

September 19, 2005

Mrs. Diane Rhéaume
Secretary General
Canadian Radio-television &
Telecommunications Commission
Ottawa, Ontario
K1A 0N2

Dear Mrs. Rhéaume:

Re: Application to Disaffiliate CFJC-TV Kamloops from the CBC

In its September 13, 2005 letter to the Jim Pattison Broadcast Group (JPBG), the CRTC raised a number of deficiency questions with respect to JPBG's application to disaffiliate CFJC-TV, Kamloops from CBC.

In one of its questions, the CRTC requested the following from JPBG:

In a letter of support for your application, the Canadian Broadcasting Corporation (CBC) indicated that, once disaffiliation occurs, over 95% of the Kamloops market will still be in a position to receive the signal of CBUT Vancouver by way of cable or satellite. The CBC, however, is mandated by the Broadcasting Act (The Act), to be accessible by all Canadians. The Act states, in part that CBC programming should be made available throughout Canada by the most appropriate and efficient means..."(Broadcasting Act, s.3(m)(vii).

1. Please provide information as to how the CBC justifies its deletion of its off-air service to a portion of viewers in the Kamloops area, in light of this objective. Please also provide reasons as to why the CBC decided not to file an application to amend the licence of CBUT, such as that approved by Broadcasting Decision 2005-79. Evidence of your having consulted with the CBC would be appreciated.

JPBG has requested that CBC reply directly to this question and we are pleased to do so in support of JPBG's application.

Section 3(1)(m) of the *Broadcasting Act* states that: "the programming provided by the Corporation should be made available throughout Canada by the most appropriate and efficient means and as resources become available for that purpose." (emphasis added)

As outlined in our July 28, 2005 letter of support to JPBG's application, JPBG's decision to seek disaffiliation came two years into a six-year affiliation agreement. This decision by JPBG occurred much sooner than anticipated.

As a result, CBC/Radio-Canada did not budget nor does it have the resources within its current capital plan to introduce retransmitters for CBUT-TV into the Kamloops market to provide CBC service over-the-air. Furthermore, given that off-air tuning currently represents 5% of total tuning in the Kamloops market and that this is expected to continue to decline over the years to come, we believe that the "most appropriate and efficient means" of providing the full CBC service to the people of Kamloops is through BDUs. Therefore, CBC/Radio-Canada will not be submitting applications to amend the licence of CBUT to add new retransmitters at this time.

CBC/Radio-Canada's goal is to bring the full CBC service to as many Canadians as possible. Currently, CFJC-TV carries only 43.5 hours per week of CBC's service. This represents approximately 30% of CBC's schedule. Currently, only 31% (Kamloops EM, BBM, Spring 2005) of the Kamloops market represented by DTH subscribers receive CBC's full schedule. If the CRTC approves JPBG's application, then CBC will request under section 17(f) of the *Broadcasting Distribution Regulations* that cable operators carry CBUT-TV which is available to them via satellite. As a result, we will be able to increase the percentage of the market that has access to CBC's full schedule from 31% to 95% or nearly the entire population of Kamloops.

Furthermore, approval of this application will allow JPBG to maintain its Joint Sales Agreement with CHBC-TV, Kelowna. This will help CFJC-TV preserve its advertising revenue base which in turn will enable CFJC-TV to maintain its current level of local programming in the Kamloops market.

Sincerely,



Bev Kirshenblatt

c.c. Chris Weafer, Owen Bird on behalf of JPBG