



Broadcasting Decision CRTC 2006-39

Ottawa, 10 February 2006

NMTV inc.
Across Canada

*Application 2005-0823-6
Broadcasting Public Notice CRTC 2005-84
24 August 2005*

NuevoMundo Television (NMTV) - Licence amendment

*In this decision, the Commission **approves** an application to amend the broadcasting licence for the Category 2 specialty service known as NuevoMundo Television (NMTV), in order to authorize the licensee to broadcast a maximum of six minutes of local or regional advertising material during each clock hour.*

The application

1. The Commission received an application by NMTV inc. to amend the broadcasting licence for the national, ethnic Category 2 specialty programming undertaking known as NuevoMundo Television (NMTV), in order to authorize the licensee to broadcast a maximum of six minutes of local or regional advertising material in each clock hour.
2. Under the general conditions of licence for Category 2 specialty services stipulated in *Introductory statement – Licensing of new digital pay or specialty services*, Public Notice CRTC 2000-171, 14 December 2000, and in *Appendix 2 amended*, Public Notice CRTC 2000-171-1, 6 March 2001 (Public Notice 2000-171-1), the licence for this undertaking is subject to the condition pertaining to advertising set out in Public Notice 2000-171-1.
3. The licensee proposed to delete condition of licence 4. d) set out in Public Notice 2000-171-1.
4. In addition, the licensee proposed to replace condition of licence 4. a), set out in Public Notice 2000-171-1, with the following condition:

Except as otherwise provided in subparagraphs b) and c), the licensee shall not distribute more than twelve (12) minutes of advertising material during each clock hour, of which no more than six (6) minutes may consist of local or regional advertising.

Intervention

5. The Commission received an intervention by Telelatino Network inc. (TLN) in opposition to the present application. TLN is the licensee of the national, ethnic Category 2 specialty programming undertaking known as Telelatino, which offers ethnic programming targeted to Italian- and Spanish-speaking audiences.
6. TLN expressed concern that NMTV would compete with Telelatino for the same advertisers that target Spanish-speaking Canadians. TLN claimed that approval of the present application for authority for NMTV to broadcast local advertising would have a negative impact on Telelatino, by contributing to a decrease in Telelatino's advertising revenues that are needed for the licensee to fulfil its commitments with respect to Spanish-language programming.
7. TLN added that the Commission should adhere to its licensing policy for new ethnic Category 2 specialty programming undertakings.

Licensee's reply

8. In reply to TLN's intervention, NMTV inc. noted that Telelatino broadcasts only about 50% of all its programming in Spanish. NMTV inc. noted that, in comparison, it proposed to broadcast 90% of its programs in Spanish. NMTV inc. maintained that NMTV's programming orientation is very different from that of Telelatino and that NMTV's programming orientation could enable it to access new markets.
9. NMTV inc. further noted that, in *Hola! Canadian Hispanic TV Network – Category 2 specialty service*, Broadcasting Decision CRTC 2005-162, 19 April 2005, the Commission approved an application by Hola! Canadian Hispanic TV Network Inc. to operate a national, ethnic Category 2 specialty programming undertaking known as Hola! Canadian Hispanic TV Network. The licence for this undertaking is subject to a condition of licence authorizing the licensee to distribute up to 12 minutes of advertising material during each clock hour, of which no more than 6 minutes may consist of local or regional advertising.

Commission's analysis and determination

10. In *Licensing framework policy for new digital pay and specialty services*, Public Notice CRTC 2000-6, 13 January 2000 (Public Notice 2000-6), the Commission implemented a competitive, open-entry approach to licensing Category 2 services. While the Commission does not consider the impact that a new Category 2 service might have on an existing Category 2 service, it does seek to ensure that newly licensed Category 2 services do not compete directly with any existing pay or specialty television service, including any Category 1 service.

11. In *NuevoMundo Television (NMTV) – Category 2 specialty service*, Broadcasting Decision CRTC 2005-147, 11 April 2005 (Decision 2005-147), the Commission approved an application to operate a national, ethnic Spanish-language Category 2 specialty programming undertaking, under the criteria set out in Public Notice 2000-6. In that decision, the Commission stated that it was satisfied that NMTV would provide a service directed entirely to a Spanish-speaking audience, with 90% of all programming to be offered in the Spanish language, including a prime time schedule exclusively devoted to a Spanish-speaking audience. Accordingly, the Commission imposed a condition of licence requiring that not less than 90% of the programming be in the Spanish language. The Commission also stated that it was satisfied that NMTV would not be directly competitive with Telelatino.
12. In its new policy on third-language ethnic Category 2 specialty services,¹ the Commission now allows applicants, which request to do so, to broadcast up to six minutes of local advertising within the authorized 12-minute period. NMTV inc.'s application is consistent with that revised approach.
13. In light of the above, the Commission **approves** the application by NMTV inc. to amend the broadcasting licence for the national, ethnic Category 2 specialty programming undertaking known as NuevoMundo Television (NMTV), in order to authorize the licensee, by **condition of licence**, to broadcast a maximum of 12 minutes of advertising material during each clock hour, of which no more than six minutes may consist of local or regional advertising.
14. The licence will continue to be subject to the **conditions** set out in Public Notice 2000-171-1, with the exception of conditions 4. a) and 4. d), and to the **conditions** set out in the appendix to Decision 2005-147.

Secretary General

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>

¹ *Revised approach for the consideration of broadcasting licence applications proposing new third-language ethnic Category 2 pay and specialty services*, Broadcasting Public Notice CRTC 2005-104, 23 November 2005