

**ANNEX TO THE LPIF ANNUAL REPORT FORM
FOR THE YEAR ENDING 31 AUGUST 2014**

**QUALITATIVE REPORTS
STATION: CBAT-TV FREDERICTON**

CBC/Radio-Canada is pleased to submit its fifth and final annual qualitative report that demonstrates how the Local Programming Improvement Fund (LPIF) has helped to maintain the quality and quantity of local programming broadcast on CBAT-TV Fredericton.

In BRP 2008-100, the Canadian Radio-television and Telecommunications Commission (CRTC) created the LPIF to help support local television production in non-metropolitan markets. In BRP 2012-385, the CRTC decided to phase out the LPIF over two years. Until August 31, 2012, cable and satellite companies contributed 1.5% of gross broadcasting revenues to the Fund. Effective September 1, 2012, contributions decreased from 1.5% of gross broadcasting revenue to 1%. Effective September 1, 2013, contributions decrease from 1% of gross broadcasting revenue to 0.5%. The Fund was discontinued September 1, 2014.

As required by BIB 2010-333, CBAT-TV's Fifth Annual LPIF Report demonstrates the importance of LPIF funding to its local television activities, using the CRTC's indicators of success:

- increases in the quantity of local programming broadcast;
- expansion of news bureaus;
- evidence of audience success and viewer satisfaction;
- increases in local advertising revenues;
- increases in original local news stories; and
- the number of local news stories that are picked up nationally.

In BRP 2009-406, the Commission determined that television stations would be able to draw on the LPIF to maintain their spending on local news and other types of local programming. Therefore, in addition to the areas noted above, this Annual Report also reviews how the LPIF has overall improved the quality and diversity of the station's local programming. The Corporation believes these are also important factors in measuring the success of the Fund.

1. Broadcast of Local Programming

In 2013-2014, CBC New Brunswick (CBAT-TV) continued to produce a variety of news and special event programming. Through the contribution of the LPIF, the station has expanded regional news coverage. CBAT-TV broadcasts to the entire province with the main production facility located in Fredericton.

Beginning in 2008, the station has incrementally increased both the quantity and quality of news and current affairs programming through the use of LPIF funding; in 2014, CBAT-TV sustained these improvements to scheduled TV news production. *CBC News: New Brunswick* launched a 60-minute supper hour newscast in mid-2008. The creation and distribution of LPIF funds also allowed the station to expand news

production in September of 2009. It added an additional 30 minutes of news at the supper hour, allowing audiences to view stories from their province at 5:00, 5:30 and 6:00 PM. In total, the presence of the LPIF has allowed the station to program an additional 30 minutes per day of news content from Monday to Friday – representing a 50 percent increase. *CBC News: New Brunswick* now produces 7.5 hours per week of news programming compared with 5 hours weekly prior to the introduction of the LPIF. *CBC News: New Brunswick* also contributes to the late night regional newscast for the Maritimes broadcast from Halifax.

In Fredericton, CBAT-TV also continues to produce a morning news program (Monday-Friday) from 6:00-8:00am called *New Brunswick First*, representing another 10 hours weekly of local news programming for the market. This local news program was introduced in October 2009.

Furthermore, in 2013-2014, *CBC News: New Brunswick* continued to deliver investigative journalism as a result of LPIF funding. In terms of significant stories over the past year, CBAT-TV revealed that after a winter accident in which three inmates and two sheriffs were injured, the Government of New Brunswick had no formal policies in place for the safe transport of inmates in Sheriff Services vehicles in winter storms, nor did it have a formal policy on the seat-belted of inmates. It further revealed the government tried to keep details of the crash secret – at one point ordering the destruction of some photos of the crumpled van after learning “media is on the story now”.

In addition to CBAT-TV’s local newscasts, the station also contributes news items to *The National* and CBC News Network.

In all, there were 842.8 hours of local programming aired on CBAT-TV in 2013-14, an average of 16.2 hours per week. Nearly all of these programming hours consisted of local news. Since 2009, as a result of the LPIF, CBAT-TV has increased its expenditures on local programming by 55%. This, in turn, has permitted the station to overall improve the local programming it offers Canadians across New Brunswick. For details, please see Part A and B of the LPIF Annual Report Form.

2. Local News Bureaus

CBC/Radio-Canada’s mandate is to represent all regions of the country. Our local newscasts focus strongly on the region in which they are produced. The presence of local journalists ensures viewers are made aware of local events and news from a local perspective. The continued funding from the LPIF in 2013-2014 ensured that CBAT-TV was able to maintain a broad journalistic presence across the province.

3. Audience Success and Viewer Satisfaction

In the Saint John/Moncton EM area, CBAT-TV’s local newscast is showing continued gradual growth in its shares, especially in the first two half-hours. The 5pm and 5:30pm newscasts were both at a 15% share in the latest Spring 2014 survey while the 6pm news captured a 7% share. The late night local newscast appears to be maintaining a 3% share with its longer half-hour format. Since the introduction of the LPIF, shares for the 5-6:30PM block have increased from 7-8% in Fall 2009 to as high as 15% in Spring

2014 – a sure indicator of increasing viewer satisfaction with the news coverage supported by the LPIF.

**CBAT-TV Fredericton Share of Total Tuning by Daypart – All Persons 2+
Source: BBM**

	Spring 2011	Fall 2011	Spring 2012	Fall 2012	Spring 2013	Fall 2013	Spring 2014
Mon-Fri 5:00-5:30pm	9	9	10	12	14	15	15
Mon-Fri 5:30-6:00pm	9	8	10	11	14	14	15
Mon-Fri 6:00-6:30pm	6	8	7	6	8	6	7
Mon-Fri *10:45-11:15pm	4	3	4	1	3	2	3

*Late local news changed to 30 minutes (11:00pm-11:30pm) in Fall 2012

Within the Saint John/Moncton EM area, CBAT-TV’s local news programming is watched on average by between 13,000-21,000 people according to the latest survey. The Spring 2014 survey showed that the gains made in the first 60 minutes in the previous year’s survey have continued to hold viewers’ attention.

**CBAT-TV Fredericton Extended Market (EM) Audience (000’s) – All Persons 2+
Source: BBM**

	Spring 2011	Fall 2011	Spring 2012	Fall 2012	Spring 2013	Fall 2013	Spring 2014
Mon-Fri 5:00-5:30pm	16	14	17	15	23	22	20
Mon-Fri 5:30-6:00pm	16	14	19	14	23	21	21
Mon-Fri 6:00-6:30pm	13	16	15	10	15	11	13
Mon-Fri *10:45-11:15pm	6	5	6	1	2	2	2

*Late local news changed to 30 minutes (11:00pm-11:30pm) in Fall 2012

Audiences engage with CBAT-TV in a variety of ways beyond watching our programs on television. For example, in an average week, approximately 1,135 *CBC News: New Brunswick* newscasts or segments are either downloaded or streamed live.

In addition, with the help of the LPIF, CBAT-TV has been able to both maintain and strengthen its commitment to community engagement and outreach and thereby strengthen its local programming.

In 2013-2014, CBAT-TV's outreach activities included the traditional Feed a Family Christmas food drive which raised over \$100,000 for families in need. In addition, CBAT-TV supported numerous community events with local hosts, including The New Brunswick Innovation Foundation annual gala to present Innovation Awards for Excellence in Applied Research. Our supper hour host Harry Forestell MC'd this event and the finalists were featured on our supper hour program as well as online. The winner was also interviewed on radio.

All of these events engaged the local community and directly contributed to CBAT-TV's local programming, either in the form of news coverage or other more focused programming.

CBAT-TV has also used social media as a way of both engaging its viewers and enhancing its programming. Social media platforms, such as Facebook and Twitter, provide a mechanism for audiences to comment on and become part of the conversation around local news and events. As of September 2014, CBAT-TV had 8,209 Facebook members and 27,700 followers on Twitter – a significant increase over last year. These individuals interact with CBAT-TV journalists and staff and, in so doing, help shape our local programming in much the same way as old style investigative journalism dug up ideas and information by getting out into the streets and speaking with the public. CBAT-TV's ability to continue to tap into social media is critical to its enhanced local presence and its local programming.

Overall, CBAT-TV welcomes, encourages and facilitates community engagement whenever it possibly can and the availability of LPIF has been an important source of support in helping that to continue.

4. Local Advertising Revenue

The Commission has asked LPIF recipients to report on increases to local advertising revenue. While CBC/Radio-Canada is providing the requested information for the 2011-12, 2012-13 and 2013-14 broadcast years, we would note that changes in advertising revenues generated by stations in any given year are the result of a variety of factors and cannot be attributed solely to LPIF support.

Local Station Advertising Revenues: 2012 to 2014

CBAT Fredericton	2012	2013	2014
Local Sales	####	####	####
National Sales	####	####	####
Total Station Sales	####	####	#### ¹

¹ In the 2013-14 broadcast year, CBC broadcast both the Olympic games and FIFA. Revenues arising from these broadcasts were reported in CBLT-TV Toronto, where all associated expenses were reported.

5. Original Local News Stories

While the Commission determined that the LPIF can be used to maintain spending on local news and other types of local programming, it has asked LPIF recipients to report on the increase of original local news stories. The current logging requirements do not contemplate logging segments within a program. The Corporation does not regularly track the number or the length of "program segments". The CBC news department, however, is committed to producing high quality original journalism and does so on an almost daily basis.

Original news stories – defined as those exclusive to CBC News – have steadily increased since the introduction of the LPIF. Currently, CBAT-TV produces an average of 6 original or investigative stories per week. These are stories unique to CBC News and often find their way to other regional stations and to network broadcasts, including those aired on CBC News Network. These stories require a significant investment of time and resources over and above day-to-day news coverage and may develop over a period of days or weeks with regular updates and new information uncovered. As noted above, the increased expenditure resulting from the LPIF has allowed CBAT-TV to provide distinctive, local, original journalism of high value to the audience.

For example, this year CBC New Brunswick led a CBC/SRC investigation into academic fraud in what turned out to be the fabricated credentials of Louis Lapierre, a well-respected scientist and academic at the university of Moncton. It resulted in his resignation and a review by the federal government of several projects he had worked on, including the fixed link between New Brunswick and PEI.

6. Local News Stories that are Picked Up Nationally

The Commission has asked LPIF recipients to report on the number of local news stories that are picked up nationally.

As explained in section 5 above, the Commission's logging systems do not require reporting of program segments and CBC/Radio-Canada does not have a system to track the number or length of program segments (such as local news items) nor the number or length of local news items picked up nationally by all of its programs aired on the network.

However stories produced by CBAT-TV regularly appear on network programming. For example in June of this year there was dramatic coverage of the Moncton RCMP shootings. This was a major story that was covered extensively for more than a week for local and national news. In addition the story received coverage on both *The National* and CBC News Network for several weeks beyond the initial shootings with both live and recorded reports.

CBAT-TV also provided extensive coverage over several days of Tropical Storm Arthur. On July 5 the remnants of Hurricane Arthur slammed into the Maritimes, causing trees to fall on power lines, cutting power to more than a hundred thousand customers in New Brunswick. Many of those affected were without power for days. We covered the story extensively and filed for both local and national news, including *The National* and CBC News Network.