



Broadcasting Decision CRTC 2004-191

Ottawa, 28 May 2004

6166954 Canada Inc.
Across Canada

Application 2004-0013-5
Public Hearing in the National Capital Region
17 May 2004

PrideVision - Acquisition of assets

*The Commission **approves** the application by 6166954 Canada Inc. to acquire the assets of the national Category 1 specialty television service, PrideVision.*

The application

1. The Commission received an application by 6166954 Canada Inc. (6166954) for authority to acquire the assets of the national English-language Category 1 specialty television service, PrideVision¹, from PrideVision Inc. The applicant also requested a broadcasting licence to operate this undertaking.
2. The vendor, PrideVision Inc., is currently controlled by Headline Media Group Inc.
3. The purchaser, 6166954, is wholly-owned and controlled by Mr. William Craig. Following approval of the proposed transaction, Mr. Craig would own 80.2% of the voting shares of PrideVision, and PrideVision Inc. would own 9.9% of the voting shares. The remaining 9.9% voting shares would be owned by other shareholders.
4. Given that the assets of the broadcasting undertaking would be transferred to 6166954 at a cost of \$1.5 million, the applicant proposed a benefit package totalling \$150,000. The benefit package would consist of an endowment to the Trebas Institute to be spent over seven years on scholarships for students entering the Institute's Film and Television Production Program at its Toronto or Montréal campuses.

Intervention

5. The Commission received an intervention by Mr. J. Clark, which while supporting this application also suggested that the applicant should allocate the benefits to another project.

¹ In *PrideVision – a new specialty channel*, Decision CRTC 2000-456, 24 November and 14 December 2000, the Commission approved the application by Levfam Holdings Inc., on behalf of a corporation to be incorporated and to be known as Pridevision Inc., to operate a national English-language Category 1 specialty television service known as PrideVision.

The Commission's analysis and determination

6. In *Building on success – A policy framework for Canadian television*, Public Notice CRTC 1999-97, 11 June 1999, the Commission stated that it will generally expect applicants to make commitments to clear and unequivocal tangible benefits representing a financial contribution of 10% of the value of the transaction, as accepted by the Commission. The Commission has noted the suggestion made by the intervener that the applicant direct the benefits to another project. The Commission finds, however, that the value of the transaction is reasonable and that the benefit package is acceptable.
7. In light of the above, the Commission **approves** the application by 6166954 Canada Inc. for authority to acquire the assets of the national English-language Category 1 specialty television service, PrideVision, and for a broadcasting licence to operate the undertaking.

Issuance of the licence

8. The Commission will only issue the licence once the vendor has surrendered the current licence to the Commission.
9. The licence will expire 31 August 2007, the current licence expiry date, and will be subject to the same terms and conditions as those in effect under the existing licence.

Employment equity

10. In accordance with *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992, the Commission encourages the licensee to consider employment equity issues in its hiring practices and in all other aspects of its management of human resources.

Secretary General

This decision is to be appended to the licence. It is available in alternative format upon request, and may also be examined at the following Internet site: <http://www.crtc.gc.ca>