



Broadcasting Decision CRTC 2014-440

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Route reference: 2014-26

Ottawa, 26 August 2014

Le Groupe 50+ Itée Across Canada

Application 2013-1206-6, received 13 August 2013
Public hearing in the National Capital Region
8 April 2014

Canal 50+ – Specialty Category B service

*The Commission **denies** an application for a broadcasting licence to operate a new specialty Category B service.*

Application

1. Le Groupe 50+ Itée filed an application for a broadcasting licence to operate Canal 50+, a national, French-language specialty Category B service that would target people aged 50 and over who are active, retired or soon to be retired and who still play an active economic role in today's society.
2. The applicant proposed to draw programming from the following program categories set out in item 6 of Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time: 1, 2(a), 2(b), 3, 4, 5(b), 6(a), 6(b), 7(a), 7(b), 7(c), 7(d), 7(e), 7(f), 7(g), 8(a), 8(b), 8(c), 9, 10, 11(a), 11(b), 12, 13 and 14.
3. To ensure that the proposed service would not be directly competitive with existing Category A services, the applicant indicated that it would accept a condition of licence limiting to 10% the total programming that would be drawn from any of these program categories.
4. The applicant stated that the proposed service would not compete with any existing pay or specialty Category A or C services as there were currently no French-language services devoting at least 10% of their programming specifically to people aged 50 and over.
5. The Commission received an intervention in support of the application from MLA and former designated minister for Seniors Marguerite Blais, as well as a joint supporting intervention with 110 signatures. The Commission also received an opposing intervention by Quebecor Media Inc. (Quebecor) on its own behalf and on behalf of TVA Group Inc., to which the applicant did not reply. The public record for

this application can be found on the Commission's website at www.crtc.gc.ca or by using the application number provided above.

Commission's analysis and decision

6. After examining the public record for this application in light of applicable regulations and policies, the Commission considers that the issue it must address is whether the proposed service would compete directly with existing Category A services.
7. The licensing framework for Category B services (originally set out in Public Notice 2000-171 and subsequently updated in Broadcasting Public Notice 2004-24 and affirmed in Broadcasting Public Notice 2008-100) permits such services to be competitive with each other, but not with Category A or Category C services. Competitiveness is assessed through the licensing process and regulated through the imposition of "nature of service" conditions of licence. A given service's nature of service consists of four elements: (1) a narrative description of the service and its programming; (2) a list of the program categories from which the service may draw programming (for example, professional sports or drama); (3) limitations on the types of programming the service may broadcast or on the program categories from which the service may draw programming (for example, a maximum of 5% live sports programming per broadcast month); and (4) the language or languages in which the service broadcasts programming.
8. In its intervention, Quebecor claimed that viewers' choice of programming is dictated by their areas of interest and not by the age group to which they belong. In this respect, Quebecor noted that since people aged 50 and over have a variety of areas of interest, Canal 50+ could not simply define its nature of service by designating them as the target audience.
9. Quebecor also argued that the applicant could not claim to be pursuing a particular mandate under the pretext of targeting an audience aged 50 and over without competing with Category A services whose programming necessarily covers themes that might interest this age group. Specifically, Quebecor stated that even with the 10% limit on each program category, Canal 50+ would be directly competitive with the Category A services ARTV, TV5/UNIS and Canal Argent. Finally, Quebecor submitted that if the proposed service were approved, the Commission would no longer be in a position to justify denying applications for services seeking to cater to the interests of specific age groups.
10. The Commission notes that the proposed nature of service must be specific enough to ensure that the service is not directly competitive with a Category A or C service. In this case, the Commission is of the view that the nature of service of Canal 50+ is too broad because it is limited only to the age of the target audience and would not ensure that the proposed service would not be directly competitive with Category A services. The Commission also notes that the service would draw its programming from a large number of program categories.

11. In light of all of the above, the Commission finds that the proposed Category B service would be directly competitive with Canal Argent and TV5/UNIS. Accordingly, the Commission **denies** the application by Le Groupe 50+ Itée for a broadcasting licence to operate Canal 50+, a national, French-language specialty Category B service.

Secretary General

Related documents

- *Regulatory frameworks for broadcasting distribution undertakings and discretionary programming services* – Regulatory policy, Broadcasting Public Notice CRTC 2008-100, 30 October 2008
- *Revised procedures for processing applications for new digital Category 2 pay and specialty television services*, Broadcasting Public Notice CRTC 2004-24, 8 April 2004
- *Introductory statement – Licensing of new digital pay and specialty services*, Public Notice CRTC 2000-171, 14 December 2000