Broadcasting Notice of Consultation CRTC 2014-162

PDF version

Ottawa, 3 April 2014

Notice of applications received

Across Canada

Deadline for submission of interventions/comments/answers: 8 May 2014

[Submit an intervention/comment/answer or view related documents]

The Commission has received the following applications:

DHX Media Ltd. on behalf of 8504601 Canada Inc.

Across Canada Applications 2013-1804-8 and 2013-1818-9

Application by **DHX Media Ltd.** (DHX), **on behalf of 8504601 Canada Inc.** (8504601 Canada), for authority to effect a change to its ownership and effective control through a transfer of shares to DHX (application 2013-1804-8).

8504601 Canada is the licensee of:

- Disney Junior, a national, French-language specialty Category B service;
- Disney XD, a national, English-language specialty Category B service; and
- Family Channel, and its multiplex service Disney Junior (English), a national, English-language pay television Category A service.

8504601 Canada is a wholly owned subsidiary of Bell Media Inc. (Bell Media) and is currently under the control of the trustee Pierre Boivin, pursuant to the Voting Trust Agreement approved by the Commission by letter of approval dated 27 June 2013.

DHX is a widely held Canadian corporation that is controlled by its board of directors.

In *Astral broadcasting undertakings – Change of effective control*, Broadcasting Decision CRTC 2013-310, 27 June 2013 (Broadcasting Decision 2013-310), the Commission approved, subject to certain modifications, an application by Astral Media inc. (Astral) to change the effective control of its broadcasting undertakings to BCE Inc. The proposed transaction follows Broadcasting Decision 2013-310, in which the Commission directed BCE Inc. to divest itself of the above services.

The proposed transaction would be effected through the transfer of all of the shares in the share capital of 8504601 Canada to DHX.



Following the transaction, 8504601 Canada would be wholly owned and controlled by DHX.

Pursuant to the Share Purchase Agreement, the purchase price to acquire all the issued and outstanding shares in the share capital of 8504601 Canada is \$170 million.

The applicant proposed a tangible benefits package representing 10% of the value of the transaction to be paid over a seven-year period.

The applicant also filed another application (2013-1818-9), non-severable from its first application, in order to amend the broadcasting licence for Family Channel, as follows:

- 1) amend certain conditions of licence related to *A group-based approach to the licensing of private television services*, Broadcasting Regulatory Policy CRTC 2010-167, 22 March 2010. Prior to Broadcasting Decision 2013-310, the service was owned by Astral, therefore falling under this policy. In the event that the Commission approves the proposed ownership transaction, the service would be owned by a stand-alone independent operator, and as such, the policy would not apply.
- 2) amend its condition of licence pertaining to the proportion of expenditures to be made to independent producers for the production of programs of national interest, in order to reduce the minimum requirement from 75% to 60%.
- 3) add the following condition of licence:

The licensee may exhibit programming that has been produced by the licensee or by a person related to it, provided that in each year, the amount of such programming, exclusive of filler programming, does not exceed 40% of its overall Canadian programming schedule.

The Commission reminds the applicant that any instances of non-compliance will be dealt with in the context of the licence renewal for each service.

Applicant's address:

1478 Queen Street Halifax, Nova Scotia B3J 2H7

Fax: 902-422-0752

Email: mark.gosine@dhxmedia.com

Website to view the application: www.dhxmedia.com

Procedure

Deadline for interventions, comments or answers

8 May 2014

The Canadian Radio-television and Telecommunications Commission Rules of Practice and Procedure, SOR/2010-277 (the Rules of Procedure), set out, among other things, the rules for content, format, filing and service of interventions, the procedure for filing confidential information and requesting its disclosure, and the conduct of public hearings. Accordingly, the procedure set out below must be read in conjunction with the Rules of Procedure and its accompanying documents, which can be found on the Commission's website under "CRTC Rules of Practice and Procedure."

An intervention or answer from a respondent must be received by the Commission and by the applicant on or before the above-mentioned date. An answer from a respondent must also be served on any other respondent.

In accordance with the Rules of Procedure, a document must be filed with, not merely sent to, the Commission by 5 p.m. Vancouver time (8 p.m. Ottawa time) on the date it is due. The Commission takes no responsibility for postal delays and will not notify a party whose submission is received after the deadline date. Late submissions will not be considered by the Commission and will not be made part of the public file.

Interventions and answers from respondents will be considered by the Commission and will form part of the public record of the proceeding without further notification to parties, provided the procedures set out in the Rules of Procedure and this notice have been followed. Parties will be contacted only if their submissions raise procedural questions.

Submissions must be filed by sending them to the Secretary General of the Commission by **only one** of the following means:

by using the

[Intervention/comment/answer form]

or

by mail to CRTC, Ottawa, Ontario K1A 0N2

or

by fax at 819-994-0218

A true copy of each intervention or answer from a respondent must be sent to the applicant and, in the case of a respondent to an application, to any other respondent.

The Commission advises those who file and serve by electronic mode to exercise caution when using e-mail for service of documents, as it may be difficult to establish that service has occurred.

Parties must ensure that, before initiating service through electronic mode, they will be able to satisfy the Commission, upon request, that service was completed. The sender must keep proof of the sending and the receipt of the document for 180 days after the day on which it is filed.

Submissions longer than five pages should include a summary.

Each paragraph of the submission should be numbered. In addition, where the intervention is filed by electronic means, the line ***End of document*** should be entered following the last paragraph of the document, as an indication that the document has not been altered during electronic transmission.

Interventions and answers should clearly identify the application referred to and indicate whether parties support or oppose the application, or, if they propose changes to it, include the facts and grounds for their proposal.

Important notice

All information that parties provide as part of this public process, except information designated confidential, whether sent by postal mail, facsimile, e-mail or through the Commission's website at www.crtc.gc.ca, becomes part of a publicly accessible file and will be posted on the Commission's website. This information includes personal information, such as full names, e-mail addresses, postal/street addresses, telephone and facsimile numbers, and any other personal information parties provide.

The personal information that parties provide will be used and may be disclosed for the purpose for which the information was obtained or compiled by the Commission, or for a use consistent with that purpose.

Documents received electronically or otherwise will be put on the Commission's website in their entirety exactly as received, including any personal information contained therein, in the official language and format in which they are received. Documents not received electronically will be available in PDF format.

The information that parties provide to the Commission as part of this public process is entered into an unsearchable database dedicated to this specific public process. This database is accessible only from the web page of this particular public process. As a result, a general search of the Commission's website with the help of either its own search engine or a third-party search engine will not provide access to the information that was provided as part of this public process.

The Commission encourages parties and interested persons to monitor the record of the proceeding, available on the Commission's website, for additional information that they may find useful when preparing their submissions.

Availability of documents

Electronic versions of the applications are available on the Commission's website at www.crtc.gc.ca by selecting the application number within this notice. It is also available from the applicant, either on its website or upon request by contacting the applicant at its email address, provided above.

Electronic versions of the interventions and other documents referred to in this notice are available by visiting the "Public Proceedings" section of the Commission's website. The documents can be accessed by selecting "View all proceedings open for comment," then clicking on the links in the "Related Documents" column associated with this particular notice.

Documents are also available from Commission offices, upon request, during normal business hours.

Location of Commission offices

Toll-free telephone: 1-877-249-2782 Toll-free TDD: 1-877-909-2782

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Secretary General