



May 30, 2012

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

Filed Electronically

Dear Mr. Traversy:

Re: Broadcasting Notice of Consultation CRTC 2012-81, CRTC 2012-81-1 and CRTC 2012-81-2 – Call for Comments on a revised licensing framework for pay-per-view services

1. The Writers Guild of Canada (“WGC”) is the national association representing more than 2100 professional screenwriters working in English-language film, television, radio and digital media production in Canada. The WGC is actively involved in maintaining a strong and vibrant Canadian broadcasting system containing high quality Canadian programming delivered by profitable programming and distribution entities.
2. The WGC welcomes this opportunity to provide our comments on a revised licensing framework for pay-per-view services (“PPV”). As the Commission notes in its Notice of Consultation, PPV services have been growing over the past several years and are no longer an insignificant element in the Canadian broadcasting system. PPV services could possibly impact the profitability of other sectors of the Canadian broadcasting system as well as their ability to acquire programming. As PPV grows in size and relevance it is important to ensure that the sector fulfills its responsibility to contribute, in a manner that is appropriate to its size and format, to the creation and presentation of Canadian programming.
3. Our concern in this hearing is primarily PPV’s regulatory obligations to Canadian programming. There are therefore many aspects of PPV that we do not wish to comment on at this time. However, we reserve the right to comment further on issues raised by other intervenors in the Reply phase of this hearing.
4. The WGC agrees with the Commission that PPV and VOD services are similar but not identical enough to warrant a common policy framework. In particular, the growth of viewing of television series on VOD sets it apart from PPV, which at least currently is a feature film, special events and sports service. The promotion of Canadian programming and quotas for Canadian programming should not be

the same as on VOD, given that PPV only draws from Canadian films and not television programming as well. That being said however, we do question whether the English language Canadian programming minimum requirements should be so much lower than the French language programming minimum requirements. A review of the Telefilm database of Canadian feature films funded by Telefilm demonstrates that PPV services could easily increase their minimum number of features in their catalogue from 12 to 20, the minimum required of French PPV services. Availability of product is not an issue.

5. As both VOD and PPV take an increasingly larger role in the audience's control of their viewing schedule, the policy framework does need to keep pace. According to the July 2011 Communications Monitoring Report, revenues to both PPV and VOD have been increasing each year, including during the 2009 recession. The WGC argued in the VOD Regulatory Policy Hearing (Broadcasting Regulatory Policy CRTC 2010-190), that the growth in audiences and revenues from VOD warranted an increased contribution from VOD to the creation of Canadian programming, and that argument applies equally to PPV.
6. PPV is an essential element of the Canadian broadcasting system and as such it should continue to make a contribution of at least 5% of its annual revenues to the creation of Canadian programming. However, as PPV primarily broadcasts feature films rather than television series, it would be logical to direct those funds to the creation of Canadian feature films which would then be broadcast by the PPV services, rather than television programs that would not be broadcast by the PPV services. This could be done through the creation of a new independent fund for feature films or expansion of existing certified independent production funds to cover feature films.
7. We thank the Commission for this opportunity to provide you with our comments and we look forward to commenting further in the Reply phase of the hearing.

Sincerely,



Kelly Lynne Ashton
Director of Policy

c.c.: Maureen Parker, Executive Director, WGC

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