



SUBMITTED ELECTRONICALLY

December 1, 2017

Chris Seidl
Secretary General (Acting)
Canadian Radio-Television and
Telecommunications Commission
Ottawa, Ontario
K1A 0N2

Re: Broadcasting Notice of Consultation 2017 – 359: Call for comments on the Governor in Council’s request for a report on future programming distribution models

1. These comments are filed by Interactive Ontario (“IO”) in response to the CRTC’s call for comments on the Governor in Council’s request for a report on future programming distribution models. At this time, IO will focus on one particular aspect of the call for comments but reserves its right to comment further on other aspects should it feel necessary and should there be other opportunities.
2. IO is the leading voice of over 330 Ontario-resident interactive digital media (IDM) businesses. Ontario IDM companies create a wide variety of interactive digital media products and services for both digital media affiliated with television programs and standalone digital media including video games, Augmented Reality (AR), Virtual Reality (VR) and Mixed Reality (MR) products, cross-platform content, e-Learning, web series and mobile content. Many of these companies have built their businesses on creating affiliated digital media content for, with and as part of Canada’s television industry.
3. With the nine questions set out in the Notice of Consultation the CRTC has asked the industry and the public to predict the evolution of the production and distribution of audio and video programming and the monetization of that programming with a particular focus on the next five years. The companies that make up IO’s membership are on the fore front of innovation but perhaps because of that position are well aware of the rapid pace of change in the environment in which they work. We therefore find it difficult to make any reliable predictions more than six to twelve months out.

4. What we can and prefer to do is to remind the CRTC of one principle that seems to have been overlooked lately. Canadians today have more choices of platforms and a greater variety of content on those platforms than they ever have had before and we do expect that the volume of content and platforms from which to choose will increase. It therefore is harder and harder for creators and distributors of Canadian programming to ensure that Canadians even know that they have the choice to choose high quality Canadian programming and where to find it. This 'discoverability' problem should be at the heart of any new policy framework or legislation.

5. However, in Broadcasting Regulatory Policy CRTC 2016-343 the CRTC severely limited the ability of Canadian producers and broadcasters to drive audiences to broadcast programs and maintain their engagement between episodes and seasons of a series using affiliated digital media. That policy imposed a new limit of 10% of funding by Certified Independent Production Funds ("CIPFs") for 'non-programming digital content' thereby effectively requiring the Bell Fund to shift its support from affiliated digital media to web series. As the Canadian Interactive Alliance/Alliance Interactive Canadienne ("CIAIC") pointed out at length in its correspondence to the CRTC dated November 28, 2016, the Bell Fund has been instrumental in helping Canadian television producers and broadcasters to find audiences in Canada and abroad, sell their shows internationally and to exploit additional revenue streams. In that correspondence, the CIAIC provided examples such as the "Polar Seas" documentary series and its 360degree video, "Slugterra" animated series and their downloadable mobile games and "Mohawk Girls" social media content. IO, which is a member of the CIAIC, knows that the Bell Fund and the other CIPFs who chose to fund affiliated digital media content were instrumental in strengthening and growing the Canadian broadcasting system.

6. Respectfully, IO feels strongly that imposing the 10% cap was a mistake that threatens the ability of Canadian television producers to ensure that Canadian and global audiences can find their programs in an increasingly crowded landscape. We urge the CRTC to reconsider this regulatory policy while reviewing the big picture questions about how to ensure 'a vibrant domestic content creation and distribution market' and the regulatory measures needed to support it.

Respectfully submitted,



Christa Dickenson
President and CEO

****END OF DOCUMENT****