

## **Saving Local TV? Let Consumers Decide!**

Readers are undoubtedly well aware of the debate raging between Canadian Broadcasters on one side, and Cable and Satellite Companies on the other. They are also undoubtedly confused by the rhetoric on TV, radio, print and the internet. Jodi Bryans' editorial published this Monday in London Topic has only served to further confuse the issue.

My intention here is to clarify the position being proposed by /A\ London and the broadcast industry, but before doing so, please allow me to address misinformation being widely disseminated:

**Broadcasters Are Not Looking For a Bailout:** We have never and are not now asking the government for money.

**No Tax:** Cable and Satellite companies have always charged their subscribers for local television stations through basic service fees. They have never paid a penny of this revenue to the broadcasters. We have requested they start remitting a portion of this revenue to us in recognition of our ownership of the programming content that airs on our stations. Even though consumers are already paying for local TV, Cable and Satellite have threatened to charge them again ... and they call this a Tax. It is not a Tax, it is fair compensation for reselling our service, the same business arrangement they now practice with cable channels like TSN, HGTV and Showcase.

**Commitment to Local Communities:** /A\ Television does not make a profit – London, Windsor and Wingham lost over \$11 Million last year – this station group has lost money for years. Collectively, all CTV local stations across Canada lost money in the past two fiscal years and will lose money again this year. Despite operating within a regulated business model that has been broken for years, local television stations have continued to provide extensive service with programming like local news and promotional support for countless charitable/non-profit organizations.

**Londoners are Committed to Local TV:** /A\ News at Six is the number one watched program in London out of all available shows, both news and entertainment. /A\ London is the number one watched station in this market, exceeding all other available Canadian and US stations.

This past July, the CRTC confirmed what we have long been warning of – that the current regulated model is out of date and must be revised if local stations in small and medium sized markets are to survive. They also agreed that our services provide significant value to the communities we serve, and that Cable and Satellite companies need to recognize this value and that compensation is justified and necessary. The current regulations need to be amended.

Broadcasters are asking the federal regulator for the right to negotiate with Cable and Satellite companies who wish to carry our stations. It is only right we be fairly compensated for the programs we produce and the shows we purchase, both Canadian and US.

Broadcasters are also asking the CRTC to protect consumers. Cable and Satellite have threatened to pass any fees negotiated with broadcasters along to consumers even though customers are already paying for local TV. Cable and Satellite companies have imposed increases onto their customers at a rate four times that of inflation in recent years, without providing any additional services.

In short, we believe that less regulation and more control in the hands of consumers – the free market - is the business model that will save local television. If consumers believe in what we do and want to receive our channels, they will subscribe to us. If not, they should be given the chance to opt out. Perhaps they should be given this option with all of the channels Cable and Satellite offer – people continually tell me how frustrated they are at paying for 150 stations when they only watch fifteen.

If Cable and Satellite companies choose to carry /A\ London, they can negotiate with us to arrive at a mutually agreeable rate of payment. If they don't wish to carry our station or any of the programming on our schedule, they don't have to.

It is no wonder the Cable and Satellite companies are choosing to flood the airwaves with misinformation, and demand the CRTC not touch the existing regulations – they've made billions in profits this past year during the worst recession in Canadian history. The current model is broken – small and medium market stations have closed across the country and Global TV recently filed for bankruptcy protection. The current model may favour Cable and Satellite but it doesn't work for local television stations and it doesn't work for consumers.

If people wish to have their say during the upcoming CRTC hearings, log onto [www.LocalTVMatters.ca](http://www.LocalTVMatters.ca) and follow the instructions on how to "Send a Message" directly to the CRTC through their website. The deadline is next Monday, November 2. The decisions being made this winter will impact the way Canadians consume television for years to come.

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