

10 May 2004

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

Re: CBC's Response to Public Notice CRTC 2004-12: Program log reporting requirements for conventional television stations

Dear Ms. Rhéaume:

The Corporation welcomes the opportunity to respond to the Commission's timely call for comments on the adoption of regulatory measures to streamline program log reporting requirements for conventional television stations. We are convinced that current regulatory requirements can be streamlined considerably and still ensure that the essential requirements of the Commission – the ready verification of compliance by licensees with the Regulations and the Commission's broadcasting policies – are fully met.

We note the Commission's encouragement, as part of this process, to think creatively and address the logging process both generally and specifically as it applies to our services. We welcome the opportunity to do so, and consequently in addition to responding to the specific questions posed in the Public Notice, we have identified other aspects of the logging process that we recommend should also be streamlined.

The comments set out hereafter are applicable to all CBC owned and operated stations and their rebroadcasters, but are obviously not applicable to the services provided by CBC affiliates. However, from consultations we have had with other ownership groups it is clear that our views are largely shared by the industry as a whole.

CRTC Question (a) Within the existing regulatory framework, should certain licensees (e.g., individual television stations affiliated to a network, groups filing network logs, small stations originating only a limited number of hours of programming each week) be exempted, in whole or in part, from the current program log reporting requirements? If so, what criteria should be used to determine which licensees should be exempted? Proposals should be as detailed as possible, and should include how the system would be implemented and how reduced reporting requirements would be of overall benefit to the broadcasting system.

CBC Response: CBC operates two national television network services, originating from CBFT Montreal and CBLT Toronto. The network services are extended nationally via originating regional stations that broadcast the full network service and include some regional programming

content. The service is further extended regionally via rebroadcasters that do not originate any original programming but simply retransmit the full regional service.

Given the nature of CBC's services, we believe that the CRTC's principal program log requirement for CBC should focus on the total output of programming broadcast over the two network transmitters -- CBFT and CBLT -- since these two transmitters in fact broadcast all but the unique regional programs produced and aired regionally in their entirety.

Separate program logs recording only the unique elements of programming broadcast regionally, should be provided for each originating regional station, including the regional components of the network services. In practical terms, this means that the CBC would continue to file complete monthly logs for its two network schedules, and separate logs for the regional productions of all regional originating stations, including CBFT Montreal and CBLT Toronto.

And since rebroadcasters offer no additional programming beyond that which is provided by the network and regional stations, logs are unnecessary and should not be required. Thus CBC transmitters which are not originating stations and which do not hold licences -- such as CBLFT (Toronto) and CJBRT (Rimouski) -- would be exempt from logging requirements.

There are clear benefits to the streamlining measures suggested above:

- There would be far fewer program logs from each broadcaster, and they would be simplified and easier to generate.
- Broadcasters would be able to verify their information more easily, and as a consequence fewer error reports would be generated, a significant problem for both the broadcasters and the Commission now where an error contained in a network report is repeated in the log of each originating station, requiring correction of multiple logs.
- Workload would be reduced, for both broadcasters and the Commission.

We have several additional recommendations to make:

1. The Commission has advised us that we will be required to submit logs for the new HDTV services that we are preparing to launch later this year. We believe the approach described above should apply to all CBC services, including HDTV services.
2. Verification of logs, and the generation of error reports, has been a continuing problem for all broadcasters and the Commission. We urge the Commission to make its log verification software available to all broadcasters, so that each broadcaster can perform an initial verification and correct any involuntary coding errors before filing the logs with the Commission. This will also have the benefit of lightening the Commission's workload. The Commission would, of course, remain responsible for verifying the monthly logs and would continue, as necessary, to produce reports identifying any recurring errors and missing information.
3. The 10-day period now given by the Commission to a licensee to correct its logging errors is too short and should be extended to 30 days.
4. Article 10. (1) b) of the 1987 Television Broadcasting Regulations requires that a licensee « retain the log or record for a period of one year after the date when the programming was broadcast ». In light of this requirement, demands for revisions for periods beyond one year, as was requested of us in preparation of the CBVT licence renewal, should be minimized.

Although we are confident that a simplified procedure will greatly reduce the need for these retroactive revisions, we urge the Commission to ensure that it provides licensees with the results of log analysis more frequently. This would allow licensees to make the necessary adjustments in a timely fashion, a clear benefit for both licensees and the Commission itself.

5. A constant problem for many broadcasters, including CBC, is the fact that some of the information that is routinely missing from logs is outside of our control to generate because it is the result of the amount of time some independent producers take to secure Canadian content certification for their programs and to pass this information on to the broadcasters. We spend considerable time pursuing producers for information that often takes them months to provide. We are not certain what the best answer to this continuing problem is, but suggest the Commission should be open to accepting a licensee's attestation that such a program is in fact Canadian. Obviously, correcting this type of error is much easier when it affects only the network log or the log of regional programs concerned. The problem worsens and the danger of delays grows — as is currently the case — when a correction must be made to every log several weeks or even months after the fact.

6. We also urge the Commission to review the amount of information that is demanded under the current logging process. While it is clear that information regarding country of origin, program title, program genre, duration of the program, etc. are directly related to the Commission's oversight responsibilities under section 3 of the Act, it is not clear to us why commercial content reporting cannot be removed from logging requirements entirely and transferred to some sort of a general annual report from each broadcaster, or, alternatively, at a minimum be made a reporting requirement only for the originating network station(s) within a broadcast group.

7. In addition to commercial content, we also find it difficult to understand why the Commission still requires licensees to provide detailed reporting of station breaks, interludes, public service announcements and promotions. We can find no Commission's policies that set out such demands and believe that logging requirements for information such as this go back decades to the days when the Canadian television sector was much more highly regulated than it is today. In our opinion these requirements are no longer necessary.

CRTC Question (b) If certain licensees are exempted, which reporting option should be selected and what mechanisms could be put in place to ensure that the Commission will continue to be able to verify a licensee's compliance with its various regulatory requirements, and still collect the information necessary for input into its policy-making responsibilities? For example, could annual performance reports on locally originated programming be filed by the licensee? Are there other options?

CBC Response: In its call for comments, the Commission suggests two possible options for streamlining the logging process:

- 1) replace the logs with an annual performance report on locally originated programs; or
- 2) continue to file logs, but limit them to locally originated programs.

In our view the second option is the most beneficial, for the following reasons:

Even under the proposal for a streamlined reporting system, log data entry work will still be performed at the originating network stations of the CBC in Montreal and Toronto, as it is now. Generating a log of local programs for each station would be a simple matter of applying a search filter based on the code reserved for regional programming, something we do now, and something we are sure all other licensees across the country do as well. If past experiences were any indication, developing a new annual report format acceptable to both the Commission and all broadcasters would be more complicated.

This said, the Corporation would welcome either alternative as an improvement on the current situation.

CRTC Question (c) Where changes to existing software systems are needed, what would be a reasonable period of time to expect that the necessary changes would be implemented and what would be the costs incurred?

CBC Response: In terms of CBC services, changes could be implemented almost immediately at minimal cost. It would be a simple matter of applying a search filter with a station's regional program code to generate a log of local programs. The required IT development work could be performed in-house, at minimal cost.

We are confident we would be in a position to begin the introduction of new simplified log procedures within three months of CRTC's announcement of a new logging policy, with the expectation of having everything fully operational in 2005.

This implementation schedule would coincide with the already planned introduction of CBC's new in-house system of broadcast monitoring called 'Vision', a process that will be common to all media lines across the Corporation. We could, in fact, test the Vision broadcast log production module jointly with the Commission before phasing out our current report production methods.

Other issues:

1. Compliance verification by program title

In a Circular Letter dated January 13, 1997, the Commission reminded licensees of the requirements of Circular No. 378 of August 2, 1991, which required "... that each television broadcaster submit to it a duly completed form entitled 'Description of Canadian Programs' (DCS) along with a corresponding program schedule. This information should be filed with the Commission by mid-August of each year."

Our recent experience with verification of the program logs for CBVT Quebec, as part of its renewal process, demonstrates the problem that arises when the title of a planned program entered in the program schedule in mid-August differs from the title the program is ultimately given when it goes to broadcast.

We do not understand why the Commission's logging process refuses to recognize as valid programs whose titles have changed between the program schedule planning stage and the broadcast stage but this is precisely what happened, with continuously generated error reports despite our best efforts to convince the computer that the program name we logged was the actual name of the program, and that we had not ceased broadcasting the other "missing"

program. It strikes us that the logging system must be adaptable to such changes, particularly now in a fast paced world where the log processing system will need to be adaptable to the strategy of broadcasters to air more mini-series and specials.

2. Simplified coding

We think it is time for the Commission to review every element of its coding system, so that it selects and codes only essential information that it needs. That coding should then be matched to the coding used by the broadcaster in its in-house system, so that it reflects as closely as possible the reality of the broadcaster; i.e., the data fields that enable the Commission to verify licensee compliance and monitor application of its policies.

We would like to cite several examples of how coding could be simplified to reduce the possibility of unwanted errors:

First, coding of interstitial programs (interludes) differs according to whether they run for more or less than five minutes. From the broadcaster's perspective, the role of interstitials is the same regardless of how long they are. The use of interstitials varies depending on the length of the preceding and following programs. We would suggest that the Commission should review its definition so that the same code (120) applies in all cases, regardless of how long the interstitial runs.

Second, something called the A/S field is used to indicate the status (reserved or available) of network programming. We recommend that this field should either be modified or withdrawn for three reasons:

- first and foremost, in our view the information to be entered no longer appears necessary to meeting the Commission's policy oversight
- second, coding of the data entries is a matter of interpretation, and this does not guarantee validity of the data, and
- third, this field is occasionally the source of errors that we could easily do without: The number is either missing, or does not correspond to the programming.

Conclusion

In initiating this call for comments the Commission confirmed its desire that this review would allow the introduction of a simplified logging procedure that would still ensure that the Commission could verify the regulatory compliance of licensees and monitor the application of its policies. We trust our comments as part of this proceeding will benefit the Commission in this review. We would be pleased to provide further comments on any aspect of our response, should the Commission wish to explore issues further or broaden the debate.

All of which is respectfully submitted.

Lanny Morry
Director, Regulatory Affairs