



## Broadcasting Decision CRTC 2008-172

Ottawa, 13 August 2008

**Ag-Com Productions Ltd.**  
Across Canada

*Application 2008-0178-9, received 4 February 2008*  
*Public Hearing in Winnipeg, Manitoba*  
*3 June 2008*

### **The Rural Channel – Category 2 specialty service**

*The Commission **approves** an application for a broadcasting licence to operate a new Category 2 specialty programming undertaking.*

#### **The application**

1. Ag-Com Productions Ltd. (Ag-Com) filed an application for a broadcasting licence to provide The Rural Channel, a national, English-language Category 2 specialty service that would be devoted to serving the interests and needs of individuals and families living outside of major cities in smaller and rural communities across Canada. While the service would be of interest to all rural residents, it would also be of interest to all Canadians as it would focus on Canada's single most important industry, "agriculture." The service would be primarily dedicated to all aspects of agriculture, with programming ranging from hard news and documentary-style programming to rural lifestyle and recreational programming.
2. The applicant indicated that no more than 12 hours per broadcast week, based on a 168-hour broadcast week, would be drawn from category 7 (Drama and comedy) and that all programming from category 7 would have a strong connection to rural life. This essentially represents 7% of the programming broadcast during a broadcast week.
3. The applicant also sought the authorization to make available for distribution for a period of three years from the date of approval of its application, an upgraded version of its service in high definition (HD) format. The applicant asserted that not less than 95% of the video and audio components of the upgraded and standard definition version of the service would be the same, exclusive of the commercial messages and of any part of the service carried on a subsidiary signal. In addition, the applicant indicated that all of the programming making up the 5% allowance would be provided in HD format.
4. The Commission received several interventions in support of this application.

## Commission's analysis and determinations

5. The Commission is satisfied that the application is in conformity with all applicable terms and conditions announced in Public Notice 2000-171-1 and is consistent with the regulatory framework set out in Broadcasting Public Notice 2006-74. Accordingly, the Commission **approves** the application by Ag-Com Productions Ltd. for a broadcasting licence to operate the national, English-language Category 2 specialty programming undertaking to be known as The Rural Channel. The terms and **conditions of licence** are set out in the appendix to this decision.

Secretary General

### Related documents

- *A new policy with respect to closed captioning*, Broadcasting Public Notice CRTC 2007-54, 17 May 2007
- *Regulatory framework for the licensing and distribution of high definition pay and specialty services*, Broadcasting Public Notice CRTC 2006-74, 15 June 2006
- *Introductory statement – Licensing of new digital pay and specialty services – Corrected Appendix 2*, Public Notice CRTC 2000-171-1, 6 March 2001
- *Licensing framework policy for new digital pay and specialty services*, Public Notice CRTC 2000-6, 13 January 2000

*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 2008-172

### Terms, conditions of licence and expectation for the Category 2 specialty programming undertaking The Rural Channel

#### Terms

A licence will be issued once the applicant has satisfied the Commission, with supporting documentation, that the following requirements have been met:

- 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 13 August 2011. 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.

The licence will take effect 1 September 2008 and will expire 31 August 2015.

#### Conditions of licence

1. The licence shall 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.
2. The licensee shall provide a national, English-language Category 2 specialty programming service devoted to serving the interests and needs of individuals and families living outside of major cities in smaller and rural communities across Canada, with a focus on the agriculture industry.
3. The programming shall be drawn exclusively from the following categories set out in item 6 of 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
  - 6 (a) Professional sports  
(b) Amateur sports
  - 7 (d) Theatrical feature films aired on TV
  - 8 (b) Music video clips

11 General entertainment and human interest

13 Public service announcements

4. The licensee shall devote no more than 7% of all programming broadcast during the broadcast year to programming drawn from category 7.
5. All programming from category 7 shall be consistent with the nature of the service.
6. The licensee is authorized to make available for distribution, for a period of three years from the date of this decision, a version of its service in high definition (HD) format, provided that not less than 95% of the video and audio components of the upgraded and standard definition versions of the service are the same, exclusive of commercial messages and of any part of the service carried on a subsidiary signal. The remainder of the programming making up the 5% allowance must be provided in HD format.
7. The licensee shall caption 100% of its programs 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.
8. In order to ensure that the 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, the licensee shall file, for the Commission's prior review, a copy of any programming supply agreement and/or licence trademark agreement it intends to enter into with a non-Canadian party.

For the purposes of the conditions of this licence, including condition of licence no. 1, *broadcast day* refers to the 24-hour period beginning each day at 6 a.m. or any other period approved by the Commission.