May 3, 2013 Filed Electronically

Mr. John Traversy Secretary General Canadian Radio-television and Telecommunications Commission Ottawa, Ontario K1A 0N2

Dear Mr. Traversy:

Re: Part 1 Application filed by Bell Media Inc. seeking amendments to certain conditions of licence of the national English-language specialty Category A service known as Book Television (Application 2013-0493-0)

- 1. The Writers Guild of Canada (the WGC) is the national association representing more than 2,200 professional screenwriters working in English-language film, television, radio, and digital media production in Canada. The WGC is actively involved in advocating for a strong and vibrant Canadian broadcasting system containing high-quality Canadian programming. While the WGC's mandate is to represent our members, in advocating a strong Canadian broadcasting system that offers Canadians a variety of programming, we also play a role in balancing competing interests in the broadcasting system.
- 2. Bell Media is seeking the following changes to Book Television's conditions of licence (COLs):
  - increase the amount of Category 7 (Drama and Comedy) programming permitted on the service from 35% to 50% per broadcast week [COL 2(e)]; and
  - the deletion of COL 2(f), which limits the amount of Category 7 programming permitted to be broadcast on the service between 6 p.m. and midnight as set out in Appendix 3 to *Broadcasting Decision CRTC 2011-444*.
- 3. The WGC **opposes** Bell Media's application for the reasons outlined below.
- 4. We have reviewed the opposing intervention of the Canadian Media Production Association (CMPA) related to Bell Media's application and echo the comments made by the CMPA therein. In particular, we agree that approval of the application would simply lead to an increase in U.S. drama series and Hollywood films on Book Television, particularly in the evening broadcast period, and would allow the service to essentially morph into a general interest channel.

A Member of the International Affiliation of Writers Guilds

366 Adelaide Street West Suite 401 Toronto, Ontario M5V 1R9 5. The WGC has read the interventions filed by individuals Keith Osmond and Ray Argyle and we agree with their comments. In particular, we wish to highlight the following very articulate comments by Mr. Osmond:

BookTelevision provides a unique service unlike anything else on Canadian television. Books and literature in general is a genre that gets little attention on television, unless it is in the form of a feature film or television drama based on some form of literature. This type of programming is not a scarcity on television, but talk shows, documentaries, magazine-style series, etc., focusing on literature is. And as a category A service, with all of its protections in place such as genre protection and mandatory carriage, it has a duty to provide something unique to the Canadian broadcasting system which it currently does under its current framework. If Bell Media were allowed to broadcast half of its programming as dramas for instance, this would no longer be the case, and thus, the diversity to the system would be lessened.

...

Bell Media in the past has shown it is not committed to literature and arts programming, as evident with its programming strategy with Bravo, another category A service who formerly focused on arts programming, including literature, however, it has since morphed into a full-time drama channel with no focus on the arts whatsoever any longer.

. . .

I feel as though the approval of this application would allow Bell Media to move BookTelevision into such a way that it would no longer resemble a television service based on the written word, and that would be detrimental to the Canadian broadcasting system and to legitimacy of the Commission's licensing process.

- 6. The last point in the quoted passages above about the "legitimacy of the Commission's licensing process" is at the heart of the WGC's opposition to Bell Media's application. The WGC agrees with past pronouncements made by the Commission that specific licence requirements related to programming are best examined at licence renewal time, when they can be considered in the context of the broadcast ownership group's other programming services.
- 7. With that in mind, we note that less than two years ago the Commission denied as part of Bell Media's group licence renewal decision dated July 27, 2011 the same licence amendment requests for Book Television sought in this Part 1 application. Bell Media has put forward no new arguments as to why the Commission should now reverse its recent decision.

- 8. The WGC wishes to state for the record our profound disappointment that Bell Media has filed this licence amendment application<sup>1</sup> with the Commission within a short period of time after the same proposed licence amendments were rejected. This calls into question the integrity of the CRTC's licensing process and places an unnecessary burden on industry stakeholders with limited resources, such as the WGC, to intervene on such applications.
- 9. We encourage the CRTC to send a signal to Bell Media, and all broadcasters in general, that it will not consider licence amendment requests so soon after licence renewal.
- 10. In addition, the WGC questions the need for the proposed licence amendments based on Book Television's financial and statistical performance. Bell Media's main rationale for the proposed licence amendments appears to be Book Television's declining subscriber base. A closer look at the publicly available numbers, however, reveals that Book Television experienced modest subscriber declines in each of the last two years—from 987,292 subscribers in 2010 to 969,000 in 2011 to 946,165 in 2012—which represents a decline of only about 2% in each year. This does not justify the licence amendments sought by Bell Media for Book Television.
- 11. Moreover, while we acknowledge that financial need is not the rationale for Bell Media's application, it is noteworthy that Book Television is performing exceptionally well financially. In 2012 it posted a 7% increase in total revenue to \$4.5 million, a 147% increase in Profit Before Interest and Taxes (P.B.I.T.) to \$3 million, and its P.B.I.T. margin reached 66.3%. In all three metrics, these are all-time highs for Book Television. These data are not signs of a service in need of licence amendments and regulatory flexibility.
- 12. The WGC thanks the CRTC for the opportunity to provide our comments related to Bell Media's application and we urge the Commission to deny it in its entirety.

Yours very truly,

Maureen Parker Executive Director

c.c.: National Council, WGC

david.spodek@bellmedia.ca

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<sup>&</sup>lt;sup>1</sup> We note that Bell Media also filed a Part 1 application seeking certain licence amendments to the Category A service known as The Comedy Network, to which the WGC also recently filed an opposing intervention.