CanWest) and CTV, CMF reports and Manitoba-specific data from MFM we've made the following observations:
 - spending overall on independent production, as reported by these two large ownership groups (Shaw Media/CanWest and CTV), dropped radically by 2009 to less than half of previous years.
 - Over the four years from 2006/07 to 2009/10, CanWest's level of independent production in the Prairies dropped 17% (14 projects) to 10% (8 projects) to 3 and 4% over the last two reporting years (2 projects). Licence fees have plummeted for the region – from over \$6 million down to \$386,953. It is important to note that overall production spending for CanWest did not drop until 2009/10. (see Table A)
 - During the three years from 2006/07 to 2008/09, CTV's level of independent production in the Prairies dropped 13% (6 projects) to 10% (7 projects) to an unreported % (2 projects). CTV did not file for 2009/10 so there is no data to confirm if CTV continued to reduce spending on independent production from the regions. It should be noted that CTV maintained a development office in Winnipeg until 2007. (see Table A)
 - The CMF's English-language broadcaster performance envelope allocations have increasingly been spent in Toronto. In the five years from 2005-06 to 2009/10, allocations have increased for Toronto-based productions, from 40% to 60% of total CMF funds. With a few exceptions, most of the other production centres across the country have seen a decline. (see Table B).

Table A**Independent Production Activity Reports - CRTC filings**

CanWest	2006-07			2007-08			2008-09			2009-10		
	# proj	Lic Fees	% of Total	# proj	Lic Fees	% of Total	# proj	Lic Fees	% of Total	# proj	Lic Fees	% of Total
BC	30	8,720,858	25%	29	14,520,877	40%	35	8,182,724	21%	5	3,739,619	35%
Prairies	14	6,034,762	17%	8	3,467,993	10%	2	990,000	3%	2	386,953	4%
Ontario	31	17,637,965	50%	24	12,306,328	34%	28	28,179,966	73%	23	6,222,832	58%
Quebec	7	1,521,626	4%	12	5,855,731	16%	1	1,380,000	4%	5	435,000	4%
Atlantic	5	1,136,698	3%	0	0	0%	0	0	0%	0	0	0%
Total	87	35,051,909	100%	73	36,150,929	100%	66	38,732,690	100%	35	10,784,404	100%

CTV	2006-07			2007-08			2008-09			2009-10		
	# proj	Lic Fees	% of Total	# proj	Lic Fees	% of Total	# proj	Lic Fees	% of Total	# proj	Lic Fees	% of Total
BC	5	4,165,615	10%	7	10,448,500	13%	3	*	?	* not on file *		
Prairies	6	5,653,903	13%	7	7,524,928	10%	2	*	?			
Ontario	17	32,952,910	75%	25	59,914,144	76%	19	26,094,654	100%			
Quebec	1	?	?	9	871,000	1%	3	*	?			
Atlantic	1	?	?	4	?	?	1	*	?			
Total	30	43,832,428	100%	52	78,758,672	100%	28	26,094,654	100%			

Source: **CMPA BC/BC Film** submission drawing from broadcasters independent production activity reports (CRTC)

Table B**Canada Media Fund - Funding by region**

Areas	2005-06	2006-07	2007-08	2008-09	2009-10
North West Terr.	0.0%	0.0%	0.0%	0.0%	0.0%
Yukon	0.0%	0.3%	0.0%	0.0%	0.0%
BC	24.2%	22.4%	21.0%	6.9%	14.0%
BC total	24.2%	22.7%	21.0%	6.9%	14.0%
Alberta	4.3%	4.7%	7.3%	12.2%	8.0%
Manitoba	4.4%	4.5%	2.1%	1.1%	3.0%
Saskatchewan	2.0%	3.7%	1.8%	1.4%	1.0%
Prairies total	10.7%	12.9%	11.2%	14.6%	12.0%
New Brunswick	0.0%	1.1%	0.2%	0.0%	0.0%
Newfoundland	2.7%	0.0%	0.1%	0.5%	4.0%
Nova Scotia	5.1%	5.5%	4.0%	3.6%	5.0%
PEI	0.0%	0.0%	0.3%	0.0%	0.0%
Atlantic total	7.9%	6.6%	4.7%	4.2%	9.0%

Ontario ex. Toronto	1.8%	0.9%	2.0%	0.6%	1.0%
Ontario- Toronto	40.5%	47.1%	53.3%	64.4%	60.0%
Nunavut	0.0%	0.0%	0.0%	0.0%	0.0%
Ontario total	42.4%	48.0%	55.2%	64.9%	61.0%
Quebec ex. Montreal	0.3%	0.1%	0.1%	0.0%	0.0%
Quebec - Montreal	14.5%	9.7%	7.9%	9.3%	5.0%
Quebec total	14.8%	9.8%	8.0%	9.3%	5.0%

Source: **CMPA BC/BC Film** submission drawing from Canada Media Fund data

A Plan for Re-engaging with Regional Production Communities

12. Manitoba's independent production community believes in the value we offer the broadcast system. Our fresh creative talent pool, skilled crews, savvy production companies and attractive provincial investment programs combined with national incentives for regional production such as the CMF's Convergent Stream programs give the broadcasters compelling business and programming differentiation reasons to engage actively with regional producers.
13. On Screen Manitoba applauds the Commission for pressing the broadcaster group applicants on their plans to support regional production. We are however concerned with the recommendation that the broadcaster groups would engage in "levels of production activity that are **commensurate with their presence in their respective markets.**" What concerns us most is the absence of any suggestion of how and by what indicators 'presence' might be measured. Should current development and production data for our regions be used as the baseline, regional production communities would see little, if any, improvement. A more aggressive nudge by the Commission is needed.
14. The broadcasters plans for engaging in regional production include no specific commitments to do anything more than what they have already been doing. There are promises to keep their doors open to producers from across the country and to work with the best projects no matter their origins. The regional production expectation placed on the broadcaster by the CRTC is unlikely to have significant impact. Without Conditions of Licence that sets outreach requirements and incremental regional development and production targets that are monitored, there is very little compelling the broadcasters to actively engage with producers outside of Toronto. The result would be a further reduction of access and diversity in Canada's broadcast system.
15. With the aim of increasing the engagement of the major English-language broadcast groups with regional producers and ensuring a level playing field and diversity of voices, we call for two **Conditions of Licence** for all the English-language broadcaster group applicants (CTV, Shaw, Rogers and Corus):
 - A requirement for the broadcasters' programming decision-makers to **travel and meet with regional producers in each province and territory at least twice each year.** We suggest that these meetings could be coordinated

by the regional professional associations. The objective of the meetings would be to establish and deepen relationships with producers and key creative talent right across the country and to aim to increase the number of projects in development with regionally-based producers. To maximize the opportunity presented by in-person visits by broadcast executives, training and professional development initiatives such as Showrunner and Pitch workshops could be conducted with the aim of increasing the knowledge and skill level in production communities with less developed training infrastructures. The expenses related to these outreach trips should be borne by the broadcasters.

- A requirement to meet **minimum quantifiable targets for development and production spending outside of Toronto, reasonably spread throughout Canada's production communities**. We do not have access to the data required to analyze and make well-considered recommendations regarding how to set these targets so that they are effective but also realistic. We request that the Commission review the full regional production data from the broadcasters that they are privy to and determine quantifiable regional development and production targets. Just as the Commission has done with setting the requirements for CPE and PNI by using 2007/08 production activity as a baseline, so too could a Condition of Licence be set for minimum development and production spending for the regions. These targets would be aligned to the Broadcasting Act's primary objective... *a broadcasting system that reflects the varied demographics of the country and ensures that a diversity of voices is available to audiences.*

16. Finally, we ask that the Commission require the broadcaster groups to report on their work to meet these two Conditions of Licence. This could be completed as a part of the annual Independent Production Activity Reports that are made public and are strictly monitored by the Commission.

Conclusion

17. Despite the demonstrated talent of regional producers and despite local and national incentives to work with regional producers, Broadcasters persist in working with producers that are close at hand geographically. We believe that this limits opportunity for regional producers and thus limits the diversity of programming, ultimately resulting in less choice for Canadians. We believe that the CRTC must uphold the basic tenets of access, diversity and choice enshrined in the Canadian Broadcasting Act and reflected in Canadian Broadcast policy and practice. As a result we ask the commission to:

18. **Key recommendations:** We ask the Commission to consider adding two Conditions of Licence to all the broadcaster groups seeking licence renewals:

- a requirement for programming executives to engage with regional production communities through twice yearly in person outreach trips to each of the provinces, *and*
- a requirement to spend a CRTC-targeted amount on development and production with regionally-based producers.

We also ask that the large broadcasting groups be required to file detailed annual reports on how each group is meeting their commitments to CPE, PNI and productions with independent producers across Canada. These reports must be made public and be strictly monitored by Commission staff.

On Screen Manitoba appreciates the opportunity to provide its comments to the Commission.

A copy of this intervention has been provided to the applicants in accordance with the Commission's directives on procedure.

Sincerely,

[Original signed by]

Nicole Matiation
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Appendix A

Manitoba independent television production

Fiscal year ending	Project	Ownership	Drama/type	CBC	Other private Cdn Broadcaster	Project originated in MB
2006	Falcon Beach 1	Manitoba Canada Co-Pro	Series		CanWest Global	
2006	Vie De Chien	Indigenous Francophone	One -off	Radio Canada (CBC)		x
2006	Mr. Soul (aka Just Another Indian)	Indigenous Aboriginal	MOW		APTN + SCN	x
2007	Falcon Beach 2	Manitoba Canada Co-Pro	Series		CanWest Global	
2007	Elijah	Manitoba Aboriginal/Canada Co-Pro	MOW		APTN	
2007	Sister	Indigenous/Aboriginal	Low budget		APTN	x
2008	Diamonds	Manitoba/Treaty Co-Pro	Mini-series	CBC		
2008	Ben Voyons Camille	Manitoba Franco/Canada Co-pro		Radio Canada (CBC)		x
2008	Infectious	Indigenous	Low budget		BRAVO	
2008	The Good Germany	Indigenous	Pilot	CBC		x
2008	Less Than Kind – Season 1	Manitoba Canada Co-Pro	Series		CHUM	
2008	Retail	Indigenous	Pilot		SHOWCASE	x
2009	Taken in Broad Daylight	Manitoba US co-pro	MOW		Superchannel	
2009	Keep your Head Up Kid: Don Cherry Story	Manitoba Canada Co-Pro	Mini-series	CBC		
2009	Throwing Stones	Manitoba Canada Co-Pro	Pilot	CBC		
2009	The B-Team	Manitoba Canada Co-Pro	Pilot	CBC		
2009	Todd and the Book of Pure Evil	Manitoba Canada Co-Pro	Pilot		Space	x
2009	Cashing In – Season 1	Manitoba Canada Co-Pro	Series		APTN	X (NSI)
2009	Less Than Kind – Season 2	Manitoba Canada Co-Pro	Series		City TV	
2009	Wild Cherry	Manitoba Canada co-pro	Feature		Movie Central	X - writer
2010	Cashing In – Season 2	Manitoba-Manitoba co-pro	Series		APTN	X – NSI
2010	Shadow Island Mysteries	Manitoba Canada Co-Pro	Anthology 1-2		The W Network	
2010	Todd and the Book of Pure Evil – Season 1	Manitoba Canada Co-Pro	Series		Space	x

Source: **Manitoba Film & Music**

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