

# Presentation to Taiwanese delegation

May 14, 2009

Jeff Conrad, Steven Harroun

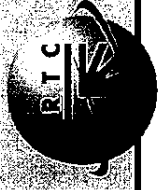
Convergence Policy, Policy Development and Research



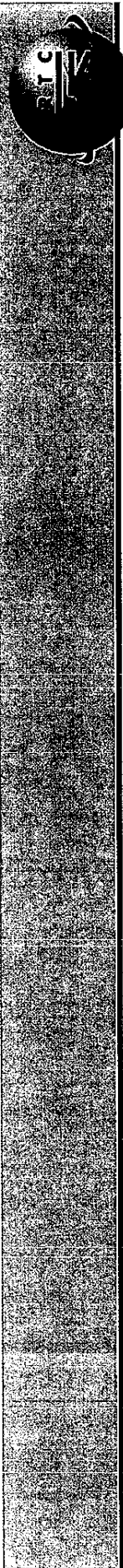
Conseil de la radiodiffusion et des  
télécommunications canadiennes

Canadian Radio-television and  
Telecommunications Commission

# Agenda

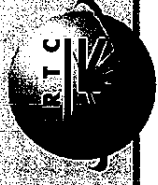


- Introduction
- Digital Transition
- Convergence
- Broadcasting in New Media



# Digital Transition





**CRTC**

- Licensing of Broadcasting Applications
  - Canadian Ownership
  - Cultural Diversity
  - Canadian Content
  - Diversity of Voices
  - Official Languages
- National Spectrum Policy
  - International Spectrum Coordination
  - Certification of broadcasting applications for licence eligibility
  - Licensing of Radio Communications

**Industry Canada**

# Television Broadcast Spectrum



- North American television spectrum consists of 65 channels, of 6 MHz each, spanning 3 radio frequency bands.

Channel	Band	Frequency (MHz)
2... 6	Low VHF	5-72 + 76-88
7... 13	High VHF	174 - 216
14... 69	UHF	470 - 806

Channels 37, 63 and 68 are not currently used for broadcasting

- In Canada, there are over 2000 television transmitters.
  - ⇨ 738 full-power protected stations + roughly 1300 low-power unprotected stations.



- The Commission has indicated that it will not renew the licences of **full-power analog television stations beyond 31 August 2011**.
- After the digital transition, channels 52-69 will be repurposed for advanced wireless, public safety and other services.
- Industry Canada has published the *Post Transition Allotment Plan*, which assigns frequencies to broadcasters in the remaining spectrum (Ch. 2 - 51).
  - ⇒ Generally, broadcasters were not assigned channels 2-4 due to the effects of man-made noise – unless a specific channel was requested.

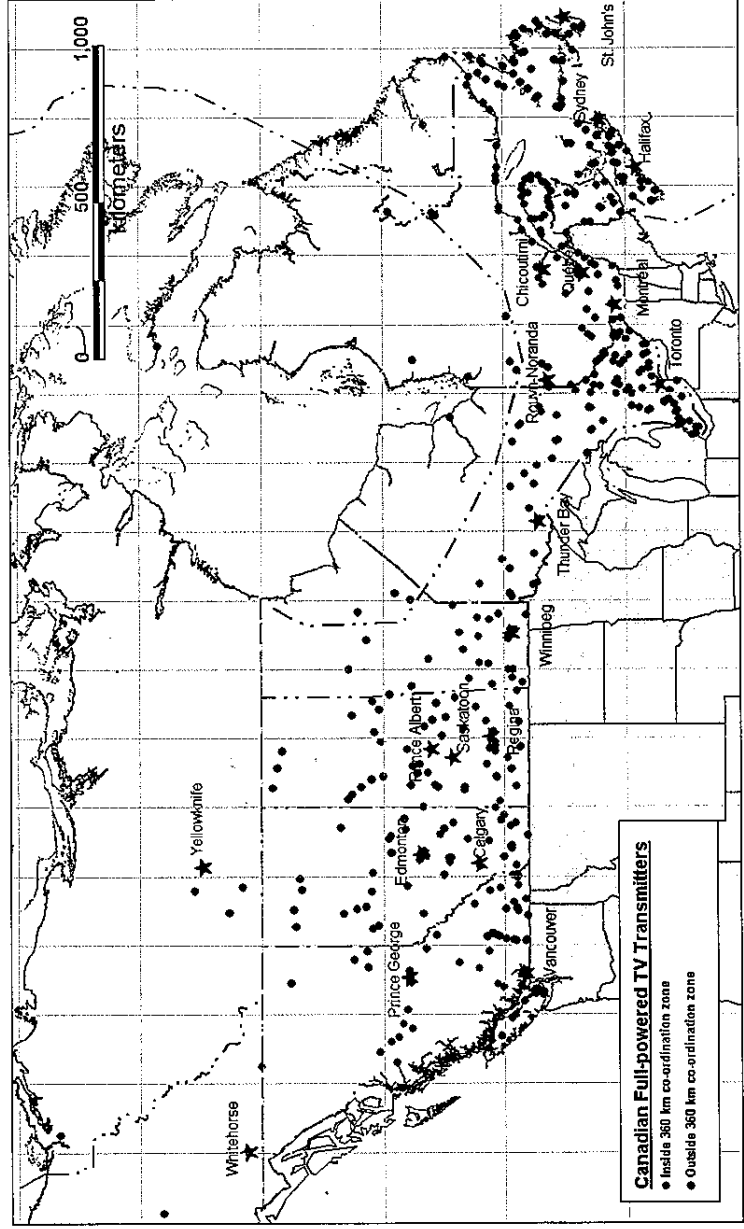


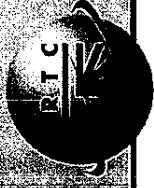
Channel	52...	...69
Frequency (MHz)	698...	...806

- To date, approximately 25 applications to operate digital transmitters have been received and approved by the Commission.



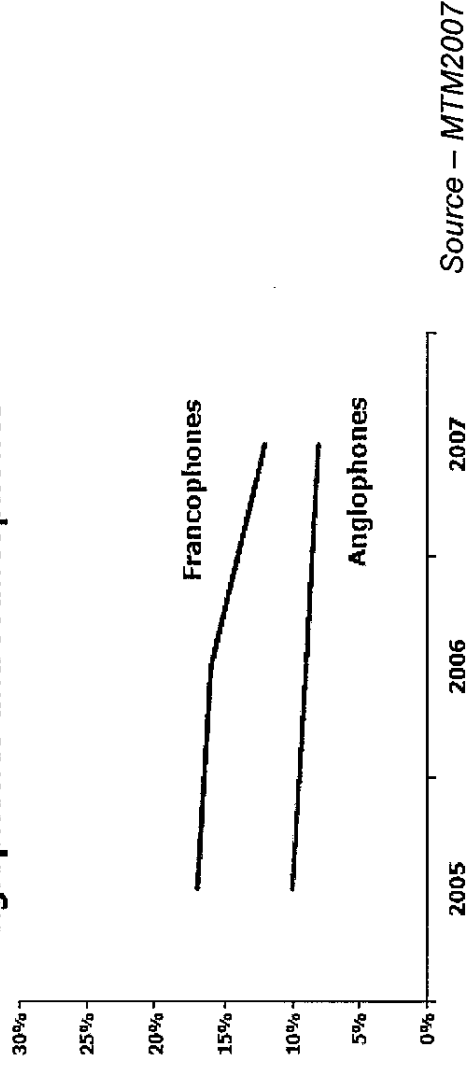
- The FCC in the United States has established 12 June 2009 as the digital television transition date for full-power transmitters in that country.
- The Commission and Industry Canada may consider broadcasters' requests to remain on-air in analog after 2011 in northern and remote communities.





- Roughly 90% of Canadians receive their television programming from distributors (cable, satellite, or other).

Penetration of Off-air  
Anglophones and Francophones



- Canadian broadcasters have generally indicated that there is no business case to build digital transmitters in smaller markets, given Canadians' reliance on distributors.





- The Commission is examining multiple options aimed at maintaining access to local programming for all Canadians. These include:
  - ⇨ The delivery of local signals via terrestrial or satellite distributor free-of-charge, or for a nominal fee, in communities that are no longer served by over-the-air broadcasters.
  - ⇨ The use of one transmitter to deliver multiple broadcasters' signals (e.g. multiplexing), thereby reducing the capital investment required by each broadcaster to convert to digital.
  
- Public proceedings will be required in order to assess the most suitable solution for Canada, and the means by which it will be implemented.



# Convergence

## Convergence: Canadian Context

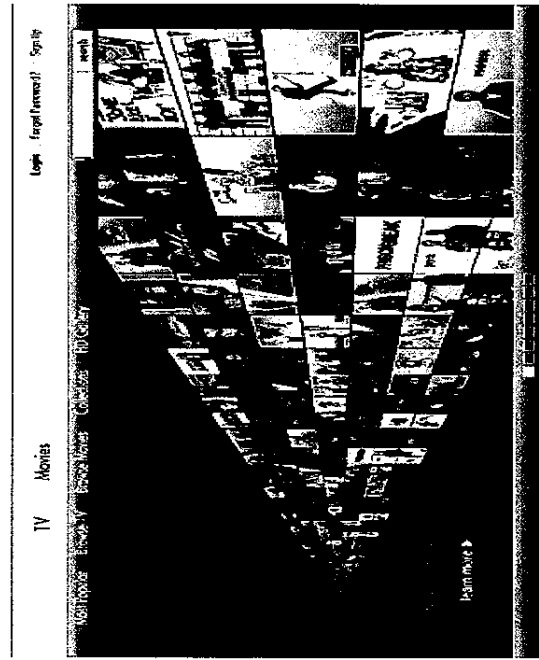


- Technology
- Consumers
- Market Structure
- Legislative Framework

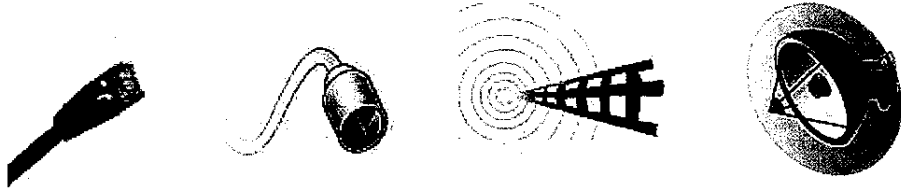
# Convergence – technology and consumers



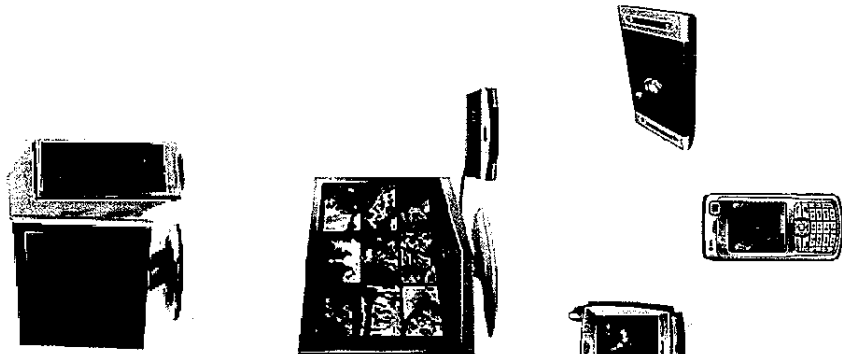
## Content and Services



## Access

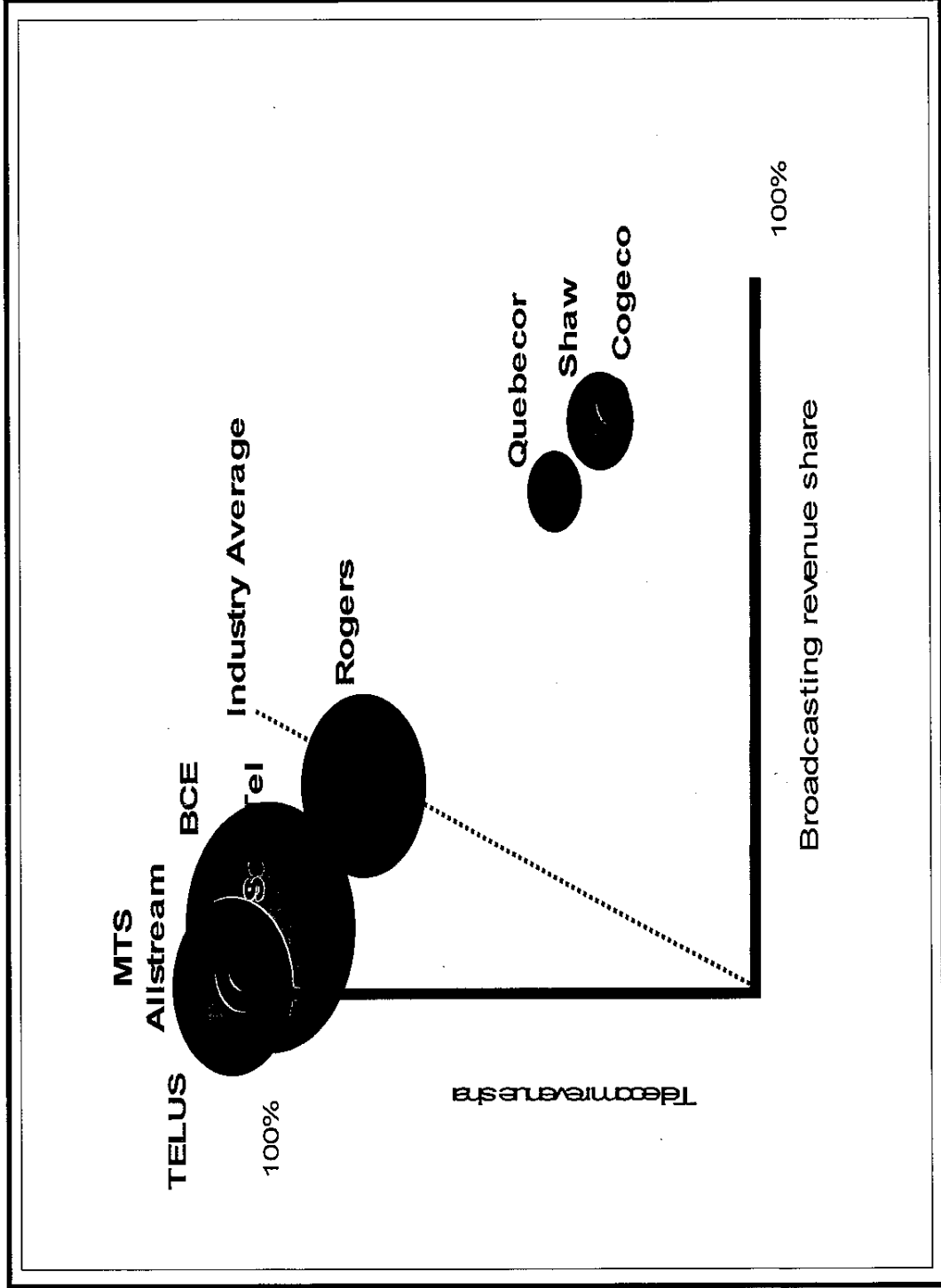


## Consumers



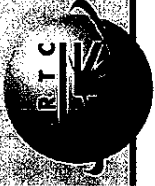
“.. trend will be that PCs, phones, TVs, and other devices and the Internet will become a single play for creating experiences” - Microsoft CEO Steve Ballmer CES 2009

# Convergence driven by corporations



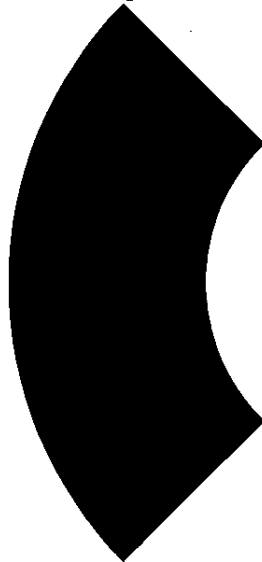
Source: CRTC Communication Monitoring Report 2008

# Regulatory considerations



## TECHNOLOGY

- New platforms
- Technology neutral
- Essential facilities
- Spectrum management



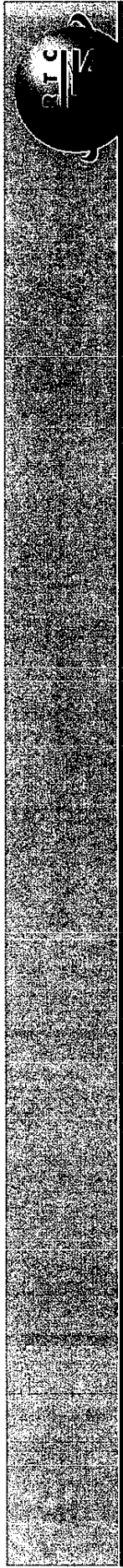
## CONSUMER

- Access to services
- Consumer protection
- Privacy
- Affordability
- Accessibility

## CONVERGED ENVIRONMENT



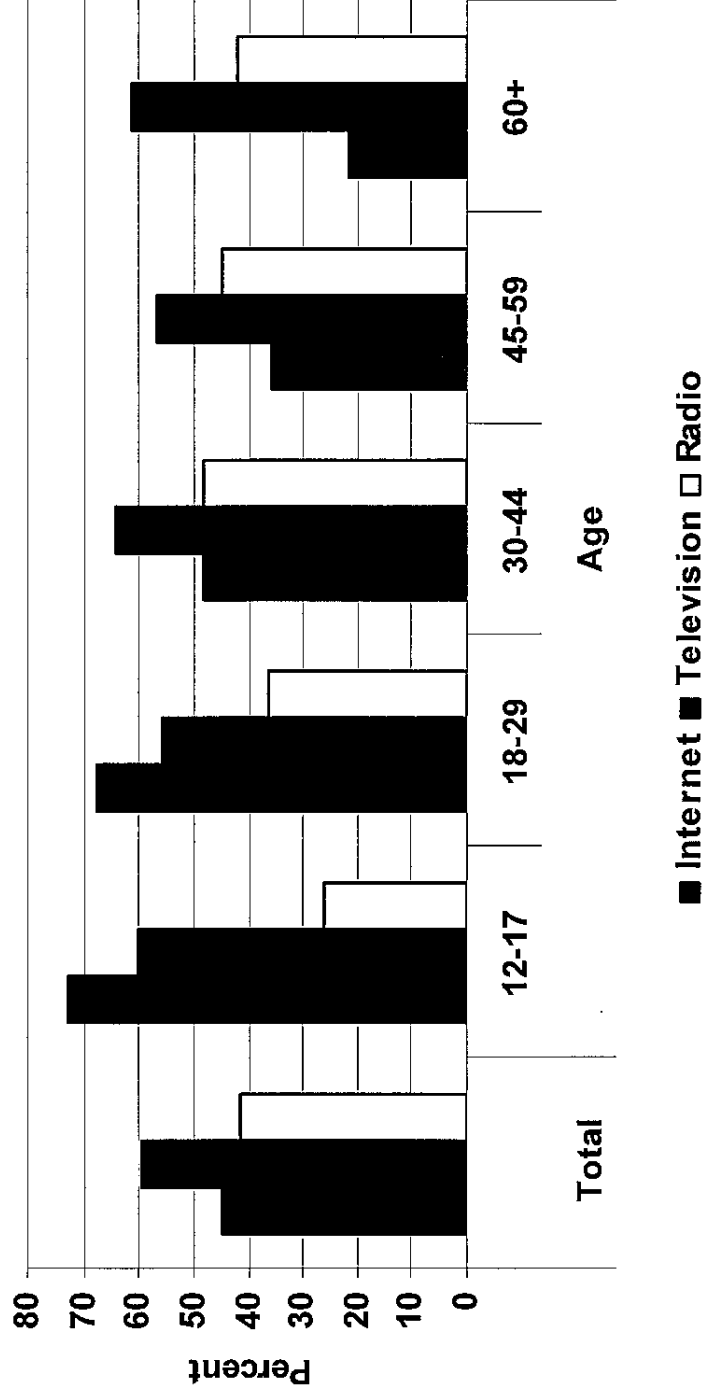
- Market power
- Diversity of voices
- Foreign ownership
- Independent production
- Canadian content



# Broadcasting in New Media



## Internet, Television and Radio an Important Source of Entertainment



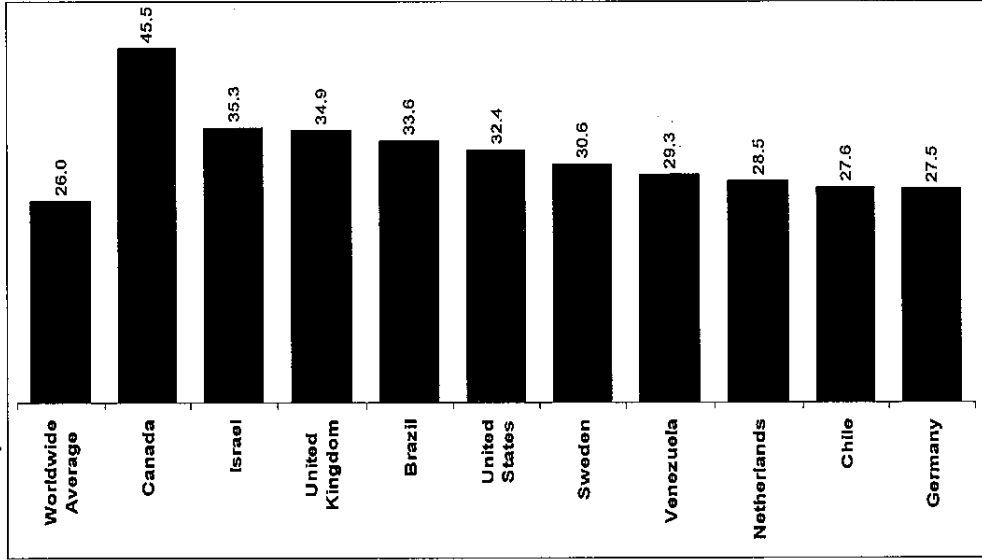
Television most important source of entertainment, the Internet is an important source of entertainment among younger Canadians compared to traditional media. (Source: CIP2, 2007)



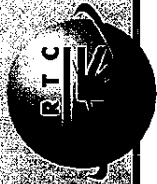


## Country Comparison: Time Online

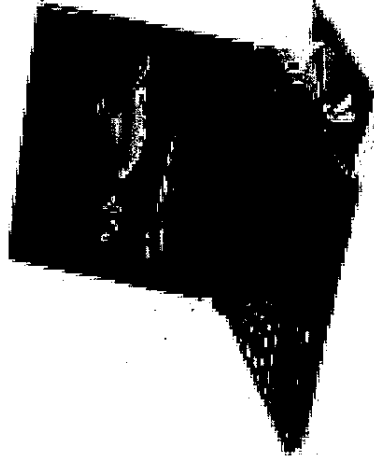
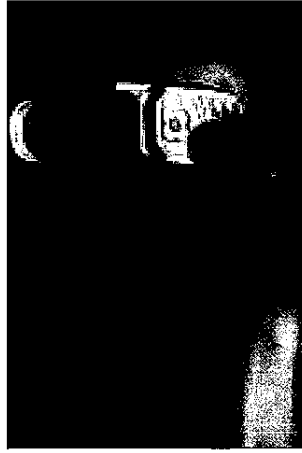
Hours per Visitor  
January 2008



comScore Media  
Metrix reports  
Canada in the top  
position, with 45.5  
hours, among  
several countries  
around the world  
for total number of  
hours per visitor  
on-line in January  
2008



- **Exemption Order for new media broadcasting undertakings (Public Notice CRTC 1999-197)**
- **Exemption Order for mobile television broadcasting undertakings (Broadcasting Public Notice CRTC 2007-13)**
- The Commission has defined **new media broadcasting undertakings** as those that provide broadcasting services delivered and accessed over the Internet and **mobile television broadcasting undertakings** as those that provide television broadcasting services that are received by way of mobile devices, including cellular telephones and personal digital assistants via point-to-point technology.



## Canadian Broadcasting in New Media – Evolving Landscape



**In the decade since the Commission exempted new media broadcasting services, the landscape has evolved significantly:**

- High-speed residential Internet access is available in 93% of households across the country and has been adopted by more than 64% of Canadian households;
- Consumers have adopted a wide array of Internet connected multimedia capable devices (fixed and mobile) available at steadily declining prices with more functionality and features that continue to increase;
- Canadians are spending more time and asserting greater control while accessing broadcasting content over the Internet and mobile devices;
- Technologies enabling the delivery of high quality broadcasting on new media platforms are in commercial use;
- Advertisers are increasingly embracing new media broadcasting marketing strategies. Internet advertising expenditures, of which new media broadcasting is expected to garner an increasingly greater share, continue to grow at unsurpassed rates.

## Canadian Broadcasting in New Media - Proceeding



In October 2008, the Commission launched a Notice of Consultation and Hearing under the *Broadcasting Act* concerning Canadian broadcasting in new media. Fundamentally, given the evolution and growing importance of broadcasting in new media, are the exemption orders for new media broadcasting undertakings (Public Notice CRTC 1999-197) and mobile television broadcasting undertakings (Broadcasting Public Notice CRTC 2007-13) still appropriate?

### **The Commission conducted a public hearing in February / March 2009 with a focus on 6 main areas:**

**Measurement:** Is it possible to effectively measure the quantity and consumption of broadcasting content in this environment, and further is it possible to identify Canadian content within these metrics?

**Impact:** Broadcasting in new media provides both challenges and opportunities for traditional broadcasters. How are they adapting and how are their business models evolving?

**Contribution:** The *Broadcasting Act* states that each element of the Canadian broadcasting system shall contribute in an appropriate manner to the creation and presentation of Canadian programming? Are stakeholders in the broadcasting in new media environment contributing?

**Support:** Typically, production support initiatives focus on the creation and presentation of professionally produced Canadian programming. Does any type of content require support in the broadcasting in new media environment?

**Visibility & Promotion:** Are measures needed to support the promotion and visibility of Canadian broadcasting content in new media?

**Exemption Orders:** Are the approaches that the Commission adopted in 1999 and 2007 respecting the exemption orders still appropriate?



# Questions ? ? ?

