

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

**QUALITATIVE REPORTS
STATION: CBCT-TV CHARLOTTETOWN**

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 CBCT-TV Charlottetown.

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, CBCT-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 2013-14 CBC PEI (CBCT-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. CBCT-TV broadcasts to the entire province with the main production facility located in Charlottetown.

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, CBCT-TV sustained these improvements to scheduled TV news production. *CBC News: Compass* launched a 60-minute supper hour newscast in mid-2008. The creation and distribution of LPIF funds 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 daily of news content, Monday to Friday – representing a 50 percent increase. *CBC News: Compass* now produces 7.5 hours per week of programming, compared with 5 hours weekly prior to the introduction of the LPIF. *CBC News: Compass* also contributes to the late night regional newscast for the Maritimes broadcast from Halifax.

In Charlottetown, CBCT-TV broadcasts a weekday local news show for 90 minutes and a 30 minute late-night regional newscast daily from Monday through Friday. As well, CBCT-TV repeats the prior evening's local newscast each morning from Tuesday to Friday.

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

In 2013-2014, with the assistance of the LPIF, *CBC News: Compass* was also able to strengthen and expand the station's investigative & enterprise coverage. *From China to PEI* was a multi-part series designed to explore the recent explosion of immigration from China to the Island. It examined the reasons behind the sudden growth in immigration and the effect on the PEI community. These stories aired on *CBC News: Compass*, with additional elements airing on the radio morning show, *Island Morning*, and on a special feature page online.

Overall, there were 525 hours of local programming aired on CBCT-TV in 2013-14 – an average of 10.1 hours weekly. Since 2009, as a result of the LPIF, CBCT-TV has increased its expenditures on local programming by 34%. This, in turn, has permitted the station to overall improve the local programming offered to Canadians in Prince Edward Island. All these programming hours consisted of local news. 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 CBCT-TV was able to maintain a broad journalistic presence across the province.

3. Audience Success and Viewer Satisfaction

In Charlottetown, CBCT-TV's early evening local news programs remain the dominant news show in the market with shares in excess of 50%. The two earlier half-hour newscasts are now outperforming the 6pm news with similar 62% shares in the Spring 2014 survey. The late local news from 11:00-11:30pm has maintained a consistent 6% share since Spring 2013. On the whole, these audience levels reflect strong viewer satisfaction with the programming supported by the LPIF

**CBCT-TV Charlottetown 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	36	38	40	42	58	61	62
Mon-Fri 5:30-6:00pm	38	40	38	42	57	61	62
Mon-Fri 6:00-6:30pm	56	63	57	63	56	56	58
Mon-Fri *10:45-11:15pm	7	10	7	3	6	6	6

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

Within the Charlottetown EM area, the all persons 2+ early local news audiences tend to increase with each half-hour, attaining 29,000 viewers at 6pm. Audiences at 5pm and 5:30pm have gained steadily over the past three years and in the latest survey are now 10,000 above the Spring 2011 level.

**CBCT-TV Charlottetown 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	15	16	17	15	22	22	25
Mon-Fri 5:30-6:00pm	17	18	18	16	23	23	27
Mon-Fri 6:00-6:30pm	29	33	31	27	26	23	29
Mon-Fri *10:45-11:15pm	2	3	2	1	1	1	1

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

Audiences engage with CBCT-TV in a variety of ways beyond watching its programs on television. In an average week, for example, approximately 3,400 *CBC News: Compass* newscasts or segments are either downloaded or streamed live.

In addition, with the help of the LPIF, CBCT-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, CBCT-TV's outreach activities included the traditional Turkey Drive, which takes place in most major towns in PEI, with the proceeds going to Food Bank locations across PEI. This year, the Turkey Drive raised over \$100,000. CBCT-TV also provided support during our supper hour news for the 2014 PEI Easter Seals campaign, helping to raise over \$150,000. All of these events both engaged the local community and directly contributed to CBCT-TV's local programming, either in the form of news coverage or other more focused programming.

CBCT-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, CBCT-TV had 18,781 Facebook followers and 30,563 Twitter followers – a significant increase over last year. These individuals interact with CBCT-TV journalists and staff and thereby help shape its 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. CBCT-TV's ability to continue to tap into social media is critical to its enhanced local presence and its local programming. Its local news program *CBC News: Compass* receives thousands of web page hits monthly.

Finally, CBCT-TV receives direct feedback from its viewers through letters, calls, Facebook feedback and tweets. Overall, the station 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

CBCT Charlottetown	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, CBCT-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 CBCT-TV to provide distinctive, local, original journalism of high value to the audience.

For example, CBC PEI has created a multi-part series about the reinvigorated debate on the lack of access to abortion on PEI. These stories have aired throughout the year on all platforms. These stories are all compiled on a special online page called "Abortion debated on 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, CBCT-TV regularly contributes to national news programming. For example, in March of 2014, three teenaged boys died in a fire in an abandoned building. Brian Higgins did several live and packaged hits for CBC News Network as well as reporting for *CBC News: Compass*. In August of 2014 CBC News PEI filed stories to the *The National* on the double homicide in August 2014 in Eastern PEI.

These are two of many stories, which appeared on network news programming.