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CCAU OBJECTS TO AMERICAN CONTROL OF CANADIAN BROADCASTER THROUGH PROPOSED CANWEST GLOBAL TAKEOVER OF ALLIANCE ATLANTIS The deal is bad news for Canada

TORONTO – The Coalition of Canadian Audio-Visual Unions (CCAU) is intervening before the CRTC in the yet-to-be approved takeover bid by CanWest Global and Goldman Sachs Capital Partners of Alliance Atlantis' "well-branded" specialty channels, including: *Showcase, Showcase Diva, Showcase Action and History Television,* all of which primarily program drama and scripted comedy. Goldman Sachs Capital Partners, a U.S. private equity firm, is providing a majority of the equity and debt financing for this \$1.6 billion takeover. The CCAU objects to this arrangement since the U.S. firm would have de facto control of one of Canada's largest private broadcasters.

"The Canadian Broadcasting Act requires both ownership and control of Canadian broadcast licensees be in the hands of Canadians," said Maureen Parker, Executive Director, Writers Guild of Canada. "This is a policy critical to the very existence of Canadian content on our own airwaves. If the CRTC approves this transaction, then an American corporation will have a large stake and powerful voice in what Canadians can watch and when," added Parker.

"Foreign ownership has been on the radar of creative unions for years," said Stephen Waddell, ACTRA National Executive Director. "If decisions about our broadcasting system are made in corporate boardrooms in New York and Los Angeles, Canadians will lose their cultural sovereignty and national identity. We've already seen a significant drop in the creation and broadcast of original Canadian programming as a result of the CRTC's disastrous 1999 Television Policy. Canadian broadcasters, now more than ever, fill our airwaves with American reality programs and dramas in primetime. Approving this transaction will bring us one step closer to total domination by foreign media giants," added Wadell.

"The CCAU is extremely concerned about this proceeding," said Monique Lafontaine, General Counsel and Director of Regulatory Affairs of the Directors Guild of Canada. "If this application is approved it will set a dangerous precedent for our broadcasting system. The existing foreign ownership rules must be upheld – no exception should be made," added Lafontaine.

"This proposed deal threatens to take away more jobs from Canadian workers in an industry already strapped for funding," said David Hardy, Business Agent, NABET 700. "We're on a battlefield in our own country – first the integrity of the CTF is threatened by a proposal to lower Cancon requirements, and now a Canadian company built by Canadian workers is facing a takeover by a huge American investment firm footing the bill for CanWest. Alliance Atlantis is a house Canadians built and this deal threatens to dismantle it brick by brick," said Hardy.

"This has been an appalling process considering the complexity of the application. New documents have been added to the public record at the eleventh hour without giving interested parties sufficient time to respond," said Peter Murdoch, Vice-President Media, CEP, Canada's largest media union. "What we do know is the public record in this proceeding demonstrates that the CRTC should reject this transaction. The applicants are clearly abusing the process and the application itself has become a moving target," added Murdoch.



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The CRTC will hold a public hearing on September 5, 2007. The CCAU member unions will appear at the hearings and speak to the detrimental effects of this proposed takeover.

The CCAU is a coalition of 10 Canadian audio-visual unions: The Alliance of Canadian Cinema, Television and Radio Artists (ACTRA), the Directors Guild of Canada (DGC), the National Association of Broadcast Employees and Technicians, Local 700 CEP (NABET), the Writers Guild of Canada (WGC), and the Communications, Energy and Paperworkers Union of Canada (CEP) are participating in the intervention before the CRTC. The other members of the CCAU are the American Federation of Musicians – Canada (AFM Canada), Union des artistes (UdA), Association des réalisateurs et réalisatrices du Québec (ARRQ), Association Québécoise des techniciens de l'image et du son (AQTIS), and Société des auteurs de radio, télévision et cinéma (SARTeC).

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