Broadcasting Decision CRTC 2005-244

Ottawa, 15 June 2005

Frank Rogers, on behalf of a corporation to be incorporated Across Canada

Application 2004-1001-9 Public Hearing at Vancouver, British Columbia 28 February 2005

The Single Parent Channel - Category 2 specialty service

In this decision, the Commission **approves** the application for a broadcasting licence to operate a new Category 2 specialty programming undertaking.

The application

- 1. The Commission received an application by Frank Rogers, on behalf of a corporation to be incorporated (Frank Rogers, OBCI), for a broadcasting licence to operate a national English-language Category 2¹ specialty programming undertaking to be known as The Single Parent Channel. Mr. Frank Rogers will be the sole shareholder of the licensee corporation. The board of directors will be comprised of six members, one of whom is a non-Canadian.
- 2. The applicant proposed to offer a service that would be dedicated to providing information, education and entertainment of interest to single parents. The applicant added that it would devote no more than 3% of the broadcast week to music video clips and programs.

Intervention

3. The Commission received an intervention commenting on this application and that of Canadian Teen Television Network by The Family Channel Inc. (TFC), the licensee of the national English-language pay television undertaking known as Family. TFC noted that the Commission's approach to licensing new Category 2 pay and specialty services has been to establish restrictions to ensure that they will not be directly competitive with an existing pay, specialty or Category 1 service. It expressed concern that, while the Commission has imposed a 15% limitation with respect to the amount of programming that may be drawn from category 7 (Drama and comedy) on other Category 2 services with parent-related themes, the applicant did not propose any restrictions limiting the amount of programming it could draw from this category. According to TFC, if the

¹ The Category 2 services are defined in *Introductory statement – Licensing of new digital pay and specialty services*, Public Notice CRTC 2000-171, 14 December 2000.



Commission approves this application, the new service should be subject to a condition of licence whereby no more than 15% of its programming could be drawn from category 7.

Applicant's response

4. In response to TFC's intervention regarding the applications for both The Single Parent Channel and Canadian Teen Television Network, the applicant stated that it would accept a condition of licence limiting to 15% the amount of programming it may draw from category 7, with the exception of programming or films produced and directed by Canadian teens.

Commission's analysis and determination

- 5. In *Licensing framework policy for new digital pay and specialty services*, Public Notice CRTC 2000-6, 13 January 2000, the Commission implemented a competitive, open-entry approach to licensing Category 2 services. In *Introductory statement Licensing of new digital pay and specialty services*, Public Notice CRTC 2000-171, 14 December 2000, and *Corrected Appendix* 2, Public Notice CRTC 2000-171-1, 6 March 2001 (Public Notice 2000-171-1), the Commission adopted a case-by-case approach in determining whether a proposed Category 2 service should be considered directly competitive with an analog pay or specialty or existing Category 1 service, although not with an existing Category 2 service. The Commission examines each application in detail, taking into consideration the proposed nature of service and the unique circumstances of the genre in question.
- 6. The Commission notes the intervener's concern with respect to the amount of category 7 programming that other Category 2 services with parent-related themes are allowed to broadcast. It also notes the applicant's request that a condition of licence limiting to 15% the amount of programming that the proposed service may draw from category 7 not include programming or films produced and directed by Canadian teens. The Commission is of the view that allowing the proposed service to broadcast an unlimited amount of programming or films produced and directed by Canadian teens would permit the proposed service to become directly competitive with existing Category 1 services. Consequently, The Single Parent Channel will be subject to a **condition of licence** limiting all programming broadcast during the broadcast week that is drawn from category 7 to no more than 15%. A condition of licence to this effect is set out in the appendix to this decision.
- 7. The Commission also notes the applicant's intention to distribute adult programming on the proposed service. The Commission reminds the applicant that, before commencing the operation of the service, it must submit its internal policy for adult programming to the Commission and obtain Commission approval of the policy.

- 8. In light of the above, the Commission is satisfied that the application is in conformity with all applicable terms and conditions announced in Public Notice 2000-171-1. Accordingly, the Commission **approves** the application by Frank Rogers, on behalf of a corporation to be incorporated, for a broadcasting licence to operate the national English-language Category 2 specialty programming undertaking, The Single Parent Channel.
- 9. The Commission notes that the applicant indicated that it does not intend to enter into any type of business agreements, including programming supply agreements, shareholders agreements or licence trademark agreements, with its non-Canadian director. However, if the applicant should contemplate entering into any such agreement with the non-Canadian director in the future, the Commission expects the applicant to submit the proposed agreement to the Commission for prior review in order to ensure that the proposed licensee complies at all times with the *Direction to the CRTC* (*Ineligibility of non-Canadians*), P.C. 1997-486, 8 April 1997, as amended by P.C. 1998-1268, 15 July 1998.
- 10. The licence will expire 31 August 2011, and will be subject to the conditions set out in Public Notice 2000-171-1, as well as to the **conditions of licence** set out in the appendix to this decision.

Issuance of the licence

- 11. A licence will be issued once the applicant has satisfied the Commission, with supporting documentation, that the following requirements have been met:
 - an eligible Canadian corporation has been incorporated in accordance with the application in all material respects;
 - the applicant has entered into a distribution agreement with at least one licensed distributor; and
 - the applicant has informed the Commission in writing that it is prepared to
 commence operations. The undertaking must be operational at the earliest possible
 date and in any event no later than 36 months from the date of this decision, unless a
 request for an extension of time is approved by the Commission before 15 June 2008.
 In order to ensure that such a request is processed in a timely manner, it should be
 submitted at least 60 days before that date.

Secretary General

This decision is to be appended to the licence. It is available in alternative format upon request, and may also be examined in PDF format or in HTML at the following Internet site: http://www.crtc.gc.ca

Appendix to Broadcasting Decision CRTC 2005-244

Conditions of licence

- 1. The licence will be subject to the conditions set out in *Introductory statement Licensing of new digital pay and specialty services Corrected Appendix* 2, Public Notice CRTC 2000-171-1, 6 March 2001, as well as to the following conditions of licence.
- 2. The licensee shall provide a national English-language Category 2 specialty programming undertaking service dedicated to providing information, education and entertainment of interest to single parents.
- 3. The programming must be drawn exclusively from the following categories, as set out in Schedule I to the *Specialty Services Regulations*, 1990, as amended from time to time:
 - 1 News
 - 2 (a) Analysis and interpretation
 - (b) Long-form documentary
 - 3 Reporting and actualities
 - 4 Religion
 - 5 (a) Formal education and pre-school
 - (b) Informal education/Recreation and leisure
 - 6 (b) Amateur sports
 - 7 Drama and comedy
 - 8 (a) Music and dance other than music video programs or clips
 - (b) Music video clips
 - (c) Music video programs
 - 9 Variety
 - 10 Game shows
 - 11 General entertainment and human interest
 - 12 Interstitials
 - 13 Public service announcements
 - 14 Infomercials, promotional and corporate videos
- 4. The licensee shall devote no more than 15% of all programming broadcast during the broadcast week to category 7.
- 5. The licensee shall adhere to Section D.3 of the *Industry code of programming standards and practices governing pay, pay-per-view and video-on-demand services*, Broadcasting Public Notice CRTC 2003-10, 6 March 2003.

6. The licensee shall adhere to its internal policy for adult programming as filed with and approved by the Commission.

For the purposes of the conditions of this licence, including condition of licence no. 1, broadcast day shall have the same meaning as that set out in the Television Broadcasting Regulations, 1987.