



Canadian Independent Music Association

August 21, 2015

Mr. John Traversy, Secretary General
Canadian Radio-television and Telecommunications Commission
Ottawa, Ontario K1A 0N2

RE: Application 2015-0744-3 by Corus Entertainment to amend the nature of service definition (spending on Canadian Country music videos) and conditions of licence associated with Country Music Television (CMT)

Dear Mr. Traversy,

1. With regards to application 2015-0744-3, the Canadian Independent Music Association (CIMA), the Canadian Council of Music Industry Associations (CCMIA), Music Managers Forum Canada (MMF) the Canadian Music Publishers Association (CMPA), the Canadian Musical Reproduction Rights Agency Ltd. (CMRRA), the Society of Composers, Authors and Music Publishers of Canada (SOCAN), and the Canadian Country Music Association (CCMA) would like to submit our collective comments on Corus Entertainment's request to modify the nature of service and licence conditions associated with its current specialty Category A licence for Country Music Television (CMT).
2. By way of background, this coalition of organizations represents a diverse cluster of stakeholders across the Canadian music industry. Together, we represent a wide section of the Canadian-owned music industry: approximately 630 music companies ranging from independent record labels to managers to distributors across the country, over 11,600 artists at the grassroots level and more than 130,000 publishers, authors and composers.
3. The purpose of this coalition of diverse music industry stakeholders is to advocate for the continued development of the domestic, Canadian-owned components of the music industry.

Corus Entertainment and Country Music Television

4. First and foremost, we would like to note our deep appreciation of the important role that Canada's broadcasters play in the media and music ecosystems.



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5. Our industry is proud to enjoy a healthy and productive relationship with Canada's broadcasters, including Corus Entertainment, and we believe that the continuation of this symbiotic relationship is beneficial to all Canadians.
6. Established in 1995, Country Music Television (CMT) is Canada's premier country music channel. As per its current conditions of licence, the licensee (Corus Entertainment) is tasked with providing "a national English-language specialty Category A service with programming focused on country and country-oriented music." (2011-446).
7. Having benefited from the provisions of the Commission's genre exclusivity policy accorded to Category A services, CMT is the only Canadian television service that broadcasts country music (and particularly Canadian country music) and country music videos to Canadians from coast to coast.
8. The current application filed by Corus Entertainment to amend the nature of service and conditions of licence associated with CMT will have detrimental effects on the health and development of Canada's country music creators, artists, music companies and the broader music industry.
9. As such, our coalition is opposed to Corus Entertainment's request in Application 2015-0744-3. We hope the Commission will reject the proposed changes on the basis of the wholly negative impact these changes will have on the Canadian country music industry.

The Canadian country music industry:

10. Country music is one of Canada's fastest growing music genres. The latest results from Statistics Canada show that the country and folk music genre is the second largest music cluster in Canada -- (6.2%) at \$20.8 million dollars in sales revenue in 2013. ([Statistics Canada: Table 361-0063](#)).
11. On the iTunes Canada's country music charts (singles), British Columbia's Dean Brody is the highest charting Canadian with his single "Bring Down The House", coming in at Number 4. On the country music album charts, the highest charting Canadian is fellow BC native Dallas Smith, with his album "Lifted" at Number 8. Smith is joined by a number of Canadian country musicians populating the Top 20, including Shania Twain (ON), Dean Brody (BC), and High Valley (AB).
12. Canadian country music artists consistently receive such coveted industry nominations and awards as the JUNOs and the CCMAs. For example, Saskatchewan's Jess Moskaluke has earned multiple nominations for the 2015 CCMA Awards and earned her first JUNO nomination; was 2014's CCMA Female Artist of the Year; while being the first female Canadian country solo artist to



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- achieve gold record status since Shania Twain. Notably, Brett Kissel was awarded the Breakthrough Artist of the Year at the 2014 JUNO Awards.
13. The live sector of the Canadian country music scene is equally strong, with the establishment of a multi-day country music festival called Boots and Hearts Music Festival in 2012. Held annually in Oro-Medonte, Ontario, Boots and Hearts is showing consistent growth every year – having welcomed 40,000 people to the festival grounds in 2015.
 14. Finally, CMT, through its requirement to broadcast country music videos (specifically from Canadian artists), and invest a specified portion of its revenues into the development and production of Canadian country music videos, has played a significant role in exposing Canadians to our country music songwriters and artists.

The proposed amendments to Country Music Television (CMT Canada)'s licence

15. Corus Entertainment currently operates CMT as a specialty Category A service, as outlined by the Broadcasting Decision 2011-446.
16. CMT's current conditions of licence include several conditions outlining Corus' obligation to a higher level of exhibition requirements for music video clips and music video programs; a commitment to broadcast Canadian country music videos; as well as a mandated annual financial contribution to the development and production of Canadian country music videos.
17. The following conditions of licence are particularly important for this current submission:
 - a. COL 2(a): The licensee shall provide a national English-language specialty Category A service with programming focused on country and country-oriented music.
 - b. COL 2(d): No less than 50% of all programming broadcast by the licensee shall be drawn from category 8(b) music video clips.
 - c. COL 2(f): No feature films shall be broadcast except those in which:
 - i. A country music artist is the key subject of the film
 - ii. A country music artist is cast in a key performing role
 - d. COL 3(b): No less than 40% of all music videos broadcast by the licensee during the broadcast year shall be Canadian music videos, whether aired as part of videoflow or packaged in other types of programming.
 - e. COL 12: In each broadcast year, the licensee shall allocate no less than 11% of the previous year's gross revenue to the development and production of Canadian country music videos.



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18. Corus Entertainment's current application requests a modification (and/or deletion) of the conditions of licence above (plus additional ones in Appendix 1 of its application) ostensibly to "reflect the policy changes" and "new competitive environment" that was ushered in via Let's Talk TV (Broadcasting Regulatory Policy 2015-86).
19. Our coalition of music industry stakeholders strongly believes that allowing the modification and deletions requested by Corus Entertainment would result in a net loss of original, Canadian country music video and music video-related programming in this country, which would run contrary to the spirit and intent of Broadcasting Regulatory Policy 2015-86.
20. Corus Entertainment's current licence for CMT will expire on August 31, 2016. Allowing the nature of service and conditions of licence associated with CMT to be dramatically changed as described in Corus Entertainment's current application would be a shock to the system. As such, we believe that the current application should be rejected.
21. Corus Entertainment should honour its current Condition of Licence for the duration of its term. This will give an appropriate transition period wherein all stakeholders may comment on how CMT's current licence structure should be met, vis a vis the Let's Talk TV decision, and how Corus may continue to honour its commitments to the country music industry from now to beyond August 31, 2016. This is why, in our opinion, Corus Entertainment should not be given the fast track to alter its current conditions of licence.

Canadian Music Industry comments on the proposed application

22. There are several core issues with the changes and deletions that Corus Entertainment is attempting to make to its nature of service and conditions of licence for CMT.
23. First, Corus Entertainment is proposing a core change to its current nature of service. While its current COL requires that the licensee broadcast programming "focused on country and country-oriented music", Corus Entertainment's proposed changes include changing this description to "*national English-language discretionary service offering comedy, movies, real-life reality series and one of a kind music programming.*"
24. In Application 2015-0744-3, Corus Entertainment has asked that COL 2(d), COL 2(e), 2 (f), 3(a) and 3 (b) be removed from its current broadcasting licence, to be replaced with the new nature of service condition above.



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25. Essentially, Corus Entertainment is asking the Commission to remove any references to 'country or country-oriented' music, removing all requirements to play music video clips and country-related programming entirely.
26. While remaining committed to the general Canadian program exhibition requirements, it's unclear what – if any – country music or country music-related programming that Canada's only country music television station will actually be broadcasting on its airwaves. The replacement of 'country or country-related' with 'one of a kind music programming' is troubling for the Canadian country music industry.
27. Should the Commission approve Corus' request, it is very likely that country music, and particularly country music made by Canadian music creators, artists and music companies, will no longer have a designated home on Canada's airwaves.
28. Given that country music, despite its growing popularity, remains a growing niche genre of music, we believe that the removal of its designated home on Canada's airwaves will have both short-term effects on the ability of Canada's music creators, artists and music companies to reach new and existing audiences, while having a long-term ripple effect on the livelihood of the next generation of country artists and music creators.
29. Furthermore, Corus Entertainment's current application also includes a request to completely remove COL 12 from its current broadcasting licence. This COL, as stated earlier, involves a mandated allocation of no less than 11% of its previous year's gross revenue to the development and production of Canadian country music videos.
30. Corus Entertainment's CMT Canada property has operated the Video Advantage Program since 2000, and its mandate is to "help contribute to the growth of the Canadian country music industry and provide opportunities for new and established opportunities to showcase their talents". According to Corus Entertainment, the VAP has invested millions of dollars into the production of Canadian country music videos and related programming.
31. It's also worth noting that Corus Entertainment is also actively involved in various programming, sponsorship, promotional and concert tour initiatives in the country music sector.
32. Our music coalition is very concerned about the impact of removing a financial investment of this magnitude from the sector.
33. The production of music videos can be an expensive proposition, especially for emerging and independent artists who already list cash flow and access to capital as major impediments. While some funding for music video production



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- exists elsewhere (notably, through MuchFACT), this fund was designated exclusively to country music emerging artists.
34. Furthermore, as YouTube and online audiovisual services continue to grow, music videos have never been more important as promotional tools.
 35. Should Corus Entertainment be allowed to remove this condition of licence from its Category A licence, there would be a net loss of Canadian country music videos and related content for Canadians, not to mention a significant loss of marketing and promotion opportunities for our artists.
 36. The music industry believes that the eradication of this funding source, coupled with the loss of a designated home for country music on Canadian television, would be a serious blow to the Canadian country music industry.
 37. As such, our coalition urges the Commission to deny Corus Entertainment's request to modify and delete the aforementioned conditions of licence from its current Category A licence.
 38. We thank the commission for the opportunity to express our collective views on this important matter, and we ask that the Commission consider our collective submission when it deliberates on Corus Entertainment's application for CMT.

Yours sincerely,

Stuart Johnston
President

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This submission is filed on behalf of the following organizations:

[Canadian Independent Music Association \(CIMA\)](#)
[Canadian Council of Music Industry Associations \(CCMIA\)](#)
[Music Managers Forum Canada \(MMF\)](#)
[Canadian Music Publishers Association \(CMPA\)](#)
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[Society of Composers, Authors and Music Publishers of Canada \(SOCAN\)](#)
[Canadian Country Music Association \(CCMA\)](#)