



Broadcasting Decision CRTC 2005-388

Ottawa, 9 August 2005

**CTV Inc., on behalf of The Sports Network Inc. and
Le Réseau des sports (RDS) inc.**
Across Canada

*Application 2005-0500-3
Broadcasting Public Notice CRTC 2005-60
15 June 2005*

TSN and RDS – Licence amendment

1. The Commission **approves** the application by CTV Inc., on behalf of The Sports Network Inc. and Le Réseau des sports (RDS) inc., (CTV) to amend the broadcasting licences for the national specialty programming undertakings known as TSN and RDS.
2. The Commission received interventions in support of this application.

TSN

3. In *Licence renewal for The Sports Network*, Decision CRTC 2001-734, 29 November 2001, the Commission imposed the following condition of licence, which relates to TSN's requirements for expenditures on Canadian programming:
 - 3 (b) In any broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming that is up to five percent (5%) less than the minimum required expenditure for that year calculated in accordance with this condition; in such case, the licensee shall expend in the following year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's underspending.
4. CTV proposed to replace condition of licence 3 (b) with the following condition:
 - 3(b)(i) In any broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming that is up to five percent (5%) less than the minimum required expenditure for that year calculated in accordance with this condition; in such case, the licensee shall expend in the following year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's underspending;

(ii) For the 2004/2005 broadcast year, the licensee may expend an amount on Canadian programming that is up to fifteen percent (15%) less than the minimum required expenditure for that year calculated in accordance with this condition; in such case, the licensee shall expend the full amount of this underspending by the end of the licence term.

RDS

5. In *Licence renewal for Le Réseau des sports*, Decision CRTC 2001-735, 29 November 2001, the Commission imposed the following condition of licence, which relates to RDS's requirements for expenditures on Canadian programming:

2 (b) In any broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming that is up to five percent (5%) less than the minimum required expenditure for that year calculated in accordance with this condition; in such case, the licensee shall expend in the following year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's underspending.

6. CTV proposed to replace condition of licence 2(b) with the following condition:

2(b)(i) In any broadcast year of the licence term, excluding the final year, the licensee may expend an amount on Canadian programming that is up to five percent (5%) less than the minimum required expenditure for that year calculated in accordance with this condition; in such case, the licensee shall expend in the following year of the licence term, in addition to the minimum required expenditure for that year, the full amount of the previous year's underspending;

(ii) For the 2004/2005 broadcast year, the licensee may expend an amount on Canadian programming that is up to twelve percent (12%) less than the minimum required expenditure for that year calculated in accordance with this condition; in such case, the licensee shall expend the full amount of this underspending by the end of the licence term.

7. The applicant stated that, due to the National Hockey League (NHL) lockout, TSN and RDS will not be able to meet their requirements with respect to expenditures on Canadian programming for the 2004/2005 broadcast year.

8. The Commission considers that the NHL lockout resulted in negative financial consequences for TSN and RDS and that the applicant could not have anticipated those consequences. The Commission notes that the new conditions of licence, while granting the applicant some flexibility in its Canadian programming expenditures for the 2004/2005 broadcast year, will ensure that the applicant's expenditures on Canadian programming achieve the required levels by the end of the current licence term.

Secretary General

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>