

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

**QUALITATIVE REPORTS
STATION: CBNT-TV ST. JOHN'S**

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 maintain the quality and quantity of local programming on CBNT-TV St. John's.

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, CBNT-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 Newfoundland (CBNT-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. CBNT-TV broadcasts to the entire province with the main production facility located in St. John's.

Beginning in 2008, CBNT-TV has incrementally increased both the quantity and quality of news and current affairs programming through the use of LPIF funding; in 2014, CBNT-TV sustained these improvements to scheduled TV news production. *CBC News: Here and Now* 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 allowed the station to program an additional 30 minutes daily of supper hour news content, Monday to Friday – representing a 50 per cent increase. In addition, *CBC News: Here and Now* produces a 10-minute late-night newscast Sunday to Friday and a half hour weekend program on Saturday. The station has also begun repeating the supper hour newscast every morning from Tuesday to Friday. In all, it created over 626 hours of news programming in 2013-2014.

In 2011-2012, *CBC News: Here and Now* also strengthened political coverage in the province significantly. Election night was a 4-hour special, featuring in depth analysis, expert guests and live reports from across the province. Given the success of this local programming, a special, weekly, half hour political program entitled *On Point* launched in the fall of 2012 to offer extended coverage of the election to Newfoundlanders and is now a permanent part of the schedule. This would not have been possible without the presence of the LPIF. This program continued in 2013-2014.

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

In 2013-2014, *CBC News: Here and Now* continued to expand its investigative journalism in the province. For example in October of 2013 *CBC News: Here and Now* revealed the findings of a government-commissioned report on sexual exploitation and the sex trade in the province. Advocates wondered why the research was buried, with no apparent action taking place. The government insisted talking about the report would be "harmful to public safety," with the minister in charge and the deputy police chief condemning CBC for even revealing its existence. A week later, we subsequently reported that one of those "harmful" stories, which officials said must be kept secret because it could endanger sex-trade workers, was actually included a video sent by the government to be viewed by schoolchildren across the province.

In 2013-2014, CBNT-TV also produced many hours of local non-news programming. For example, CBNT-TV continued to produce a half hour documentary series called *Land and Sea* about life in Newfoundland & Labrador. This series is very popular in the province and across the country. CBNT-TV's programs alternate running on CBC Main Network each week with a similar series of programs, also called *Land & Sea*, produced in the Maritimes. Other examples include the *Summer Series*, which is broadcast in prime time during the summer and is comprised of regionally produced documentaries, comedy, and music programs. CBNT-TV also produces the annual *Janeway Telethon*, organized to raise funds on behalf of the children of Newfoundland and Labrador to support the Janeway Children's Health and Rehabilitation Centre and in turn, its team of dedicated medical professionals.

In total, there were 997.9 hours of local programming that aired on CBNT-TV in 2013-2014 – an average of 19.2 hours per week. The majority of these programming hours – 653.7 – consisted of local news. Since 2009, as a result of the LPIF, CBNT-TV has increased its expenditures on local programming by 42%. This, in turn, has permitted the station to overall improve the local programming offered to Canadians in Newfoundland and Labrador. 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 CBNT-TV was able to maintain a broad journalistic presence across the province.

3. Audience Success and Viewer Satisfaction

In St. John’s, CBNT-TV’s local early news captures about a quarter to a third of the share in the market. It is in the 6:00-7:00pm half-hours that the share rises to a third (34% and 32%). The late-night local news at 11:30pm has shown some fluctuation over the past year and currently stands at a 5% share. CBNT-TV’s early evening audience shares have been making gradual gains with the shares achieved in Fall 2013 among the highest in the past three years. This is indicative of viewer satisfaction with the enhanced news coverage supported by the LPIF.

**CBNT-TV St. John’s % 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 5:30-6:00pm	20	24	26	29	29	34	26
Mon-Fri 6:00-6:30pm	27	29	32	35	34	41	34
Mon-Fri 6:30-7:00pm	27	26	30	34	34	38	32
Mon-Fri *11:15-11:45pm	7	6	11	6	7	9	5

*Late local news changed to 11:30pm-11:45pm in Fall 2012

Looking at the audience within the St. John’s EM, CBNT-TV’s early local news programming in the most recent survey has been watched on average by between 34,000-66,000 people. The weekday 6:00-6:30pm half-hour has achieved the highest audiences of the three early evening local newscasts. In the Fall 2013 survey, this half-hour achieved a high 78,000 viewers 2+ tuning in for the local news.

**CBNT-TV St. John’s 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 5:30-6:00pm	29	35	42	36	40	44	34
Mon-Fri 6:00-6:30pm	56	57	71	69	68	78	66
Mon-Fri 6:30-7:00pm	54	52	65	62	63	68	59
Mon-Fri *11:15-11:45pm	7	6	11	4	5	7	4

*Late local news changed to 11:30pm-11:45pm in Fall 2012

Audiences engage with CBNT-TV in a variety of ways beyond watching our programs on television. For example, in an average week, approximately 25,926 *CBC News: Here and Now* newscasts are either downloaded or streamed live.

In addition, with the help of the LPIF, CBNT-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, CBNT-TV’s outreach activities included the traditional Christmas food drive – last year raising \$270,000 for Newfoundland families in need – and numerous community events with local hosts, such as the Santa Claus Parade. All of these events both engaged the local community and directly contributed to local programming either in the form of news coverage or other more focused programming.

CBNT-TV has also used social media as a way of both engaging our viewers and enhancing our 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, CBNT-TV had 93,916 Facebook members and 111,885 followers on Twitter – double last year’s numbers. These individuals interact with CBNT-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. CBNT-TV’s ability to continue to tap into social media is critical to its enhanced local presence and its local programming.

Overall, CBNT-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

CBNT St. John's	2012	2013	2014
Local Sales	####	####	####
National Sales	####	####	####
Total Station Sales	####	####	#### ¹

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

For example, in June of 2014, CBNT-TV revealed an IT professional overseeing the personal information of 6,000 teachers in Newfoundland was facing an active arrest warrant for identity theft and fraud in Calgary. Immediately after CBC sought comment from the teachers' union, even before the story aired, his access to their building and computer system were revoked. He was subsequently charged with a string of break-ins, theft from the union, and fired.

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.

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, CBC Newfoundland regularly contributes items to the national network. For example, March 2014 marked the 5th anniversary of the deadly helicopter crash that killed 17 people off the Newfoundland coast. CBNT-TV provided extensive coverage of the anniversary examining what had and had not changed around safety for offshore oil workers, the helicopter industry and updates on the families. We built an online page for the extended interviews from the gathering process and a memorial page for the people who lost their lives. This story aired on *The National*.

The identity theft item mentioned above also aired on *CBC News Network* and *The National*.