Broadcasting Decision CRTC 2015-154

PDF version

Route reference: 2014-541

Ottawa, 17 April 2015

Rogers Media Inc.

Across Canada

Application 2014-0793-2, received 15 August 2014 Public hearing in the National Capital Region 13 January 2015

Rogers Media Inc. - Television network licence

The Commission approves the application by Rogers Media Inc. (Rogers Media) for a television network licence. Under this licence, Rogers Media is authorized to broadcast the program "Hockey Night in Canada" (HNIC) on the Canadian Broadcasting Corporation's (CBC) English-language conventional television stations, pursuant to its agreement with the CBC.

As a result, Canadians will continue to have access to HNIC on the CBC.

Introduction

- 1. In Broadcasting Decision 2014-399, the Commission determined that it was necessary for Rogers Media Inc. (Rogers Media), formerly Rogers Sportsnet Inc., to seek a television network licence in light of its agreement with the Canadian Broadcasting Corporation (CBC), which provides Rogers Media with the editorial and advertising control of the program "Hockey Night in Canada" (HNIC) during its broadcast on the CBC's English-language conventional television stations for the next four years. Consequently, Rogers Media filed an application for a television network licence.
- 2. To allow sufficient time to review the present application, the Commission also required that Rogers Media file an application for a temporary network licence, the term of which cannot exceed 60 days, as set out in the *Broadcasting Act* (the Act). Consequently, the Commission approved applications² by Rogers Media for temporary television network licences in letters dated 3 September 2014, 3 November 2014, 19 December 2014 and 27 February 2015. The temporary

² For further details on these applications, refer to application 2014-0791-6.



¹ On 1 January 2015, Rogers Media Inc., Rogers Broadcasting Limited, Rogers Publishing Limited, 6878458 Canada Inc., 6878482 Canada Inc., Rogers Sports Group Inc., Rogers Sportsnet Inc., Sportsnet 360 Media Inc. and Sportsnet 360 Television Inc. amalgamated to continue as Rogers Media Inc.

television network licence that was approved on 27 February 2015 is valid until 3 May 2015.

Regulatory framework

- 3. According to the Act, a network includes "any operation where control over all or any part of the program or program schedule of one or more broadcasting undertakings is delegated to another undertaking or person."
- 4. The Commission's policy on television networks is set out in Public Notice 1989-2. One of the key elements used in this policy to determine whether an undertaking is operating a network is the concept of delegation of control. This policy indicates that the Commission will regulate as a network operation any program distribution arrangement wherein such delegation occurs. To determine the existence of a delegation of control from a television station to another party, the Commission considers the following factors:
 - formal reserved time:
 - exists where a television broadcaster, as a condition of the acquisition of all or parts of a program, is required by a formal agreement to broadcast the program at a specified time or within specified timeframes;
 - *de facto* reserved time:
 - exists where there is no formal contract or written reserve time commitment but where there is evidence that a program is being broadcast by more than one undertaking at a designated time and where the program affects the Canadian broadcasting system in a way similar to that in which a formal reserved time agreement exists;
 - o another indicator of the existence of *de facto* reserved time is the simultaneous broadcast of the program by a number of local stations;
 - editorial content:
 - o can be exercised in the power to edit or alter the content of a program, and in the power to decide whether to broadcast a program;
 - the definition of "network" in the Act implies that broadcasters may delegate control over part or all of a program or program schedule to another party, namely, a licensed network operator;
 - o accordingly, editorial control is a key criterion in determining the existence of a network.

Interventions

- 5. The Commission received interventions commenting on the application from the Syndicat canadien de la fonction publique (the SCFP), Unifor, the Public Interest Advocacy Centre and the Council of Senior Citizens' Organizations of British Columbia (PIAC/COSCO), and Bell Media Inc. (Bell). In addition, the Commission received an opposing intervention from the Forum for Research and Policy in Communications (the Forum). Rogers Media replied to the interventions.
- 6. The public record for this proceeding is available on the Commission's website at www.crtc.gc.ca or by using the application number provided above.

Commission's analysis and decisions

- 7. Based on its examination of the public record for this application in light of applicable regulations and policies, the Commission considers that it must address the following issues:
 - the lack of information on the public record;
 - the need for guaranteed access to HNIC content on all platforms;
 - additional spending requirements;
 - the impact of Rogers Media's National Hockey League (NHL) broadcast rights on the CBC's operations;
 - licence fees;
 - conditions of licence applicable to the television network licence; and
 - the length of the licence term.

Lack of information on the public record

Interventions

- 8. The SCFP and the Forum submitted that there is a lack of information on the public record to appropriately comment on this application. They requested that the Commission grant the public access to confidential data provided by Rogers Media and suggested that the Commission hold an appearing hearing to further question Rogers Media on the terms and conditions of the proposed licence.
- 9. Similarly, PIAC/COSCO requested that the annual reports filed by Rogers Media containing information on all revenues and expenses relating to NHL programming be made public to ensure that Rogers Media remains accountable.

10. The Forum also recommended that the Commission return Rogers Media's application and request that the applicant file a new one containing additional information, including the number of weekly hours of programming and commitments to program exhibition, expenditures or employment, as well as whether there will be any affiliates to the proposed network. However, should the Commission decide to proceed with the application, it recommended that the Commission either deny the application; suspend the proceeding, return the application and require that Rogers Media rework its application, and then reopen the comment period; or impose conditions of licence based on what is considered to be the current incomplete record.

Commission's analysis and decision

- 11. As set out in the appendix to Broadcasting and Telecom Information Bulletin 2010-961, the Commission generally grants confidential treatment to programming costs for individual radio and television programs or series. The financial information provided in the present application relates exclusively to the revenues and expenditures of HNIC, the only program that will be broadcast by the proposed television network.
- 12. Accordingly, the Commission granted confidentiality to the projected financial information provided in the present application as well as to certain projections and financial information filed by Rogers Media during the licence renewal hearing held in April 2014. With respect to the annual returns to be filed by Rogers Media by 30 November following the end of each broadcast year, confidential treatment will also be granted consistent with the Commission's usual practice.
- 13. However, the Commission notes that it required that Rogers Media submit by 31 October 2014 a methodology defining the NHL revenues and expenses allocation including but not limited to the allocation of NHL revenues and expenses across all channels and between linear and non-linear services. This methodology was published on the Commission's website for public examination during the comment period for this application.
- 14. Moreover, in Broadcasting Decision 2014-399, the Commission imposed a condition of licence on Rogers Media requiring it to submit, for each year of the licence term, a "Report on Specific Procedures" covering the allocation of all NHL revenues and expenses for its licensed programming undertakings—including the proposed network licence—as well as for its unlicensed undertakings. Rogers Media must submit this report by 30 November in each year of the licence term commencing 30 November 2015. This requirement is applied to the present licence through a condition set out in the appendix to this decision. The Commission will publish this report on its website for public examination once it is received.
- 15. Regarding the Forum's recommendation that the Commission return Rogers Media's application and request additional information, the Commission considers that, to the extent that this information is not confidential, these details are already available on the record of this proceeding.

16. Given the above, the Commission is satisfied that sufficient information was available on the public record to allow parties to meaningfully comment with respect to this application.

Need for guaranteed access to HNIC content on all platforms

Interventions

17. Bell argued that Rogers Media should be subject to a condition of licence that would ensure that all viewers or distributors on all platforms have access to any content associated with HNIC. It cited Rogers Media's subscription services GameCenter Live³ and GamePlus⁴ as examples of how Rogers Media is trying to provide content exclusively to its subscribers and deny competing distributors access to content that had been otherwise provided by the CBC in the past. Bell submitted that the public interest is not being served by this type of content arrangement and that CBC's programming belongs to all Canadians.

Commission's analysis and decision

- 18. Bell raised the same issue in an undue preference complaint submitted to the Commission in November 2014 (application 2014-1056-3) pursuant to sections 3⁵ and 5⁶ of the Digital Media Exemption Order. In its complaint, Bell argued that GamePlus is inextricably linked to linear television offerings and that access to GamePlus depends on a subscription to Rogers Media's Home Phone, Digital TV, Internet or wireless plan. It also argued that consumers who are not with Rogers Media would be prevented from accessing GamePlus content.
- 19. Given that in Broadcasting Decision 2015-89 the Commission dismissed Bell's complaint against Rogers Media concerning the way it offers GamePlus, the Commission finds that no action is required with respect to the present application.

Additional spending requirements

Interventions

20. Bell submitted that requirements relating to Canadian programming expenditures (CPE) and programs of national interest (PNI) should be imposed on all revenues generated by the proposed television network, as is the case with other over-the-air

³ GameCentre Live is an online video service operated by Rogers Media that broadcasts NHL hockey games and associated programming.

⁴ GamePlus is an online content offering within GameCentre Live that is available only to Rogers Media customers and offered at no additional charge. Home Phone, Digital TV, Internet or wireless data plan customers can access GamePlus when they purchase a GameCentre Live subscription.

⁵ Section 3 is an undue preference provision.

⁶ Section 5 prohibits undertakings from offering television programming on an exclusive basis that is dependent on the subscription to a specific mobile or retail Internet access service.

television networks, such as the former CTV network licence or TVA's current network licence. It also submitted that contrary to the CBC, which used to produce Canadian content with the revenues generated by the broadcast of HNIC, Rogers Media has not proposed any specific spending commitments toward Canadian content. Bell further submitted that the revenues from the television network should not be treated as sports revenues or as revenues generated by Category C sports licensees.

- 21. In addition, the Forum recommended that the Commission require Rogers Media to make a financial commitment of at least 12% of the network's revenues, similar to what Rogers Media committed to when it applied in 2007 for licences to operate new OMNI television stations in Calgary and Edmonton.⁷
- 22. For its part, the SCFP suggested that the Commission require that Rogers Media provide funding to the Canada Media Fund (CMF) in exchange for its editorial and advertising control of HNIC, if its agreement with the CBC does not include financial compensation for the use of the CBC's staff for the production of HNIC.

Rogers Media's reply

23. In response to interveners concerned that it did not make any commitments to Canadian programming in its proposal, Rogers Media confirmed that 100% of the programming broadcast on the network and all costs associated with the programming are Canadian. With respect to the suggestion that it be required to make PNI expenditures, Rogers Media submitted that there is no regulatory or policy basis for imposing group-based licensing requirements on a network licence that is tied to a service that falls outside the group-based regime.

Commission's analysis and decision

- 24. The Commission is of the view that the television network licence that is the subject of this decision should only be used to broadcast the program HNIC and that all programming expenditures should be made toward Canadian programming. Given these findings, the Commission considers that it is not necessary to impose a CPE requirement in this instance.
- 25. However, the Commission reminds Rogers Media that to be considered Canadian, HNIC programming must always meet the definition of a Canadian sports event, as set out in Public Notice 2000-42, as well as the following criteria:
 - a Canadian production company must exercise control over the production and provide the commentators;
 - if the event takes place outside Canada, the production must involve the participation of Canadian-based teams or athletes; and

⁷ The Commission approved these applications in Broadcasting Decision 2007-166.

- one of the major on-camera personalities (commentators, analysts or hosts) must be Canadian.
- 26. With respect to the suggestion to impose a PNI requirement on the proposed television network, the Commission agrees with Rogers Media that there is no regulatory or policy basis for imposing such a requirement in this case.
- 27. As to the suggestion by the SCFP that Rogers Media be required to provide funding to the CMF in exchange for its editorial and advertising control of HNIC, the Commission considers that it would be inappropriate to impose such an additional requirement on Rogers Media. The Commission does not generally require that programming services contribute directly to the CMF since these services already make direct contributions to the production of Canadian programming through their expenditures on the Canadian programs they broadcast.
- 28. In light of the foregoing, the Commission finds that it is not necessary to impose additional spending requirements on the proposed television network licence.

Impact of Rogers Media's NHL broadcast rights on the CBC's operations

Interventions

- 29. Most parties submitted that Rogers Media's acquisition of the NHL broadcast rights has already resulted in a loss of advertising revenue and the cancellation of programs on the CBC. The SCFP added that the proposed television network should not result in an additional financial burden for the CBC, which is providing the resources needed for the production of HNIC, according to the CBC's annual report. It suggested that the Commission therefore require, by condition of licence, that Rogers Media provide compensation to the CBC to cover the costs of the production of HNIC, should the agreement not include such compensation.
- 30. For its part, PIAC/COSCO doubted that the continuation of the broadcast of HNIC on the CBC is in the public interest as it appears to only benefit Rogers Media, which will leverage the brand and legacy of the program for the duration of the agreement to ensure a smooth transition.

Rogers Media's reply

31. Rogers Media refuted the assertions made by some interveners that its acquisition of the Canadian NHL rights package is responsible for the financial challenges currently experienced by the public broadcaster or the cuts that it has been forced to make to Canadian programming. On the contrary, it submitted that since the CBC does not have the inventory and platforms needed to exhibit and monetize these rights, the acquisition of the Canadian NHL rights package by the CBC would have certainly resulted in significant financial losses and further destabilized its operations.

- 32. In its view, the CBC derives considerable value from the agreement by being able to retain the strength of the HNIC brand, preserve close to 30 full-time jobs and provide approximately 300 hours of popular programming at no direct cost or financial risk to public funds. Rogers Media added that the agreement also allows the CBC to leverage one of the most highly rated programs for the promotion of the rest of its Canadian schedule, which helps drive advertising revenue in other timeslots.
- 33. The applicant also indicated that its agreement with the CBC not only serves the public interest but also helps the CBC to control costs and stabilize its operations in the face of declining revenue in the conventional television sector.

Commission's analysis and decision

- 34. While Rogers Media's agreement with the NHL has had a significant impact on the CBC's programming plans and its overall advertising revenues, the Commission considers that the CBC will derive value from the continuation of the broadcast of HNIC each Saturday evening for the duration of the regular season and during the playoffs. Its agreement with Rogers Media will save the CBC the expense of replacement programming to fill hundreds of hours of broadcast time during key broadcast periods for the next four years. The opportunity to air promotions for the rest of its programming schedule during HNIC will also most likely help to drive viewing and ultimately advertising revenue in other timeslots.
- 35. With respect to the SCFP's suggestion that Rogers Media be required to financially compensate the CBC to cover the costs incurred for the production of HNIC, the Commission is of the view that it would be inappropriate to impose such a requirement and that any such compensation is best left as a matter of negotiation between both parties.
- 36. Accordingly, the Commission finds that it is not necessary to require Rogers Media to financially compensate the CBC to cover the costs of the production of HNIC.

Licence fees

- 37. As set out in the *Broadcasting Licence Fee Regulations*, 1997 (the Regulations), all licensees must pay Part I and Part II licence fees to the Commission each year, with the exception of native, community and provincial educational television stations, as well as the CBC. The Part I fee is based on the broadcasting regulatory costs incurred each year by the Commission and other federal departments or agencies, excluding spectrum management costs. The Part II fee is calculated in accordance with a formula set out in section 11 of the Regulations that is based on the licensee's gross revenue reported in its annual return.
- 38. Rogers Media stated that licence fees should not apply to the proposed television network licence and to the temporary network licences as they only relate to the production and exhibition of one particular program to be broadcast on the public broadcaster, which is not subject to the Regulations. It also stated that the agreement

- with the CBC is in the public interest since it will ensure that millions of Canadians continue to get free access to HNIC.
- 39. Moreover, the applicant indicated that it did not factor these additional costs into its NHL programming budget, given that it did not foresee the requirement to pay licence fees, and added that imposing such a requirement would consequently have a direct impact on the production of non-core NHL-related programming—such as "Hockey Night in Canada: Punjabi Edition" or "Hockey 101"—broadcast on its multi-ethnic and multilingual conventional OMNI television stations.

Interventions

- 40. All interveners supported the imposition of licence fees, claiming that the proposed television network does not correspond to the types of licences that are exempt from paying Part I and Part II licence fees, as set out in the Regulations. They further submitted that the exemption applicable to the CBC regarding the payment of licence fees should not be extended to Rogers Media given that it will carry on and control the undertaking. Most parties also noted that Rogers Media greatly benefits from the continuation of the broadcast of HNIC and that an exemption from paying licence fees is therefore not justified.
- 41. Unifor and PIAC/COSCO expressed concern over the possibility that programs such as "Hockey Night in Canada: Punjabi Edition" or "Hockey 101" be reduced or eliminated should Rogers Media be required to pay licence fees, and asked that the Commission follow-up with Rogers Media should it elect to reduce or terminate such programs. The Forum suggested that the Commission impose on the television network, by condition of licence, a spending requirement to ensure the continued production of these programs for the entirety of the licence term, to prevent Rogers Media from terminating them.
- 42. In contrast, Bell stated that the Commission should not consider the impact that imposing licence fees may have on the production of non-core third-language hockey programming. Some parties also noted that these programs are currently broadcast on the OMNI television stations and are therefore not related to the proposed television network licence.

Rogers Media's reply

43. Rogers Media replied that the proposed television network licence is very different in nature from the television network licences that have been granted to CTV and TVA, which involved the broadcast of the entire network schedule of those television stations. It indicated that it would therefore be overly punitive to impose licence fees on its proposed television network, considering that the production and program rights costs associated with broadcasting NHL games on conventional television are expected to equal the advertising revenues generated by HNIC. It argued that the margin would only offset the costs of the program, all of which qualify as Canadian content.

- 44. The applicant reiterated that it did not factor these costs into its NHL programming budget given that it did not foresee the requirement to pay licence fees. As a result, imposing a requirement to pay licence fees would have a direct impact on the production of non-core NHL-related programming, such as third-language hockey programming broadcast on OMNI.
- 45. Finally, Rogers Media considered that the public interest would be better served by directing the money to the production of programming as opposed to the payment of licence fees, given that the television network licence only relates to one program broadcast over approximately eight months of the broadcast year. It added that since HNIC has never been subject to licence fees, an exemption would have no material or adverse financial impact on other licensees or industry stakeholders.

Commission's analysis and decision

- 46. The Commission notes that under the Regulations, all licensees, including those licensed as a network—except native, community and provincial educational television stations, as well as the CBC—must pay Part I and Part II licence fees. The Commission therefore considers that it does not have the discretion to provide Rogers Media with an exception to this requirement.
- 47. The Commission further notes that the classes of licensees exempt from paying licence fees are those that exist to serve specific public interest policy objectives of the Act and are generally not private commercial stations. Unlike these exempt licensees, the proposed television network licence would not serve a specific public interest policy objective, but rather, Rogers Media's commercial interests.
- 48. Accordingly, the Commission finds that Rogers Media should not be exempt from paying licence fees. Rogers Media will also be required to pay licence fees during the period in which it operated under temporary television network licences. Accordingly, licence fees will be payable on eligible revenue as of the 2014-2015 broadcast year.

Conditions of licence applicable to the television network licence

- 49. Rogers Media indicated that it would adhere to the standard conditions of licence pertaining to ownership, affiliation agreements, closed captioning, audio description and industry codes, as well as an expectation regarding on-screen portrayal. However, it considered that it would be redundant to include the conditions of licence on the new reporting requirements as they already apply to all of its television services, except the OMNI television stations.
- 50. The applicant also proposed that its television network licence be subject to the following description by condition of licence:
 - The licensee will produce and sell commercial inventory for the program "Hockey Night in Canada," which will be broadcast on the Canadian Broadcasting Corporation's English-language conventional television stations.

- 51. The Commission finds it appropriate to impose on Rogers Media all of the conditions of licence pertaining to the regulatory obligations mentioned above, including those on the new reporting requirements, to ensure consistency among all of Rogers Media's television undertakings and a full understanding of the allocation of the NHL rights revenues and expenditures.
- 52. It also finds it appropriate to impose the condition of licence set out above to ensure that Rogers Media does not change the scope of the operations of the television network without first seeking the Commission's authorization.

Length of the licence term

53. In its application, Rogers Media requested that the television network licence be issued for a period of four years, which corresponds to the length of its agreement with the CBC, as noted by the Commission in Broadcasting Decision 2014-399. As a result of this agreement, all regulatory responsibilities related to HNIC fall on Rogers Media, not the CBC.

Interventions

54. Bell submitted that the television network licence should expire in August 2016 to coincide with the review and renewal of all of Rogers Media's television licences. In Bell's view, this approach would provide the Commission and interested parties with an opportunity to review and comment on the information provided by Rogers Media regarding the NHL programming in the larger context of Rogers Media's licence renewals.

Rogers Media's reply

- 55. The applicant replied that there is no practical reason to tie the licence term of the television network licence to that of the other television licences that it owns and operates. It argued that tying the television network licence to the contractual term of the agreement between Rogers Media and the CBC is more relevant and administratively efficient since the nature of the relationship will not change within the proposed four-year period.
- 56. Rogers Media also indicated that the issuance of a television network licence is in this case an administrative matter designed to ensure that proper accountability resides with Rogers Media for HNIC's adherence to programming standards and regulations, such as compliance with industry codes, the regulations related to accessibility and the loudness of commercial messages.

Commission's analysis and decision

57. In Broadcasting Decision 2014-399, the Commission renewed the licences for all of Rogers Media's television services, with the exception of City Saskatchewan (formerly SCN), for a two-year licence term expiring 31 August 2016. This short-term licence was imposed to allow the Commission to carry out a thorough

review of the group-based licensing approach in 2016 and to align the renewals of the broadcasting licences for Rogers Media's conventional television stations and specialty services with those of the other large private English-language ownership groups. Further, in Broadcasting Decision 2015-86, the Commission announced that the licence renewals for the large private sector ownership groups would take place by 31 August 2017, instead of by 31 August 2016. Therefore, the Commission is of the view that the proposed television network licence should be granted the same licence term as that granted to the rest of Rogers Media's television services.

58. Accordingly, the Commission finds it appropriate to grant a three-year licence term to Rogers Media's television network undertaking, expiring 31 August 2017.

Conclusion

59. In light of all of the above, the Commission **approves** the application by Rogers Media Inc. for a television network licence. Under this licence, Rogers Media is authorized to broadcast the program "Hockey Night in Canada" on the CBC's English-language conventional television stations, pursuant to its agreement with the CBC. The terms and **conditions of licence** are set out in the appendix to this decision.

Other matters

- 60. Rogers Media is a wholly owned subsidiary of Rogers Communications Inc. (Rogers Communications). In 2013, Rogers Communications appointed a non-Canadian as President and Chief Executive Officer (CEO). In cases where the CEO of the parent corporation is non-Canadian, the *Direction to the CRTC* (*Ineligibility of Non-Canadians*) stipulates that the CEO and directors of the parent corporation cannot exercise control or influence over any programming decisions of the subsidiary corporation.
- 61. In Broadcasting Decision 2013-642, the Commission examined the particulars of this situation and directed Rogers Communications to amend the by-laws of its subsidiaries holding broadcasting licence(s) to establish Independent Programming Committee(s) (IPC). Rogers Media did not hold broadcasting licence(s) at that time.
- 62. As a result of the present decision, the Commission **directs** Rogers Media to file with the Commission executed copies of its amended by-laws and related shareholders' resolutions establishing an IPC by no later than **19 May 2015**. These documents will be added to the public record for this proceeding. Further, the Commission reminds Rogers Media of its obligations to adhere to the IPC.
- 63. Finally, the Commission notes that Rogers Media submitted on 31 October 2014 a methodology defining the NHL revenue and expense allocation including but not limited to the allocation of NHL revenues and expenses across all channels and between linear and non-linear services. However, the methodology did not include any reference to the proposed television network licence. To ensure that the methodology refers to all of the services that are broadcasting NHL content acquired by Rogers Media, the Commission **directs** Rogers Media to submit a revised version

of the methodology, which includes a reference to the television network licence, by no later than **19 May 2015**.

Secretary General

Related documents

- Complaint by Bell Canada against Rogers Media Inc., formerly Rogers
 Broadcasting Limited, alleging violations of the Digital Media Exemption Order,
 Broadcasting Decision CRTC 2015-89, 16 March 2015
- The way forward Creating compelling and diverse Canadian programming, Broadcasting Regulatory Policy CRTC 2015-86, 12 March 2015
- Rogers Media Inc. Group-based licence renewals, Broadcasting Decision CRTC 2014-399, 31 July 2014
- Terrestrial broadcasting distribution undertakings serving various locations in Ontario, New Brunswick, and Newfoundland and Labrador; national video-ondemand programming undertaking known as Rogers On Demand; and terrestrial and direct-to-home national pay-per-view services known as Rogers Sportsnet – Acquisition of assets (corporate reorganization), Broadcasting Decision CRTC 2013-642, 29 November 2013
- Procedures for filing confidential information and requesting its disclosure in Commission proceedings, Broadcasting and Telecom Information Bulletin CRTC 2010-961, 23 December 2010
- Ethnic television stations in Calgary and Edmonton, Broadcasting Decision CRTC 2007-166, 8 June 2007
- Certification for Canadian Programs A revised approach, Public Notice CRTC 2000-42, 17 March 2000
- Policy respecting television networks, Public Notice CRTC 1989-2, 10 January 1989

^{*}This decision is to be appended to the licence.

Appendix to Broadcasting Decision CRTC 2015-154

Terms, conditions of licence and expectation for the television network undertaking to be operated by Rogers Media Inc.

Terms

The licence will expire 31 August 2017.

Conditions of licence

- 1. Except as authorized by the Commission, this broadcasting television network undertaking shall be operated in fact by the licensee itself. The licence cannot be transferred or assigned.
- 2. The licensee shall produce and sell commercial inventory for the program "Hockey Night in Canada," which will be broadcast on the Canadian Broadcasting Corporation's English-language conventional television stations.
- 3. The licensee shall adhere at all times to the *Television Broadcasting Regulations*, 1987.
- 4. The licensee shall comply at all times with the *Direction to the CRTC* (*Ineligibility to Hold Broadcasting Licences*) and the *Direction to the CRTC* (*Ineligibility of Non-Canadians*).
- 5. The licensee shall not affiliate with or disaffiliate from a programming undertaking without the prior written approval of the Commission.
- 6. For each year of the licence term commencing with the 2014-2015 broadcast year, the licensee shall submit to the Commission a "Report on Specified Procedures" containing all the information requested by the Commission as described in *Rogers Media Inc. Group-based licence renewals*, Broadcasting Decision CRTC 2014-399, 31 July 2014. The report shall be submitted by no later than 30 November following the end of each broadcast year.
- 7. The licensee shall submit to the Commission an annual unaudited report by no later than 30 November following the end of each broadcast year containing information on the allocation of all the revenues and expenses related to the National Hockey League programming content broadcast on the licensed programming undertakings, the licensed network and all exempt services operated by the licensee.
- 8. The licensee shall adhere to the *Equitable Portrayal Code*, as amended from time to time and approved by the Commission. However, application of the foregoing condition of licence will be suspended if the licensee is a member in good standing of the Canadian Broadcast Standards Council.

- 9. The licensee shall adhere to Advertising Standards Canada's *Broadcast Code for Advertising to Children*.
- 10. The licensee shall adhere to the Canadian Association of Broadcasters' *Violence Code*. However, application of the foregoing condition of licence will be suspended if the licensee is a member in good standing of the Canadian Broadcast Standards Council.
- 11. The licensee shall caption 100% of the English- and French-language programs, broadcast over the broadcast day, consistent with the approach set out in *A new policy with respect to closed captioning*, Broadcasting Public Notice CRTC 2007-54, 17 May 2007.
- 12. Consistent with *Accessibility of telecommunications and broadcasting services*, Broadcasting and Telecom Regulatory Policy CRTC 2009-430, 21 July 2009, the licensee shall:
 - ensure that advertising, sponsorship messages and promos in the English and French languages are closed captioned;
 - adhere to the quality standards on closed captioning developed by the television industry working group, as amended from time to time and approved by the Commission; and
 - implement a monitoring system to ensure that, for any signal that is closed captioned, the correct signal is captioned, the captioning is included in its broadcast signal and this captioning reaches the distributor of that signal in its original form. "Original form" means, at a minimum, that the captioning provided by the licensee reaches the distributor unaltered, whether it is passed through in analog or in digital, including in high definition.
- 13. The licensee shall provide audio description for all the key elements of Canadian information programs, including news programming. For the purposes of this condition of licence, "audio description" refers to announcers reading aloud the key textual and graphic information that is displayed on the screen during information programs.

Expectation

The Commission expects the licensee to endeavour, through its programming and employment opportunities, to reflect the presence in Canada of ethnocultural minorities, Aboriginal peoples and persons with disabilities. The Commission further expects the licensee to ensure that the on-screen portrayal of such groups is accurate, fair and non-stereotypical.