



The CRTC announces a revised set of conditions for "Category B" specialty and pay TV services

October 29, 2010 by Stephen Zolf

The CRTC has issued a revised Broadcasting Regulatory Policy (BRP) setting out standard conditions of licence and expectations for new "Category B" pay and specialty services. The term "Category B" service is the new terminology introduced by the CRTC in 2008. All existing Category 2 services and any new services that the Commission may choose to license without access rights will be referred to as Category B services. This terminology will be incorporated into the revised distribution regulations to be enacted on or before September 1, 2011.

Here are the highlights of the revised Category B standard licence conditions:

Maximum of five applications from any one applicant: The CRTC will only be prepared to consider five applications for new Category B services, in any language, from any one applicant at a given time, that is, at any stage in the process during which such applications are considered.

Deadline for approved Category B services to commence operations: An approved Category B service will be required to launch within four years of the date of the decision in which the proposed service is approved.

New streamlined procedures: Any application deemed incomplete by Commission staff will be returned to the applicant. This practice would only apply to applications that are clearly deficient (for example, those for which the nature of service definitions contain insufficient detail or are incomprehensible). Staff will continue to ensure that applicants are provided with sufficient guidance so that they may determine, for example, what constitutes a "complete" application or a "sufficiently specific" nature of service definition.

Filing of program supply agreements and/or licence or trademark agreements: The Commission has amended its standard condition of licence to require that licensees submit copies of the programming supply agreement and/or licence or trademark agreement it has entered into with a non-Canadian party within 30 days of its execution, for the Commission's review. The Commission may also request any additional document(s) that could affect control of the programming or management of the service.

Continued consideration of Category B pay services: The CRTC will continue to license Category B pay television services with specific standard conditions of licence, expectations and encouragements for such services. Unlike Category B speciality services, Category B pay services will be expected to propose Canadian content exhibition and expenditure commitments comparable to those of existing pay services. The Commission will also expect such applicants to demonstrate why a licence for a pay service would be more appropriate than a licence for a specialty service.



Length of Broadcast Day: Applicants for Category B services will continue to be given the option of choosing either an 18- or 24-hour broadcast day.

Accessibility: In Broadcasting Regulatory Policy 2010-355, the CRTC established standard conditions of licence, expectations and an encouragement concerning accessibility of programming for Category 2 services, which include a condition of licence relating to the closed captioning of advertising, sponsorship messages and promos. These standard conditions will remain unchanged. However, In regard to audio description, the Commission recognized that it may be difficult to ensure that all news and information programming, in particular, programming acquired from non-Canadians, is audio described. Therefore, the requirement of Category B licensees to provide audio description for all the key elements of information programs, including news programming, has been limited to Canadian programs.

The complete and updated standard conditions of licence, expectations and encouragements for Category B specialty and pay services are found in Appendix 1 and Appendix 2, respectively, to the BRP

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