



Broadcasting Decision CRTC 2007-356

Ottawa, 26 September 2007

Persona Communications Corp.

Across Canada

Application 2007-0791-1, received 23 May 2007

Broadcasting Public Notice CRTC 2007-96

24 August 2007

Transfer of effective control

*The Commission **approves** the application by Persona Communications Corp. (Persona), on behalf of itself and Bragg Communications Incorporated (Bragg), for authority to transfer the effective control of Persona and its wholly-owned subsidiary Northern Cablevision Ltd. to 4402511 Canada Inc., a wholly-owned subsidiary of Bragg.*

The application

1. The Commission received an application by Persona Communications Corp. (Persona), on behalf of itself and Bragg Communications Incorporated (Bragg), for authority to transfer the effective control of Persona and its wholly-owned subsidiary Northern Cablevision Ltd. (Northern) to 4402511 Canada Inc. (4402511 Canada), a wholly-owned subsidiary of Bragg.

Parties to the transaction

2. Persona is the licensee of cable broadcasting distribution undertakings (BDUs) in Sudbury and Timmins, Ontario, Marystown, Newfoundland and Labrador, and Delta, and Sechelt and Gibsons, British Columbia¹, and of an exempted radiocommunication distribution undertaking in Tumbler Ridge, British Columbia. Persona also owns approximately 600 Class 2 and Class 3 exempted cable BDUs across Canada. Northern, the subsidiary of Persona, is the licensee of one cable BDU in Grande Prairie, Alberta.

¹ The Commission approved the applications by Persona, or a partnership comprised of Persona and a wholly-owned subsidiary of Persona, to acquire the assets of the cable BDUs serving Delta, and Sechelt and Gibsons, British Columbia, in Broadcasting Decision 2007-28.

3. Bragg, the parent corporation of 4402511 Canada, is owned and controlled by Oxford Communications Incorporated (Oxford), which in turn is owned and controlled by Tidnish Holdings Limited (Tidnish) (79.96% of voting shares) and by the John Bragg Family Trust (20.04% of voting shares). Both Oxford and Tidnish are companies that are ultimately controlled by a Canadian, Mr. John L. Bragg. Bragg is the licensee of cable BDUs in Bridgewater, Blockhouse and Lunenburg, Nova Scotia, as well as a number of cable BDUs elsewhere in both Nova Scotia and in Prince Edward Island, through its various subsidiaries.

The proposed transaction

4. All of Persona's shares are currently held by Canadian Cable Acquisition Holdings Company Inc. (CCAHC). In turn, 67% of CCAHC's voting shares are currently held by 6207766 Canada Inc.², and 33% of CCAHC's voting shares are currently held by HMTF Canadian Cable General Partnership (a non-Canadian entity). Pursuant to a Share Purchase Agreement dated 23 April 2007, all of the shares of CCAHC would be transferred to 4402511 Canada. As a result, effective control of Persona and of its wholly-owned subsidiary Northern would be exercised by 4402511 Canada.
5. Following approval by the Commission, Bragg, through 4402511 Canada, would obtain control over the cable BDUs in British Columbia, Alberta, Ontario, and Newfoundland and Labrador, as well as the exempted radiocommunication distribution undertaking in British Columbia. 4402511 Canada committed to operate each of these undertakings under the same terms and conditions as those in effect under the current licences. In addition, 4402511 Canada would obtain control over the above-mentioned Class 2 and Class 3 exempted cable BDUs across Canada as well as Persona's minority interest in Cable Public Affairs Channel Inc. (CPAC).
6. In support of its application, Persona submitted that ownership of Persona by Bragg would enhance the competitive position of both companies as well as their provision of service to customers. Persona argued that its current shareholders are primarily financial institutions while Bragg is an experienced cable operator. Persona also argued that the entity resulting from the combination of Persona and Bragg would provide broadcasting distribution services on a national basis and would be able to compete effectively against larger and better-financed competitors.
7. The Commission did not receive any interventions in connection with this application.

² The Commission approved the transfer of all of Persona's shares to CCAHC in Broadcasting Decision 2004-284.

Commission's analysis and determinations

8. In section VII (Transfers of Ownership and Control) of Public Notice 1996-69, the Commission announced that, in assessing applications for authority to transfer the ownership or effective control of a BDU, it will no longer require prospective purchasers to identify the significant and unequivocal benefits that will result if the transaction is approved. However, the Commission will continue to assess such applications to ensure that the prospective purchaser is qualified and that approval is in the public interest.
9. The Commission notes that 4402511 Canada, the corporation that would control Persona, is ultimately controlled by a Canadian, Mr. John L. Bragg, which satisfies the requirements of the *Direction to the CRTC (Ineligibility of non-Canadians)*, P.C. 1997-486, 8 April 1997, amended by P.C. 1998-1268, 15 July 1998.
10. The Commission has considered the application and has determined that the proposed transaction would be in the public interest.
11. In light of the above, the Commission **approves** the application by Persona Communications Corp., on behalf of itself and Bragg Communications Incorporated, for authority to transfer the effective control of Persona and its wholly-owned subsidiary Northern Cablevision Ltd. to 4402511 Canada Inc., a wholly-owned subsidiary of Bragg.
12. The Commission reminds the applicant that if it wishes to enter into any subsequent amalgamation as outlined in its application, it will need to inform the Commission and provide supporting documentation.

Secretary General

Related documents

Cable distribution undertakings – Acquisition of assets, Broadcasting Decision CRTC 2007-28, 23 January 2007

Change in effective control, Broadcasting Decision CRTC 2004-284, 21 July 2004, amended by *Erratum*, Broadcasting Decision CRTC 2004-284-1, 26 July 2004

Call for comments on a proposed approach for the regulation of broadcasting distribution undertakings, Public Notice CRTC 1996-69, 17 May 1996

This decision is to be appended to each 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>