

Analysis of the Economics of Canadian Television Programming

Nordicity Group Ltd.

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About Nordicity Group Ltd.

Nordicity is a leading international consulting firm specializing in strategy and policy development for the creative, telecom and technology industries. Nordicity is a powerful analytical engine, with expertise in policy, regulatory and economic analysis; business strategy and planning; financial forecasting; and market assessments.

Nordicity was founded in 1979, acquired by PricewaterhouseCoopers in 1997, and re-launched in 2002, coincident with the acquisition of PricewaterhouseCooper's consulting practice by IBM. Today, Nordicity has offices in Toronto; Ottawa; and London, United Kingdom (UK); and clients across Canada, in the UK, Africa, the Caribbean, and Asia.

Table of Contents	Page
1 Introduction	1
1.1 Background.....	1
1.2 Summary of Extensions and Updates to Analysis	2
1.3 Summary of Findings	4
2 Data Sources, Methodology and Assumptions	5
2.1 Overview of Data Sources	5
2.2 Audience Data and Levels	6
2.3 Number of Ad Spots	7
2.4 CPM Rates	7
2.5 Average Budgets	10
2.6 Broadcast Licence Fees	10
2.7 Conventional Television Non-Programming Expenses	12
2.8 Specialty Television Revenues and Costs	15
2.9 Total Number of Airings and Repeats	17
3 Analysis	19
3.1 One-Hour Drama Series.....	19
3.2 Hit Canadian Drama Series	23
3.3 Half-Hour Comedy Series.....	26
3.4 Hit Canadian Comedy Series	28
3.5 Half-Hour Drama Series with Foreign Pre-Sale	31
3.6 One-off Documentary.....	34
3.7 Documentary Series	36
3.8 Lifestyle Series.....	38
3.9 Children’s Animation Series	40
4 Non-Quantifiable Factors	43
5 Summary of Findings.....	44
Appendix A: Evidence of Number of Airings and Repeats	46

1 Introduction

1.1 Background

Canadian broadcasters often point to the challenging economics of Canadian television programming as the primary disincentive for them to acquire and exhibit more of it. They contend that they lose money on Canadian programming: that it does not draw high enough audiences to cover the licence fees and other costs they face to exhibit it. In this report, we address this contention made by broadcasters.

The following report is an extension and update of a similar report under the same title prepared by Nordicity Group Ltd. ("Nordicity") in March 2009 for the Canadian Film and Television Production Association (CFTPA), ACTRA, the Writers Guild of Canada (WGC), and Directors Guild of Canada (DGC).

In the following report, we analyze the economics of Canadian television programming from the perspective of a *Canadian broadcasting group* (a "broadcasting group"). Our goal is not to prove that Canadian programming is necessarily more profitable than American programming or that all Canadian programming is profitable. Rather, the objective of this report is to demonstrate that Canadian programming can be profitable for Canadian broadcasting groups in situations that reflect Canadian advertising market conditions, average audience levels for Canadian programming, and the repeat factors that many Canadian programs are often subject to. As such, we make the case that any requirements that Canadian broadcasters acquire and exhibit Canadian programming are not necessarily the economic burden that Canadian broadcasters often portray them to be.

Our analysis estimates the revenues earned and costs incurred by Canadian broadcasting groups in association with the distribution of the following nine different types of Canadian television programming across five genres.

1. One-hour drama series
2. Hit¹ Canadian drama series
3. Half-hour comedy series
4. Hit Canadian comedy series
5. Half-Hour Drama Series with Foreign Pre-Sale
6. One-off documentary
7. Documentary series
8. Lifestyle series
9. Children's animation series

This analysis is not the first to attempt to quantify and portray the economics of Canadian television programming. However, our approach is novel in several respects.

1. While most analyses of the economics of Canadian programming focus on the drama and comedy genres, this analysis also examines the economics of one-off documentaries, documentary series, lifestyle programming, and children's animation programming. The growing

¹ A hit Canadian drama or comedy refers to a Canadian television program that consistently attracts an audience above one million viewers. *Flashpoint* and *Corner Gas* are two examples of Canadian hit Canadian programs.

popularity of specialty television services, which distribute these genres of programming, means that they play an increasingly important role in the Canadian broadcasting system and should be included in any analysis, in order to obtain a more complete picture of the economics of Canadian programming.

2. This analysis includes a well-informed estimate of the advertising revenue attributable to Canadian television programs. To accomplish this, Nordicity engaged two former senior advertising executives from the Canadian television broadcasting industry to conduct interviews with representatives from six leading media-buying agencies. While these media-buying agencies did not provide actual CPM (cost per thousand) data for Canadian programming, they did provide information on implied CPM discounts for Canadian programming on conventional and specialty television services. The media-buying-agency representatives interviewed for this report also provided information on the average drop-off in audiences for repeat airings of a Canadian television program.
3. Over the last several years, there has been considerable consolidation in the Canadian broadcasting industry. This consolidation has led to the formation of large broadcasting ownership groups ("broadcasting groups") that own and operate conventional and specialty television services. It has become a common practice among Canada's broadcasting groups to acquire rights to conventional and specialty television windows through their initial broadcast licence fee. In this analysis, therefore, we also take into account the revenues and costs associated with the airing of repeat episodes on a Canadian broadcasting group's specialty television services.
4. This analysis also includes estimates of the average non-programming expenses (i.e., administrative, technical, and marketing expenses) that broadcasters face when airing a single hour (or half-hour) of television programming. Nordicity has reviewed the financial statistics available from the Canadian Radio-television and Telecommunications Commission (CRTC) and prepared an estimate of the average hourly non-programming expenses incurred by conventional broadcasters and specialty television services in the English-language market in Canada.

By providing authoritative metrics for audience levels and CPMs, taking into account broadcasters' direct programming and non-programming expenses, and extending the analysis to include the specialty television repeat window, we provide a comprehensive estimate of the *first licence* value of Canadian programming to Canadian broadcasting groups.

1.2 Summary of Extensions and Updates to Analysis

In the following report, we have made several extensions and updates to the analysis presented in the March 2009 report.

- We have added analyses of additional types of programs and genres, including: hit programs in drama and comedy, one-off documentaries, documentary series, lifestyle programming, and children's animation programming.
- In Appendix A, we have added additional evidence to support our assumptions related to the number of airings and repeats on conventional and specialty television. We have derived this evidence from a review of data contained in the CRTC's program logs.



- Throughout the report, we have updated the financial statistics for Canadian conventional and specialty television services, with new financial data released by the CRTC since we prepared the March 2009 report.

1.3 Summary of Findings

In general, the results of our modelling demonstrate that Canadian programming can be profitable for Canadian broadcasting groups. But, with the exception of hit programming, the profitability of Canadian programming is directly related to a Canadian broadcasting group's ability to air between 15 and 40 repeats of each episode. While this rate of repeats is too high for a conventional television broadcaster, it is not uncommon for a specialty television service. Our analysis of program-log data available from the CRTC indicates that it is not uncommon for specialty television services to air episodes of Canadian programming in upwards of 30 or 40 times over the span of several years.

With respect to specific types of programming across the five genres in our analysis, the results of our modelling also demonstrate the following:

- **Hit Canadian drama** and **comedy** programs can generate a financial surplus for a Canadian broadcasting group following the first repeat airing on conventional television. The financial surplus generated by these programs substantially increases after additional repeats on conventional television and subsequent airings on specialty television. A hit Canadian scripted series can be highly profitable for a Canadian broadcasting group.
- **Drama** and **comedy** programs with original audiences in the 400,000 to 700,000 range generate a financial deficit for a Canadian broadcasting group following the original conventional airing and two repeat airings on the conventional network. However, these programs generate a financial surplus for the Canadian broadcasting group following a reasonable number of repeat airings (25 for a one-hour drama and 40 for a half-hour comedy) on specialty television services.
- **One-off documentaries** that first air on conventional television leave the conventional broadcaster with a financial deficit after this original airing. However, a one-off documentary can generate a financial surplus for a Canadian broadcasting group if the Canadian broadcasting group can also air approximately 15 repeats of the documentary on a specialty television service.
- **Documentary series** also generate financial surpluses for specialty television services after approximately 30 repeats of each episode. This rate of repeats is entirely consistent with the repeat factors experienced by many leading Canadian documentary series.
- Canadian programming in the **lifestyle** and **children's animation** genres airs predominantly on specialty television, and is subject to very high repeat factors. Many television programs in both of these genres are profitable for Canadian specialty television series. Lifestyle and children's animation programs both generate significant financial surpluses for specialty television services after 40 airings, which is not an uncommon number of airings for many leading Canadian lifestyle and children's animation series.

The broadcasting model in Canada is far from broken; but it has changed dramatically over the past decade. Ten years ago most conventional and specialty television services were under separate ownership. Today they are under the common ownership of Canadian broadcasting groups. This ownership structure allows broadcasters to profit from their ability to cross-promote Canadian television programming and air multiple plays of most TV show genres. Contrary to what Canadian broadcasting groups are reporting publicly, our analysis finds that Canadian television programming can indeed be profitable for Canadian broadcasting groups.

2 Data Sources, Methodology and Assumptions

2.1 Overview of Data Sources

Our analysis consists of modelling of the revenues and costs associated with the airing of Canadian television programming from the perspective of Canadian broadcasting groups. Our analysis is not based directly on data pertaining to specific television programs. We do not disclose specific-program data for production budgets, broadcaster licence fees, or advertising sales because it is subject to confidential contracts between producers and broadcasters or broadcasters and media buyers. Instead, our modelling uses industry averages and assumptions derived from interviews with producers and media-buying agencies, and data available from the Canadian Audio-Visual Certification Office (CAVCO), CRTC, Canadian Media Research Inc. (CMRI), and BBM-Nielsen.

Interviews with Producers

We conducted telephone interviews with several television producers to obtain, on a confidential basis, data on average production budgets and broadcaster licence fees for television programming in the documentary and lifestyle genres. We used other sources, such as CAVCO, to obtain data on production budgets and broadcaster licence fees for television programming in the drama, comedy, and children’s animation genres (see “CAVCO” below).

Interviews with Media Buyers

We engaged two former senior broadcasting advertising executives to interview representatives from leading Canadian media-buying agencies, in order to obtain data and information on television advertising sales practices.

CAVCO

We analyzed production-industry data from CAVCO to develop certain assumptions related to average production budgets and broadcaster licence fees for the drama, comedy, and children’s animation genres. We used producer interviews to obtain data on average production budgets and broadcast licence fees for television programming in the documentary and lifestyle genres (see “Interviews with Producers” above).

CRTC

We utilized financial statistics published by the CRTC to develop assumptions related to non-programming costs and subscription revenues. We also utilized the program logs available at the CRTC’s file transfer protocol (FTP) site to tabulate and analyze the average of number of per-episode airings and repeats for various types of television programs.

CMRI/BBM-Nielsen

CMRI supplied raw average minute audience (AMA) data for television programming on Canadian conventional television networks and specialty television services. CMRI sourced these audience data from BBM-Nielsen.

Validation of Assumptions

While we have not used data pertaining to specific Canadian television programs, several Canadian television producers with extensive knowledge of the Canadian television programming marketplace have reviewed and validated the key assumptions in our modelling (i.e., production budgets, broadcast licence fees, and the number of repeats on conventional and specialty services). This group of knowledgeable producers has confirmed that our assumptions are reasonable and reflect common practices within the Canadian television programming marketplace in recent years.

2.2 Audience Data and Levels

Original Airing on Conventional Television

We developed our assumptions for the average audience levels to the original airing of a television program on conventional television by reviewing the audience data provided by CMRI/BBM-Nielsen.

First Repeat Airing on Conventional Television

The value of repeat airings plays an important role in our modelling of the economics of Canadian programming. However, the audience data supplied by CMRI do not permit us to systematically identify an original airing from a repeat airing of an episode of a particular program. Instead, we asked media-buying agencies to share their knowledge of the average audience relationship between original and repeat airings. Media-buying agencies reported that the first repeat of a television program on a conventional broadcast network will typically achieve an audience level that is 35% lower than the original airing. We applied this rate throughout our modelling.

Subsequent Repeats on Conventional Television

We also asked media-buying agencies to report on the relationship between average audience levels for the first repeat airing, and second and subsequent airings. Media-buying agencies reported that second and subsequent repeats typically attract audiences which are, on average, 60% lower than the first repeat airing. This implies that the second and subsequent repeat airings of a television program garner audience levels that are typically equal to 25% of the original airing ($[1-60\%] \times [1-35\%] \cong 25\%$). We adopted this 25% relationship throughout our modelling.

Specialty Television Audience Levels

We also used the audience data provided by CMRI/BBM-Nielsen to develop assumptions for the average audiences for each specialty-television airing of an episode of Canadian programming. In Section 3, we present lists of the leading Canadian television programs in each genre on specialty television. We calculate the average audience level across these leading Canadian programs and use this average as our assumption for the average audience level of each airing.

2.3 Number of Ad Spots

The calculation of ad revenue is based on ad rates (i.e., CPM rates) and the number of ad spots that broadcasters sell for a particular television program. Our analysis assumes that the broadcaster sells 24x30-second advertising spots for a one-hour program, and 12x30-second advertising spots for a half-hour program.

We applied the same ad-spot assumptions to our analysis of children's programming. While YTV Canada's broadcasting licence prohibits it from distributing advertising during programming for which the target audience is five years or younger, its broadcasting licence permits it to distribute up to 12 minutes per hour of advertising for all programs for which the target audience is six years or older.²

While media-buying agencies reported that 100% inventory sell-out rates were common, we adopted an inventory sell-out assumption of 80% for all types of programming except hit programming. We believe this approach is conservative.

2.4 CPM Rates

The senior advertising executives who conducted the research for this project also provided insights on typical CPM rates for television programming airing on conventional broadcast networks in Canada. These senior advertising executives reported that a top-10 program on Canadian television can command a CPM rate of \$25 from advertisers.

A CPM rate of \$25 implies that a 30-second advertising spot for a top-rated program with an AMA of two million would sell for \$50,000 ($2,000,000 \div 1,000 \times \$25 = \$50,000$). This price is consistent with the advertising spot rates for top-rated programs on Canadian television in recent years. For example, a 30-second spot for *CSI: Crime Scene Investigation* sold for \$42,000 in 2003.³ Statistics compiled by Strategic Inc. for Telefilm Canada indicate that a 30-second spot for *Law & Order* sold for \$39,970 in spring 2005.⁴

The senior advertising executives also reported that a program that falls within the top 10 to 20 programs on Canadian television would command a CPM rate of at least \$20, or \$40,000 for a 30-second advertising spot. We used this rate of \$20 as the *anchor rate* for our analysis. On the basis of this anchor rate, we derived CPM rates to apply to Canadian programming. We applied various discounts (discussed below) to this rate before applying it to certain types of Canadian programs as part of our modelling.

Canadian Discount

The research interviews with media-buying agencies revealed that one of the outcomes of the media-buying negotiation process in Canada is that Canadian television programming is subject to an *implied*

² CRTC, "Appendix to Broadcasting Decision CRTC 2006-381," *Broadcasting Decision CRTC 2006-381*, August 18, 2006, para. 10.

³ Barbara Schecter, "Media buyers face record price run-up," *Financial Post*, June 11, 2003.

⁴ Telefilm Canada, *Canadian Documentaries: Selected Economic Indicators*, prepared for the Documentary Policy Advisory Group, April 2005, downloaded at http://www.onf-nfb.gc.ca/eng/publications/en/pdf/telefilm_economic_en.pdf > on August 2, 2009.

discount. Canadian broadcasters typically sell television advertising in packages that include a combination of different types of American and Canadian television programs. Typically, these packages are sold on the basis of a single CPM rate, and the individual programs within the packages are not assigned their own CPM rates. However, the research interviews with media-buying agencies indicate that it is understood throughout the Canadian advertising industry that Canadian programming is subject to an *implied* discount of 15% to 25% in relation to the CPM rate that a top-10 program would yield. Media-buying agencies report that this discount is purely due to the fact that a program is Canadian, and is independent of any discount attributable to its day-of-week scheduling or other factors that might cause the CPM rate to be lower for a Canadian program than an American program.

On the basis of this research, we have discounted the CPM rate for Canadian programming by 20% in relation to the anchor CPM rate of \$20. As such, we have applied a CPM rate of **\$16** to the first airing of a Canadian television program on conventional television.

Hit Program

In the case of Canadian **hit** programming in the drama and comedy genres we use a CPM rate of **\$18**. Statistics published by Telefilm Canada indicate that a 30-second spot for a hit Canadian program such as *Corner Gas*, which typically garners an average audience of 1.2 million to its original airing, was approximately \$21,620 in spring 2005.⁵ This implies that a 30-second spot for *Corner Gas* sells for a CPM rate of \$18
($\$21,620 \div [1,200,000 \div 1,000] = \18.02).

First Repeat Airings on Conventional Television

Media-buying agencies reported to us that there is typically no difference between the CPM rates for original and repeat airings of the same program, as long as the airings are both within the same prime-time period. As such, we assumed that that the first repeat airing of a program earned the same CPM rate as the original airing.

Second Repeat Airing on Conventional Television

Media-buying agencies reported that second repeat and subsequent airings of a television program in the conventional window typically earned CPM rates that were 10% lower than the original airing. We therefore applied a CPM discount of 10% for the second repeat on conventional television.

Specialty Television Airings

Senior advertising executives reported that ad rates on specialty television services are approximately 50% of those on conventional television. Therefore, we have set the CPM rates for all specialty television airings at **\$8**; this is 50% of the discounted rate of \$16 applied to the original airing of a *non-hit* Canadian program airing in prime time. We applied this rate to the specialty television airings of programs in the drama, comedy, documentary and lifestyle genres, but not the children's animation genre (see "Children's Genre Discount" below).⁶

⁵ *Ibid.*

⁶ We had considered applying a discount to the CPM for documentary program; however, according to a report prepared by Telefilm Canada in 2005, the CPM for Canadian documentary programming ranged from \$4.69 to \$12.69

Children's Genre Discount

Our research indicates that the CPM rates for children's television programming on specialty television are typically 50% of the rates for prime-time programming on specialty services.⁷ For our analysis, therefore, we used a CPM rate of **\$4** (50% of the specialty television CPM rate) for the children's animation genre.

(see Telefilm Canada, *Canadian Documentaries: Selected Economic Indicators*, prepared for the Documentary Policy Advisory Group, April 2005, downloaded at http://www.onf-nfb.gc.ca/eng/publications/en/pdf/telefilm_economic_en.pdf > on August 2, 2009.

⁷ Alison Alexander and James Owers, "The Economics of Children's Television," in Alison J. Bryant, *The Children's Television Community*, Mahwah, New Jersey: Lawrence Erlbaum Associates, Publishers, 2007, p. 72.

2.5 Average Budgets

Our modelling also requires assumptions for the average production budgets for Canadian programming. From an analysis of CAVCO data for the fiction genre, we derived the following average budgets for Canadian drama and comedy programming:

- One-hour English-language television series: \$1.5 million per hour.
- Half-hour English-language television series: \$550,000 per half-hour.

For hit Canadian drama and comedy series, however, we used higher average production budgets, to reflect the higher production values for these programs. A hit Canadian drama, such as *Flashpoint*, reportedly has an average per-episode budget in the range of \$1.6 million to \$1.8 million.⁸ On the basis of this information, we used an average per-hour budget of \$1.7 million to model the economics of a one hour hit Canadian drama. We used one-half of that amount, \$850,000, to model the economics of a hit Canadian comedy.

We also used data from CAVCO to derive the average budget for the children’s animation programming. For the documentary and lifestyle genres, we obtained average-budget data directly from producers through telephone interviews. We obtained data for 78 one-off documentaries, 36 documentary series and 33 lifestyle series, and used these data to calculate the average production budgets for each category of programming.

Table 1 Average production budgets

Category	Average production budgets (per hour or per half-hour)	Source
One-hour drama series	\$1,500,000 per hour	CAVCO
Hit Canadian drama series	\$1,700,000 per hour	Based on data in <i>Playback</i>
Half-hour comedy series	\$545,000 per half-hour	CAVCO
Hit Canadian comedy series	\$850,000 per half-hour	Based on data in <i>Playback</i>
Half-hour drama series with foreign pre-sale	\$545,000 per half-hour	CAVCO
One-off documentary	\$384,000 per hour	Producer interviews
Documentary series	\$237,000 per hour	Producer interviews
Lifestyle series	\$128,000 per half-hour	Producer interviews
Children’s animation series	\$348,000 per half-hour	CAVCO

Source: Nordicity analysis based on data from CAVCO, producer interviews, and *Playback*.

2.6 Broadcast Licence Fees

To develop an assumption for average broadcast licence fees as a percentage of the average budget, we also analyzed financing data provided by CAVCO and collected data through telephone interviews with producers.

⁸ James Careless, “Flashpoint’ stateside success pressures audio team,” *Playback*, August 4, 2008.



We reviewed the broadcast licence fee rates for 133 Canadian fiction television series produced in 2006/07 and 2007/08. The CAVCO data indicated that the arithmetic average of Canadian broadcast licence fees as a percentage of the production budget was **35%**. We used this average rate to estimate the Canadian broadcasting group's licence fee for Canadian programming in the drama and comedy genres.

We also modelled the economics of Canadian programming where the Canadian producer made a pre-sale to a foreign broadcaster or distributor. We identified 16 English-language television series produced between 2004/05 and 2007/08⁹ for which there was a foreign pre-sale. From this sample of projects, we found that the average licence fee paid by the Canadian broadcasting group was 18% of the total production budget. We used this rate as the Canadian broadcast licence fee assumption in our modelling of the economics of a Canadian television program with a foreign pre-sale.

Table 2 Average broadcast licence fees

Category	Average broadcast licence fees as a percentage of total budget	Source (data years)
One-hour drama series	35%	CAVCO (2006/07 and 2007/08)
Hit Canadian drama series	35%	CAVCO (2006/07 and 2007/08)
Half-hour comedy series	35%	CAVCO (2006/07 and 2007/08)
Hit Canadian comedy series	35%	CAVCO (2006/07 and 2007/08)
Half-hour drama series with foreign pre-sale	18%	CAVCO (2004/05 and 2007/08)
One-off documentary	29%	Producer interviews
Documentary series	40%	Producer interviews
Lifestyle series	70%	Producer interviews
Children's animation series	26%	CAVCO (2005/06 to 2007/08)

Source: Nordicity analysis based on data from CAVCO and producer interviews.

We also used CAVCO data to derive our assumption for the average broadcast licence fee for the children's animation genre. Across children's animation projects produced between 2005/06 and 2007/08, we found that Canadian broadcasting groups' licence fees comprised, on average, 26% of total budgets.

For the documentary and lifestyle genres we collected data through telephone interviews with producers to develop our assumptions for broadcast licence fees as a percentage of total budgets. We obtained data for 78 one-off documentaries, 36 documentary series and 33 lifestyle projects, and used these data to calculate the average broadcast licence fee as a percentage of the production budget for each category of programming.

2.7 Conventional Television Non-Programming Expenses

Our analysis includes estimates of the non-programming expenses (i.e., administrative, technical, and marketing expenses) associated with the airing of Canadian programming on conventional television.

To derive an estimate of the non-programming expenses incurred by conventional broadcasters to exhibit a single hour of television programming, we first estimated the total non-programming expenses for the network operations of CTVGlobemedia Inc. ("CTVGlobemedia") and Canwest Media Inc ("Canwest"), and then divided these estimates by an estimate of the annual total number of hours of national programming on each conventional television network.

⁹ We used data for four years rather than two years, in order to expand our sample of projects.

Before carrying out this calculation, we first derived an estimate of non-programming expenses as a percentage of revenues in the English-language conventional television market. Since the CRTC Financial Summaries do not include language-market statistics, we used the published regional financial statistics to proxy the financial results in Canada's English-language market (Table 3).

To estimate the total revenues and non-programming expenses in the English-language market, we subtracted the financial statistics for Quebec from that of total Canada. The calculation process is outlined in Table 3, and it indicates that non-programming expenses accounted for 30% of total revenues in the English-language private conventional television market in 2008.

Table 3 Calculation of non-programming expenses (as a percentage of total revenues) in the English-language private conventional television market, 2008

	Total Canada	Quebec	Estimate of English- language television market	Percent of revenues
	(\$)	(\$)	(Total Canada excluding Quebec) (\$)	
Total revenues	2,138,346,606	462,224,514	1,676,122,092	100.0%
Non-programming expenses				
Technical	76,603,231	17,463,223	59,140,008	3.5%
Sales and promotion	223,007,077	57,378,955	165,628,122	9.9%
Administrative and general	288,194,264	68,849,530	219,344,734	13.1%
Depreciation of capital expenses	77,138,680	18,698,576	58,440,104	3.5%
Total non-programming expenses	664,943,294	162,390,288	502,552,968	30.0%

Source: Nordicity calculations based on data from CRTC.

Table 4 outlines how we estimated the hourly non-programming expenses at CTVglobemedia and Canwest. We first multiplied the 2008 revenues for CTVglobemedia and Canwest by 30%, to arrive at an estimate of each broadcaster's total non-programming expenses.

With an 18-hour broadcast day, each national broadcaster and its local affiliates must program a total of 126 hours per week of programming on a national basis. We deducted 15.5 hours per week to account for the production of local programming at local affiliates. This left a total of 110.5 hours of national network programming per week, or 5,746 hours per year (52×110.5).

We then divided our estimate of each broadcaster's non-programming expenses by the annual number of national network hours (5,746) to arrive at a proportional pro-rata estimate of the per-hour non-programming expenses at each broadcaster. For CTVglobemedia, the estimate was \$44,771; for Canwest the estimate was \$31,830. The average across the two broadcasters was \$38,301.

Table 4 Calculation of average per-hour non-programming expenses for private conventional television broadcasters, 2008 estimates

Row		CTVglobemedia	Canwest
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A	Total revenues (\$)	858,000,000	610,000,000
B	Non-programming expenses as a percentage of revenues	30%	30%
C	Estimate of non-programming expenses (\$) [A × B]	257,254,796	182,896,766
D	Annual number of hours	5,746	5,746
E	Estimated non-programming expenses per hour (\$) [C ÷ D]	44,771	31,830
F	Average (\$)	38,301	

Source: Nordicity analysis based on data from CRTC.

2.8 Specialty Television Revenues and Costs

Our analysis also includes the revenues and costs associated with the airing of Canadian programming on specialty television services under the provisions of an original broadcasting licence. All of the Canadian broadcasting groups with conventional television services also own and operate specialty television services; and it is common for Canadian broadcasting groups to air certain programs over both their conventional and specialty television services.

Our analysis considers the economics of five genres of television programming: drama, comedy, documentary lifestyle, and children's animation. To model the specialty television revenues and costs of each of these genres, we selected nine specialty services, which comprise the leading specialty television services in these five genres.

The selected specialty television services are:

- **Drama:** Showcase Television
- **Comedy:** The Comedy Network
- **Documentary:** History Television and Discovery Canada
- **Lifestyle:** Slice, HGTV and Food Network
- **Children's animation:** YTV Canada and Teletoon Canada

For each genre, we obtained the 2008 specialty television financial statistics, and used these statistics to estimate the subscription revenue that can be attributed to a single episode of television programming, by calculating the total number of hours of television programming aired in a single year (based on an 18-hour broadcast day) and then divided it into the total annual subscription revenues in 2008 (Table 5). For Teletoon Canada – which reports the financial results of its English-language and French-language operations on a combined basis – we multiplied its overall results by 67%, to arrive at an estimate of the financial performance of its English-language operations.

To arrive at an average per-hour subscription-revenue rate for the documentary genre, we calculated the average across History Television and Discovery Canada; for the lifestyle genre, we calculated the average across Slice, HGTV and Food Network; and for the children's animation genre, we calculated the average across YTV Canada and Teletoon Canada.

Table 5 Calculation of average per-hour specialty television service subscription revenues, 2008

	Showcase Television	The Comedy Network	History Television	Discovery Canada	Slice	HGTV	Food Network	YTV Canada	Teletoon Canada*
Cable subscriber revenues (\$)	25,827,863	17,335,111	19,022,668	34,357,233	10,574,707	9,945,607	7,108,074	26,366,301	20,392,785
DTH subscriber revenues (\$)	7,770,608	6,917,714	6,704,764	11,359,361	3,005,689	3,016,763	2,512,889	8,443,649	5,612,977
Total subscriber revenue (\$)	33,598,471	24,252,825	25,727,432	45,716,594	13,580,396	12,962,370	9,620,963	34,809,950	26,005,762
Hours per year (18 x 365)	6,570	6,570	6,570	6,570	6,570	6,570	6,570	6,570	6,570
Subscription revenue per hour (\$)	5,114	3,691	3,916	6,958	2,067	1,973	1,464	5,298	3,958

Average subscription revenue per hour (\$)	5,114	3,691	5,437	1,835	4,628
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Source: Nordicity analysis based on data from CRTC.

* The estimates of the financial performance of Teletoon Canada's English-language operations are based on 67% of Teletoon Canada's overall financial performance.

We used a similar approach to calculate the amount of **non-programming expenses** at a specialty television service that could be attributed to a single hour of television programming aired by the specialty television service (Table 6). Once again, we multiplied Teletoon Canada's overall results by 67%, to arrive at an estimate of the financial performance of its English-language operations.

Table 6 Calculation of average per-hour specialty television service non-programming expenses, 2008

	Showcase Television	The Comedy Network	History Television	Discovery Canada	Slice	HGTV	Food Network	YTV Canada	Teletoon Canada*
Technical expenses (\$)	1,303,925	878,935	1,244,881	979,264	1,006,507	1,006,333	1,005,353	1,134,010	20,731,320
Sales and promotion expenses (\$)	2,059,492	3,617,041	916,629	5,058,462	2,343,052	3,396,833	3,245,258	8,859,023	582,720
Administration and general expenses (\$)	11,756,947	2,555,585	5,325,788	3,280,866	4,600,726	3,751,294	3,205,154	7,519,442	2,069,231
Depreciation expense (\$)	10,040	1,073	331	146,381	7,716	16,055	0	0	121,161
Total non-programming expenses (\$)	15,130,404	7,052,634	7,487,629	9,464,973	7,958,001	8,170,515	7,455,765	17,512,475	23,504,432
Hours per year (18 x 365)	6,570	6,570	6,570	6,570	6,570	6,570	6,570	6,570	6,570
Non-programming expenses per hour (\$)	2,303	1,073	1,140	1,441	1,211	1,244	1,135	2,666	3,578
Average non-programming expenses per hour (\$)	2,303	1,073	1,290			1,197		1,771	

Source: Nordicity analysis based on data from CRTC.

* The estimates of the financial performance of Teletoon Canada's English-language operations are based on 67% of Teletoon Canada's overall financial performance.

Based on this analysis, we used the following average per-hour rates for subscriber revenues and non-programming expenses:

- **Drama:** per-hour subscription revenue rate of \$5,114 and per-hour non-programming expenses of \$2,303.
- **Comedy:** per-hour subscription revenue rate of \$3,691, and per-hour non-programming expenses of \$1,073.
- **Documentary:** per-hour subscription revenue rate of \$5,437, and per-hour non-programming expenses of \$1,290.
- **Lifestyle:** per-hour subscription revenue rate of \$1,835, and per-hour non-programming expenses of \$1,197.

- **Children’s animation:** per-hour subscription revenue rate of \$4,628, and per-hour non-programming expenses of \$1,771.

2.9 Total Number of Airings and Repeats

Another key set of assumptions in our analysis is related to the number of times that a Canadian broadcasting group airs or repeats a program on its conventional or specialty television services. To establish our assumptions for the number of conventional and specialty airings for each type of program, we collected and examined the program-log data available at the CRTC’s FTP site. For each category of programming, we selected one or two program titles and tabulated the *actual number* or *average number* of airings per unique episode. The results of this analysis can be found in Appendix A.

Rather than calculate the average number of airings for each genre, we reviewed the range in the number of airings per episode in each genre and then established an amount that we considered representative of the repeat factors in each genre. Table 7 summarizes the results of this exercise.

Drama and Comedy

While the data in Appendix A indicate that it is not uncommon for Canadian conventional broadcasters to air an episode of a Canadian drama or comedy three or four times – or even as many as five times in the case of *Degrassi: The Next Generation* – the evidence for a program such as *Corner Gas* suggests that a total of three conventional television airings (one original + two repeats) would be a representative assumption.

Table 7 Representative number of repeats for selected Canadian television programs

Type of program	Conventional television	Specialty television
One-hour drama series	2	25
Half-hour comedy series	2	40
One-off documentary	1	12
Documentary series	n.a.	30
Lifestyle series	n.a.	40
Children’s animation series	n.a.	40

Source: Nordicity analysis based on data from CAVCO and producer interviews.

n.a. - not applicable (the modelling for these genres did not include conventional television airings of episodes)

The program-log data indicate that specialty television series will air each episode of a Canadian drama and comedy program some 20 to 40 times. The data in Appendix A indicate that *Cold Squad* is in the middle of this range, and a program such as *Corner Gas* at the upper end of the range. For our modelling we have applied an assumption of 25 airings for a one-hour drama and 40 airings for a half-hour comedy. The fact that a half-hour comedy is one-half the running length does permit a specialty television service to air it more intensively than an one-hour program, and the program-log data support this observation.

Documentary

Our analysis of the program-log data for History Television indicates that it is not uncommon for it to air one-off documentaries 7 to 17 times over the span of several years. For our analysis, we used the midpoint of this range, 12 airings per documentary. The program-log data for History Television also indicate that for two long-running documentary series, *Frontiers of Construction* and *Turning Points of History*, the specialty television service aired each episode 25 to 70 times. For our modelling, we used a conservative assumption of 30 airings per episode.

Lifestyle

For the lifestyle genre, we analyzed the average number of airings of each episode of *Till Debt Do Us Part*, a leading Canadian lifestyle program airing on Slice. These tabulations indicate that Slice aired each episode from the first and second seasons an average of 79 times (see Appendix A). For our modelling of the lifestyle genre, we used a conservative assumption of 40 airings per episode.

Children's Animation

In the children's animation genre, our tabulations for *Being Ian* and *Team Galaxy* indicate that YTV Canada aired many of the episodes in upwards of 50 or 60 times between 2006 and 2009 (see Appendix A). For our modelling of the children's animation genre, we used a conservative assumption of 40 airings per episode.

3 Analysis

In this section, we present the economic analyses of the following nine different types of Canadian television programming across five genres.

1. One-hour drama series
2. Hit Canadian drama series
3. Half-hour comedy series
4. Hit Canadian comedy series
5. Half-Hour Drama Series with Foreign Pre-Sale
6. One-off documentary
7. Documentary series
8. Lifestyle series
9. Children's animation series

For program types one through six, we estimate the revenues that a Canadian broadcasting group could expect to earn from the original conventional window airing, any repeat airings on conventional television, and specialty television window repeat airings during the period of the initial broadcast licence.

For documentary series, lifestyle series, and children's animation series, we only consider the economics of the specialty television window, as this type of programming is more prominent on specialty television than conventional television.

In our analysis, we include both the direct advertising revenues as well as the specialty television service subscription revenues that can be attributed to the television program. We then compare these revenues to estimates of a Canadian broadcasting group's broadcast licence fee and non-programming expenses, to estimate the profitability or *financial surplus* associated with the television program.

3.1 One-Hour Drama Series

In this section we examine the revenues and costs associated with one-hour Canadian dramas that can attract audiences of 700,000 during the week. *The Guard* is an example of such a program.

When a Canadian broadcasting group licenses a Canadian drama series, it often also receives rights to broadcast the television series on one or more of its specialty television services. To establish an average audience level for the specialty television airing of a Canadian television program in the drama and comedy genres, which originally aired on conventional television, we reviewed historical data (2003/04¹⁰ to 2005/06) for seven Canadian television programs that fit this criterion. The average per-episode AMA for these eight programs was 56,000 (Table 8).

¹⁰ A television season runs from September to March. So the 2004/05 television season refers to September 2004 through March 2005.

Table 8 Average per-episode audiences for specialty television airings* of drama and comedy programs

	Average minute audience (000s)
Blue Murder	37
Cold Squad	39
Corner Gas	87
Da Vinci's Inquest	50
Outer Limits	39
PSI Factor	39
The Red Green Show	18
Average	56**

Source: Nordicity/CMRI analysis based on data from BBM-Nielsen.

* Based on audience data for September 2003 through July 2006.

** This is the average across all airings of these television programs, and is not equivalent to the arithmetic average of the AMA across all seven programs.

Our analysis shows that a one-hour Canadian drama series with an average audience of 700,000 is not likely to be profitable for a Canadian broadcasting group following the completion of the conventional broadcast window. After three conventional airings (one original + two repeats), the Canadian drama series generates a per-episode deficit of \$236,702 for the Canadian broadcasting group. However, following 25 airings on a specialty television service, a one-hour Canadian drama series will generate a per-episode financial surplus of \$48,612 for the Canadian broadcasting group (Table 10).

Table 9 One-hour drama series, conventional television window

Broadcaster Revenue – Original Airing	
Average audience (AMA)	700,000
Number of ad spots	24
CPM (\$)	16
Sell-out rate	80%
Per-episode revenue for original airing (\$)	215,040
Broadcaster Cost – Original Airing	
Average budget per episode (\$)	1,500,000
Broadcaster licence fee (\$)	525,000
Other broadcaster expenses (\$)	38,301
Total broadcaster cost per episode (\$)	563,301
Broadcaster net benefit (\$)	(348,261)
Broadcaster Revenue – First Repeat	
Average audience (AMA)	455,000
Number of ad spots	24
CPM (\$)	16
Sell-out rate	80%
Per-episode revenue for each repeat airing (\$)	139,776
Broadcaster costs (\$)	38,301
Broadcaster net benefit (\$)	101,475
Cumulative net surplus/(deficit)	(246,785)
Broadcaster Revenue – Second Repeat	
Average audience (AMA)	175,000
Number of ad spots	24
CPM (\$)	14.4
Sell-out rate	80%
Per-episode revenue for each repeat airing (\$)	48,384
Number of repeats	1
Total revenue from repeat airings (\$)	48,384
Broadcaster costs (\$)	38,301
Broadcaster net benefit (\$)	10,083
Conventional net surplus/(deficit) (\$)	(236,702)

Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, CAVCO, and CRTC.

Table 10 One-hour drama series, specialty television window

Average audience (AMA)	56,000
Number of ad spots	24
CPM (\$)	8
Sell-out rate	80%
Per-episode revenue for each repeat airing (\$)	8,602
Number of repeats	25
Total ad revenue from repeat airings (\$)	215,040
Subscriber revenue per hour (\$)	5,114
Allocated subscriber revenue (\$)	127,848
Total revenue (\$)	342,888
Costs per hour (\$)	2,303
Specialty service costs across all episodes (\$)	57,574
Net benefit (\$)	285,314
Conventional/Specialty surplus/(deficit) (\$)	48,612

Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, CAVCO, and CRTC.

3.2 Hit Canadian Drama Series

We also examined the economics of a Canadian drama series that achieves *hit* status. A hit Canadian drama refers to a one-hour Canadian drama that consistently attracts an audience above one million viewers. *Flashpoint* is an example of a hit Canadian drama. In 2007/08, *Flashpoint*'s Thursday airings garnered an average audience of 1.2 million; it continued to maintain this average audience level in 2008/09.

We have assumed that a hit Canadian drama with an average audience above one million will be within the top-20 programs on Canadian television, but outside the top-10 programs. As such, we have applied a CPM rate of \$22.50, 10% below the top-10 rate of \$25.00. Furthermore, we have applied a Canadian discount of 20% to the gross CPM rate of \$22.50 to arrive at an effective CPM rate of **\$18.00**.¹¹

Our analysis shows that a hit Canadian drama with an average audience of 1.2 million and a CPM rate of \$18.00 is profitable for a Canadian broadcasting group following the first repeat airing. The original airing generates a net deficit of \$114,901 for the broadcaster; however, following the first repeat, this deficit turns into a surplus of **\$183,759** (Table 11). Following a second repeat on conventional television, the surplus grows to **\$262,098**.

To model the economics of the specialty television window, we utilized the same audience and repeat-factor assumptions that we used for the one-hour drama series. For a hit Canadian drama, the Canadian broadcasting group's financial surplus increases quickly with subsequent repeat airings on specialty television. After 25 additional repeats on specialty television, the surplus rises to **\$601,172** (Table 12).

¹¹ For certain Canadian hit dramas, such as *Flashpoint*, which are picked up by U.S. networks and then subject to reverse simulcast, a Canadian discount off the top-20 rate of \$22.50 would probably not, in fact, be warranted.

Table 11 Hit Canadian drama series, conventional television window

Broadcaster Revenue – Original Airing	
Average audience (AMA)	1,200,000
Number of ad spots	24
CPM (\$)	18
Sell-out rate	100%
Per-episode revenue for original airing (\$)	518,400
Broadcaster Cost – Original Airing	
Average budget per episode (\$)	1,700,000
Broadcaster licence fee (\$)	595,000
Other broadcaster expenses (\$)	38,301
Total broadcaster cost per episode (\$)	633,301
Broadcaster net benefit (\$)	(114,901)
Broadcaster Revenue – First Repeat	
Average audience (AMA)	780,000
Number of ad spots	24
CPM (\$)	18
Sell-out rate	100%
Per-episode revenue for each repeat airing (\$)	336,960
Broadcaster costs (\$)	38,301
Broadcaster net benefit (\$)	298,659
Cumulative net surplus/(deficit)	183,759
Broadcaster Revenue – Second Repeat	
Average audience (AMA)	300,000
Number of ad spots	24
CPM (\$)	16.2
Sell-out rate	100%
Per-episode revenue for each repeat airing (\$)	116,640
Number of repeats	1
Total revenue from repeat airings (\$)	116,640
Broadcaster costs (\$)	38,301
Broadcaster net benefit (\$)	78,339
Conventional net surplus/(deficit) (\$)	262,098

Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, CAVCO, and CRTC.

Table 12 Hit Canadian drama series, specialty television window

Average audience (AMA)	56,000
Number of ad spots	24
CPM (\$)	8
Sell-out rate	100%
Per-episode revenue for each repeat airing (\$)	10,752
Number of repeats	25
Total ad revenue from repeat airings (\$)	268,800
Subscriber revenue per hour (\$)	5,114
Allocated subscriber revenue (\$)	127,848
Total revenue (\$)	396,648
Costs per hour (\$)	2,303
Specialty service costs across all episodes (\$)	57,574
Net benefit (\$)	339,074
Conventional/Specialty surplus/(deficit) (\$)	601,172

Source: Nordicity analysis based on data from CMRI, Nielsen Media Research, CAVCO, and CRTC.

3.3 Half-Hour Comedy Series

A half-hour comedy series with an audience level of approximately 400,000 can also be profitable for a Canadian broadcasting group, if the Canadian broadcasting group can air repeat episodes on a specialty television service. *Robson Arms* is an example of such a comedy series.

In a similar fashion to our modelling of a one-hour drama series, we model a half-hour comedy series with one original airing and two repeats on conventional television. However, in accordance with the evidence presented in Appendix A, we model the specialty television window using 40 repeats, rather than 25. We maintain the assumption of an average audience of 56,000 per repeat.

Our analysis shows that a half-hour comedy series generates a deficit of \$133,001 for the Canadian broadcasting group from the conventional window (Table 13). However, following 40 additional airings on a specialty television service, the Canadian broadcasting group will realize a financial surplus of **\$91,391** per episode (Table 14).

Table 13 Half-hour comedy series, conventional television window

Broadcaster Revenue – Original Airing	
Average audience (AMA)	400,000
Number of ad spots	12
CPM (\$)	16
Sell-out rate	80%
Per-episode revenue for original airing (\$)	61,440
Broadcaster Cost – Original Airing	
Average budget per episode (\$)	545,000
Broadcaster licence fee (\$)	190,750
Other broadcaster expenses (\$)	19,150
Total broadcaster cost per episode (\$)	209,900
Broadcaster net benefit (\$)	(148,460)
Broadcaster Revenue – First Repeat	
Average audience (AMA)	260,000
Number of ad spots	12
CPM (\$)	16
Sell-out rate	80%
Per-episode revenue for each repeat airing (\$)	39,936
Broadcaster costs (\$)	19,150
Broadcaster net benefit (\$)	20,786
Cumulative net surplus/(deficit)	(127,675)
Broadcaster Revenue – Second Repeat	
Average audience (AMA)	100,000
Number of ad spots	12
CPM (\$)	14.4
Sell-out rate	80%
Per-episode revenue for each repeat airing (\$)	13,824
Number of repeats	1
Total revenue from repeat airings (\$)	13,824

Broadcaster costs (\$)	19,150
Broadcaster net benefit (\$)	-5,326
Conventional net surplus/(deficit) (\$)	(133,001)

Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, CAVCO, and CRTC.

Table 14 Half-hour comedy series, specialty television window

Average audience (AMA)	56,000
Number of ad spots	12
CPM (\$)	8
Sell-out rate	80%
Per-episode revenue for each repeat airing (\$)	4,301
Number of repeats	40
Total ad revenue from repeat airings (\$)	172,032
Subscriber revenue per hour (\$)	3,691
Allocated subscriber revenue (\$)	73,829
Total revenue (\$)	245,861
Costs per hour (\$)	1,073
Specialty service costs across all episodes (\$)	21,469
Net benefit (\$)	224,392
Conventional/Specialty surplus/(deficit) (\$)	91,391

Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, CAVCO, and CRTC.

3.4 Hit Canadian Comedy Series

A hit Canadian comedy series (half-hour in length), which airs in prime time, can also attract audiences in excess of one million. *Corner Gas* is one example of such a prime-time hit Canadian comedy.

Our analysis (Table 15) shows that a hit Canadian comedy series with an average audience of 1.2 million and a CPM rate of \$18 is profitable for a Canadian broadcasting group following the first repeat airing. The original airing generates a net deficit of \$57,450 for the Canadian broadcasting group; however, following the first repeat, this deficit turns into a surplus of \$91,879. Following the second repeat on conventional television, the surplus rises to \$131,049.

The specialty television window offers the broadcaster an opportunity to further increase its per-episode surplus (Table 16). Assuming a CPM rate of \$8, and the 40 repeats, the specialty television window generates a net benefit of \$267,040 per episode and thereby increases the Canadian broadcasting group's per-episode **surplus to \$398,449**.

Table 15 Hit Canadian comedy series, conventional television window

Broadcaster Revenue – Original Airing	
Average audience (AMA)	1,200,000
Number of ad spots	12
CPM (\$)	18
Sell-out rate	100%
Per-episode revenue for original airing (\$)	259,200
Broadcaster Cost – Original Airing	
Average budget per episode (\$)	850,000
Broadcaster licence fee (\$)	297,500
Other broadcaster expenses (\$)	19,150
Total broadcaster cost per episode (\$)	316,650
Broadcaster net benefit (\$)	(57,450)
Broadcaster Revenue – First Repeat	
Average audience (AMA)	780,000
Number of ad spots	12
CPM (\$)	18
Sell-out rate	100%
Per-episode revenue for each repeat airing (\$)	168,480
Broadcaster costs (\$)	19,150
Broadcaster net benefit (\$)	149,330
Cumulative net surplus/(deficit)	91,879
Broadcaster Revenue – Second Repeat	
Average audience (AMA)	300,000
Number of ad spots	12
CPM (\$)	16.2
Sell-out rate	100%
Per-episode revenue for each repeat airing (\$)	58,320
Number of repeats	1
Total revenue from repeat airings (\$)	58,320
Broadcaster costs (\$)	19,150



Broadcaster net benefit (\$)	39,170
Conventional net surplus/(deficit) (\$)	131,049

Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, CAVCO, and CRTC.

Table 16 Hit Canadian comedy series, specialty television window

Average audience (AMA)	56,000
Number of ad spots	12
CPM (\$)	8
Sell-out rate	100%
Per-episode revenue for each repeat airing (\$)	5,376
Number of repeats	40
Total ad revenue from repeat airings (\$)	215,040
Subscriber revenue per hour (\$)	3,691
Allocated subscriber revenue (\$)	73,829
Total revenue (\$)	288,869
Costs per hour (\$)	1,073
Specialty service costs across all episodes (\$)	21,469
Net benefit (\$)	267,400
Conventional/Specialty surplus/(deficit) (\$)	398,449

Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, CAVCO, and CRTC.

3.5 Half-Hour Drama Series with Foreign Pre-Sale

Our analysis indicates that a half-hour drama series with a foreign pre-sale can also generate a positive return for a Canadian broadcasting group that can air repeat episodes on a specialty television service. *Degrassi: The Next Generation* is an example of such a program.

Modelling the economics of a half-hour drama series with a foreign pre-sale requires a modification to the Canadian broadcast licence fee assumption: a Canadian broadcasting group is likely to face a slightly lower broadcast licence fee than for other drama programs because foreign broadcasters pre-license the program as well. As noted in Section 2.6, an analysis of CAVCO data indicates that a broadcast licence fee of 18%, rather than 35%, is warranted for Canadian English-language fiction television series with a foreign pre-sale.

Table 17 Half-hour drama series with foreign pre-sale, conventional television window

Broadcaster Revenue – Original Airing	
Average audience (AMA)	400,000
Number of ad spots	12
CPM (\$)	16
Sell-out rate	80%
Per-episode revenue for original airing (\$)	61,440
Broadcaster Cost – Original Airing	
Average budget per episode (\$)	545,000
Broadcaster licence fee (\$)	98,100
Other broadcaster expenses (\$)	19,150
Total broadcaster cost per episode (\$)	117,250
Broadcaster net benefit (\$)	(55,810)
Broadcaster Revenue – First Repeat	
Average audience (AMA)	260,000
Number of ad spots	12
CPM (\$)	16
Sell-out rate	80%
Per-episode revenue for each repeat airing (\$)	39,936
Broadcaster costs (\$)	19,150
Broadcaster net benefit (\$)	20,786
Cumulative net surplus/(deficit)	(35,025)
Broadcaster Revenue – Second Repeat	
Average audience (AMA)	100,000
Number of ad spots	12
CPM (\$)	14.4
Sell-out rate	80%
Per-episode revenue for each repeat airing (\$)	13,824
Number of repeats	1
Total revenue from repeat airings (\$)	13,824
Broadcaster costs (\$)	19,150
Broadcaster net benefit (\$)	-5,326
Conventional net surplus/(deficit) (\$)	(40,351)



Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, CAVCO, and CRTC.

With an average audience of 400,000, a half-hour drama series with a foreign pre-sale still yields a deficit of \$40,351 for the Canadian broadcasting group following the completion of the conventional television window (Table 17). Following 40 airings on a specialty television service, however, the program generates a surplus of **\$187,900** (Table 18).

Table 18 Half-hour drama series with foreign pre-sale, specialty television window

Average audience (AMA)	56,000
Number of ad spots	12
CPM (\$)	8
Sell-out rate	80%
Per-episode revenue for each repeat airing (\$)	4,301
Number of repeats in licence	40
Total ad revenue from repeat airings (\$)	172,032
Subscriber revenue per hour (\$)	5,114
Allocated subscriber revenue (\$)	102,278
Total revenue (\$)	274,310
Costs per hour (\$)	2,303
Specialty service costs across all episodes (\$)	46,059
Net benefit (\$)	228,251
Conventional/Specialty surplus/(deficit) (\$)	187,900

Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, CAVCO, and CRTC.

3.6 One-off Documentary

In this section we examine the revenues and costs associated with one-off documentaries. One-off documentaries include one-hour or feature-length documentaries that deal with a single topic or issue. Recent examples of one-off documentaries include *The Road To Passchendaele* and *Ship of Ice*.

Canadian broadcasters will often distribute the original airing of a one-off documentary on conventional television, followed by subsequent airings on specialty television. Indeed, our research indicates that they do not typically air a repeat of the documentary on conventional television (Table 19). Therefore, for our modelling of the one-off documentary, we include a single original airing on conventional television followed by repeat airings on specialty television.

While many Canadian documentaries will garner audiences on conventional television in upwards of 400,000, the audience data supplied by CMRI/BBM-Nielsen (Table 19) indicate that the average audiences for leading Canadian one-off documentaries on conventional television range from 158,000 to 232,000. On the basis of these data, we modelled the economics of one-off documentaries by using the average audience level of 193,000.

To model the average audience level for the specialty television airings of one-off documentaries, we adopted the same average audience rate, 32,000, which we established for documentary series (see Table 22 in Section 3.7).

Table 19 Audience data and number of airings for leading Canadian one-off documentaries, 2006/07 to 2008/09

No.	Title (broadcaster)	Average minute audience (000s)	Number of airings (3-year period)
1.	Vimy Ridge: Heaven To Hell (Global)	232	1
2.	Path To War (Global)	213	1
3.	The Road To Passchendaele (Global)	207	2
4.	Ship of Ice (Global)	203	1
5.	The Black Watch: Massacre at Verrieres Ridge (Global)	200	1
6.	Lilth on Top	197	3
7.	Mob Stories (4-part series) (Global)	193	1
8.	Targa Newfoundland (Global)	162	1
9.	The Limelighters (4-part series) (Global)	161	1
10.	Golf: The Ridiculous Obsession (CTV)	158	1
	Average	193	1

Source: Nordicity/CMRI analysis based on data from BBM-Nielsen and CRTC program logs.

Our modelling indicates that while the original airing on conventional television of a one-off documentary generates a deficit of \$90,371. Following 15 repeats on a specialty television series, a one-off documentary generates a **surplus of \$18,375** for a Canadian broadcasting group.

Table 20 One-off documentary, conventional television airing

Broadcaster Revenue – Original Airing	
Average audience (AMA)	193,000
Number of ad spots	24
CPM (\$)	16
Sell-out rate	80%
Per-episode revenue for original airing (\$)	59,290
Broadcaster Cost – Original Airing	
Average budget per episode (\$)	384,000
Broadcaster licence fee (\$)	111,360
Other broadcaster expenses (\$)	38,301
Total broadcaster cost per episode (\$)	149,661
Broadcaster net benefit (\$)	(90,371)
Conventional net surplus/(deficit) (\$)	(90,371)

Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, producer interviews, and CRTC.

Table 21 One-off documentary, specialty television airing

Broadcaster benefits	
Average audience (AMA)	32,000
Number of ad spots	24
CPM	8
Sell-out rate	80%
Per-episode revenue for each repeat airing (\$)	4,915
Number of repeats	12
Total ad revenue from repeat airings (\$)	58,982
Sub revenue per hour	5,437
Allocated sub revenue	65,246
Total revenue	124,228
Costs per hour	1,290
Broadcaster costs	15,482
Net benefit	108,746
Conventional/Specialty surplus/deficit	18,375

Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, producer interviews, and CRTC.

3.7 Documentary Series

In this section we examine the revenues and costs associated with Canadian documentary series. Examples of documentary series include: *Mega Builders*, *Frontiers of Construction*, and *Sea Hunters*.

To model the economics of a one-hour Canadian documentary series, we assume that a specialty television service will air each episode 30 times, and that each episode will garner an average audience of 32,000. Our assumption for the number of airings is based on the evidence presented in Appendix A. The audience-level assumption is based on the audience data in Table 22. The audience statistics in Table 22 indicate that the leading Canadian documentary series achieve average audience levels of between 23,000 and 65,000 on specialty television. The average across these ten documentary series is 32,000.

Table 22 Audience data and number of airings for leading Canadian documentary series, 2006/07 to 2008/09

No.	Title (specialty service)	Average minute audience (000s)	Number of airings (3-year period)
1.	How Do They Do It (Discovery)	65	465
2.	Sea Hunters IV (History)	34	54
3.	Turning Points of History (History)	33	519
4.	Masterminds (History)	33	1,314
5.	Disasters of The Century (History)	33	1,803
6.	Frontiers of Construction (History)	28	543
7.	Flightpath (History)	27	479
8.	Things That Move (History)	25	753
9.	Timeline: Century of Conflict (History)	23	132
10.	Great Train Stories (History)	23	60
Average		32	612

Source: Nordicity/CMRI analysis based on data from BBM-Nielsen.

* Only includes television programs with 50 or more airings between 2006/07 and 2008/09.

The analysis in Table 23 shows that a specialty television service will generate a **surplus of \$177,066**, after 30 airings of an individual episode of a documentary series over the span of several years.

Table 23 Economics of documentary series on specialty television

Broadcaster benefits	
Average audience (AMA)	32,000
Number of ad spots	24
CPM (\$)	8
Sell-out rate	80%
Per-episode revenue for each airing (\$)	4,915
Number of airings	30
Total ad revenue from all airings (\$)	147,456
Sub revenue per half hour (\$)	5,437
Allocated sub revenue (\$)	163,114
Total broadcaster benefit (\$)	310,570
Broadcaster costs	
Average budget per episode (\$)	237,000
Broadcaster licence fee (\$)	94,800
Overhead costs per hour (\$)	1,290
Total overhead costs (\$)	38,705
Total broadcaster costs (\$)	133,505
Total surplus/(deficit) (\$)	177,066

Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, producer interviews, and CRTC.

3.8 Lifestyle Series

In this section we examine the revenues and costs associated with Canadian lifestyle programming. Lifestyle programs are typically half-hour in duration and deal with topics such as home improvement and/or decorating, personal finance, and food and cooking. Examples of lifestyle programs include *Holmes on Homes*, *Till Debt Do Us Part*, and *Divine Design*. Most Canadian lifestyle programs air exclusively on specialty television services. As such, we only model the revenues and costs associated with the specialty television window.

To model the economics of a lifestyle series, we assume that a specialty television service will air each episode 40 times, and that each episode will garner an average audience of 63,000. Our assumption for the number of airings is based on the evidence presented in Appendix A for *Till Debt Do Us Part*. These statistics indicate that Slice aired each first- and second-season episode of *Till Debt Do Us Part* an average of 79 times.

The audience-level assumption is based on the audience data for the 2006/07, 2007/08 and 2008/09 television seasons and is found in Table 24. The audience statistics in Table 24 indicate that the leading Canadian lifestyle series achieve average audience levels of between 51,000 and 81,000 on specialty television. The average across all ten programs is 63,000.

Table 24 Audience data and number of airings for leading Canadian lifestyle programs, 2006/07 to 2008/09*

No.	Title (specialty service)	Average minute audience (000s)	Number of airings (3-year period)
1.	Holmes on Homes (HGTV)	81	2,530
2.	My House Is Worth What? (HGTV)	77	178
3.	Property Virgins (HGTV)	70	1,295
4.	Colin & Justin's Home Heist (HGTV)	66	346
5.	Home to Flip (HGTV)	63	149
6.	Buy Me (HGTV)	60	1,793
7.	The Fix (HGTV)	54	152
8.	Style by Jury (W Network)	53	1,917
9.	Hidden Potential (HGTV)	52	281
10.	Marriage Under Construction (HGTV)	51	157
Average		63	880

Source: Nordicity/CMRI analysis based on data from BBM-Nielsen.

* Only includes television programs with more than 100 airings between 2006/07 and 2008/09.

The analysis in Table 25 shows that a specialty television service will generate a **surplus of \$116,701**, after airing an individual episode 40 times over the span of several years.

Table 25 Economics of lifestyle programs on specialty television

Broadcaster benefits	
Average audience (AMA)	63,000
Number of ad spots	12
CPM (\$)	8
Sell-out rate	80%
Per-episode revenue for each airing (\$)	4,838
Number of airings	40
Total ad revenue from all airings (\$)	193,536
Sub revenue per half hour (\$)	1,835
Allocated sub revenue (\$)	36,696
Total broadcaster benefit (\$)	230,232
Broadcaster costs	
Average budget per episode (\$)	128,000
Broadcaster licence fee (\$)	89,600
Overhead costs per hour (\$)	1,197
Total overhead costs (\$)	23,931
Total broadcaster costs (\$)	113,531
Total surplus/(deficit) (\$)	116,701

Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, producer interviews, and CRTC.

3.9 Children’s Animation Series

In this section we examine the revenues and costs associated with children’s animation programming. Examples of children’s animation programming include: *6Teen*, *Team Galaxy* and *Being Ian*. Most Canadian children’s animation programs air exclusively on specialty television services, such as YTV Canada and Teletoon Canada. As such, we only model the revenues and costs associated with the specialty television window.

In our modelling we include both the advertising and subscription revenues earned by a specialty television service airing children’s animation programming. While YTV Canada is prohibited from selling advertising during programming for which the target audience is five years or younger, it can sell up to 12 minutes of advertising during each hour of programming for which the target audience is school-age children and youth over the age of five.¹²

To model the economics of a children’s animation program:

- We use a CPM rate of \$4, which is one-half of the rate applied to other genres (see Section 2.4).
- We use an average per-episode audience of 62,000, which corresponds with average audience of ten leading Canadian children’s animation programs airing on YTV Canada and Teletoon Canada (Table 26).
- We apply an assumption of 40 repeats per episode. This assumption is consistent with the statistics we compiled in Appendix A for the children’s animation programs, *Being Ian* and *Team Galaxy*. These statistics indicate that YTV Canada aired several episodes of each program in upwards of 50 or 60 times between 2006 and 2009.

Table 26 Audience data and number of airings for leading Canadian children’s animation television programs, 2007/08*

No.	Title (specialty service)	Average minute audience (000s)	Number of airings (3-year period)
1.	6Teen (Teletoon)	88	262
2.	Johnny Test (Teletoon)	73	260
3.	Storm Hawks *YTV	64	140
4.	Class of Titans (Teletoon)	63	105
5.	Urban Vermin (YTV)	61	26
6.	Di-Gata Defenders (Teletoon)	59	88
7.	Team Galaxy (YTV)	54	380
8.	Wayside (Teletoon)	54	280
9.	Being Ian (YTV)	52	323
10.	Ruby Gloom (YTV)	52	152
Average		62	202

Source: Nordicity/CMRI analysis based on data from BBM-Nielsen.

* Only includes television programs airing on YTV Canada and Teletoon Canada in 2007/08.

¹² CRTC, “Appendix to Broadcasting Decision CRTC 2006-381,” *Broadcasting Decision CRTC 2006-381*, August 18, 2006, para. 10.

The analysis in Table 27 shows that with a CPM of \$4, the specialty television service will generate a **surplus of \$61,907**, after airing each individual episode a total of 40 times over the span of several years.

Table 27 Economics of children’s animation programs on specialty television

Broadcaster benefits	
Average audience (AMA)	62,000
Number of ad spots	12
CPM (\$)	4
Sell-out rate	80%
Per-episode revenue for each airing (\$)	2,381
Number of airings	40
Total ad revenue from all airings (\$)	95,232
Sub revenue per half hour (\$)	4,628
Allocated sub revenue (\$)	92,566
Total broadcaster benefit (\$)	187,798
Broadcaster costs	
Average budget per episode (\$)	348,000
Broadcaster licence fee (\$)	90,480
Overhead costs per hour (\$)	1,771
Total overhead costs (\$)	35,411
Total broadcaster costs (\$)	125,891
Total surplus/(deficit) (\$)	61,907

Source: Nordicity analysis based on data from CMRI, BBM-Nielsen, CAVCO, and CRTC.

4 Non-Quantifiable Factors

Our analysis has focussed on Canadian broadcasting groups' direct costs and revenues associated with the licensing and airing of Canadian television programming on conventional and specialty television. However, this analysis has been unable to incorporate two key non-quantifiable aspects of the economics of Canadian programming. The fact that we have been unable to incorporate these non-quantifiable aspects suggests that the results of our analysis are conservative.

The first non-quantifiable aspect is related to Canadian broadcasting groups' equity investments in Canadian television programming. An analysis of CAVCO financing data indicates that Canadian broadcasting groups made equity investments of approximately \$30 million in English-language Canadian programming in 2006/07. These equity investments provide Canadian broadcasting groups with the potential to earn revenues from the foreign distribution of Canadian television programs or from DVD sales of the program. These distribution revenues are in addition to the direct advertising and subscription revenues earned by Canadian broadcasting groups.

In a related manner, Canadian broadcasting groups are also obtaining wide-ranging ancillary rights to Canadian programming as part of their broadcast licensing agreements. These ancillary rights also provide Canadian broadcasting groups with the potential to earn additional revenues – through revenue-sharing agreements or otherwise – from the distribution of Canadian television programming over alternative digital platforms such as internet or video-on-demand. In some case, these ancillary rights provide Canadian broadcasting groups with the potential to also earn a share of merchandise sales associated with a Canadian television program. As in the case of the distribution revenues related to Canadian broadcasting groups' equity investments, we have not taken into account the value of potential ancillary rights revenues for Canadian broadcasting groups, and therefore, in our view, have presented a conservative portrayal of the economics of Canadian programming.

5 Summary of Findings

While the consolidation of the Canadian broadcasting industry reduces the number of potential buyers of independent Canadian programming, it does give Canada's large broadcasting groups the opportunity to air programming on both conventional and specialty television services. While the number of airings in the conventional television window has, in the past, been limited within licensing contracts, this has changed in recent years as broadcasters have demanded unlimited plays within broadcast licence agreements. Moreover, the specialty television window has given Canadian broadcasting groups the opportunity to reach breakeven and earn profits from Canadian programming.

On the basis of available audience statistics, program-cost data, program-log data, ad-market research, and reasonable assumptions that reflect typical programming-exhibition practices, we modelled the economics of nine different types of Canadian programs across five different genres: drama, comedy, documentary, lifestyle, and children's animation.

The purpose of our modelling was not to prove that Canadian programming is necessarily more profitable than American programming or that all Canadian programming is profitable. Rather, the objective of our modelling was to demonstrate that Canadian programming can be profitable for Canadian broadcasting groups in situations that reflect Canadian advertising market conditions, average audience levels for Canadian programming, and the repeat factors that many Canadian programs are often subject to.

Throughout our modelling, we applied reasonable and conservative assumptions. Most importantly, we assumed that these Canadian television programs garnered average audiences consistent with published audience statistics. Furthermore, we developed conservative assumptions for the per-episode number of airings in our model by examining the program logs for CFTO-TV, CIII-TV, and several Canadian specialty television services.

Our modelling can be also considered conservative because it has not taken into account the equity investments made by Canadian broadcasting groups and the ancillary rights they obtain through their broadcast licensing agreements. The equity investments give Canadian broadcasting groups the opportunity to earn additional revenues from foreign distribution and DVD sales. Obtaining ancillary rights also gives the Canadian broadcasting group the opportunity to earn additional revenues from Canadian programs. Both of these potential sources of revenues would be over and above the surpluses modelled in our analysis.

In general, the results of our modelling demonstrate that Canadian programming can be profitable for Canadian broadcasting groups. But, with the exception of hit programming, the profitability of Canadian programming is directly related to Canadian broadcasting group's ability to air between 15 and 40 repeats of each episode. While this repeat factor is too high for a conventional television broadcaster, it is not uncommon for Canadian specialty television services. Our analysis of program-log data available from the CRTC indicates that it is not uncommon for Canadian specialty television services to air episodes of Canadian programming in upwards of 30 or 40 times over the span of several years.

With respect to specific types of programming across the five genres in our analysis, the results of our modelling also demonstrate the following:

- **Hit Canadian drama** and **comedy** programs can generate a financial surplus for Canadian broadcasting groups following the first repeat airing on conventional television. The financial

surplus generated by these programs substantially increases after additional repeats on conventional television and subsequent airings on specialty television. A hit Canadian scripted series can be highly profitable for a Canadian broadcasting group.

- **Drama** and **comedy** programs with original audiences in the 400,000 to 700,000 range generate a financial deficit for a Canadian broadcasting group following the original conventional airing and two repeat airings on the conventional network. However, these programs generate a financial surplus for the Canadian broadcasting group following a reasonable number of repeat airings (25 for a one-hour drama and 40 for a half-hour comedy) on specialty television services.
- **One-off documentaries** that first air on conventional television leave the Canadian broadcasting group with a financial deficit after this original airing. However, a one-off documentary can generate a financial surplus for a Canadian broadcasting group if the Canadian broadcasting group can also air approximately 15 repeats of the documentary on a specialty television service.
- **Documentary series** also generate financial surpluses for Canadian broadcasting groups after some 30 repeats of each episode. This rate of repeats is entirely consistent with the repeat factors experienced by many of leading Canadian documentary series.
- Canadian programming in the **lifestyle** and **children's animation** genres airs predominantly on specialty television, and is subject to very high repeat factors. Many television programs in both of these genres are profitable for Canadian specialty television series. Lifestyle and children's animation programs both generate significant financial surpluses for specialty television services after 40 airings, which is not an uncommon number of airings for many leading Canadian children's animation series.

While previous research on the economics of Canadian television programming has pointed to the weak financial prospects it offers Canadian broadcasters, this research has largely focussed on the conventional television segment and drama programming in particular. Over the past decade, the structure of the Canadian broadcasting industry has evolved from one where most conventional and specialty television services were under separate ownership to one where they are under common ownership. Today, Canadian broadcasting groups have more opportunity to air numerous repeats of Canadian programming across conventional and specialty television services under the terms of their original first-window broadcast licence. Our analysis finds that, within the current industry structure and broadcast licensing environment, Canadian television programming can be profitable for Canadian broadcasting groups, under reasonable assumptions that reflect current practices in the Canadian broadcasting sector.

Appendix A: Evidence of Number of Airings and Repeats

- In this appendix, we provide evidence related to the number of times that conventional broadcasters and specialty television services air an individual (or unique) episode of Canadian programming. To compile this evidence we tabulated the annual number of airings for selected Canadian television programs, based on raw data contained in the program logs filed with the CRTC and available at its FTP site.
- In some cases, the CRTC log files indicated the title of the episode aired. In other cases, the CRTC logs only indicated the program title and season. In the latter cases, we divided the total number of airings by the number of episodes in a single season to arrive at an estimate of the average number of repeat airings per episode.

Drama and Comedy Series – Conventional Television

Table 28 Number of airings per episode of *Corner Gas* (Season I) on CFTO-TV

	2004	2005	2006	2007	2008	Total
EPS#101	5	0	0	0	0	5
EPS#102	3	0	0	0	0	3
EPS#103	3	0	0	0	0	3
EPS#104	2	1	0	0	0	3
EPS#105	2	1	0	0	0	3
EPS#106	1	1	0	0	0	2
EPS#107	1	1	0	0	0	2
EPS#108	2	1	0	0	0	3
EPS#109	3	1	0	0	0	4
EPS#110	3	0	0	0	1	4
EPS#111	1	1	0	0	0	2
EPS#112	3	0	0	0	1	4
EPS#113	3	0	0	1	0	4

Source: Nordicity tabulations based on data from CRTC logs.

Table 29 Number of airings per episode of *Degrassi: The Next Generation* (Season I) on CFTO-TV

Episode	2001	2002	2003	2004	2005	2006	2007	2008	2009	Total
EPS# 01	0	0	0	0	0	0	0	0	0	0
EPS# 02	0	0	0	0	0	0	0	0	0	0
EPS# 03	1	1	0	0	0	2	2	0	0	6
EPS# 04	1	1	0	0	0	2	2	0	0	6
EPS# 05	1	1	0	0	0	2	2	0	0	6
EPS# 06	2	1	0	0	0	2	2	0	0	7
EPS# 07	1	1	0	0	0	2	2	0	0	6
EPS# 08	1	1	0	0	0	2	2	0	0	6
EPS# 09	1	1	0	0	0	2	2	0	0	6
EPS# 10	0	2	0	0	0	1	3	0	0	6
EPS# 11	0	2	0	0	0	1	3	0	0	6
EPS# 12	0	2	0	0	0	1	3	0	0	6
EPS# 13	0	2	0	0	0	1	3	0	0	6
EPS# 14	0	2	0	0	0	1	3	0	0	6
EPS# 15	0	2	0	0	0	1	3	0	0	6

Source: Nordicity tabulations based on data from CRTC logs.

Table 30 Number of airings per episode of *Falcon Beach* on CIII-TV

	2005	2006	2007	2008	Total
CHEMISTRY LESSONS	0	2	1	0	3
Desperados	0	0	0	1	1
FAMILY PORTRAIT	0	3	1	0	4
GETTING TO KNOW YOU	0	4	1	0	5
Local Heroes	0	2	1	0	3
PAPA WAS A ROLLING STONE	0	0	1	0	1
Reckless Love	0	1	0	1	2
STARTING OVER	0	1	0	0	1
SUMMER SOLSTICE	0	3	1	0	4
Summer's Over	0	1	0	1	2
THE BLAME GAME	0	0	1	0	1
TRUST THIS	0	0	1	0	1
Wake Jam	0	2	1	0	3

Source: Nordicity tabulations based on data from CRTC logs.

Table 31 Number of airings per episode of *Blue Murder* on CIII-TV

	2001	2002	2003	2004	2005	2006	2007	Total
ALL SAINTS 105	1	0	1	0	1	1	0	4
AMBUSH 303	0	0	1	1	0	0	1	3
AMERICA'S MOST WANTED	0	0	2	0	0	0	0	2
ASYLUM	0	0	1	0	0	1	0	2
BABY POINT	0	0	0	0	0	0	1	1
BLACK SHEEP 104	0	0	1	0	1	1	0	3
BLIND EYE 411	0	0	0	1	2	0	1	4
BLUE MURDER 107	1	0	0	0	0	0	0	1
BLUE MURDER 110 -PG	1	0	0	0	0	0	0	1
BLUE MURDER 201 PG S	1	0	0	0	0	0	0	1
BLUE MURDER 202 PG	1	0	0	0	0	0	0	1
BLUE MURDER 203 PG	1	0	0	0	0	0	0	1
BLUE MURDER 208	1	0	0	0	0	0	0	1
BLUE MURDER 209	1	0	0	0	1	0	1	3
BLUE MURDER 210	0	1	0	0	0	0	0	1
BLUE MURDER 211	0	1	0	0	0	0	0	1
BLUE MURDER 212	0	1	0	0	0	0	0	1
BLUE MURDER 213	0	1	0	0	0	0	0	1
BLUE MURDER PG #106	1	0	1	0	1	1	0	4
BLUE MURDER PG #112	1	0	1	0	1	2	0	5
BLUE MURDER PG 101	1	0	1	0	1	1	0	4
BLUE MURDER PG 104	1	0	0	0	0	0	0	1
BLUE MURDER PG 108	1	0	0	0	0	0	0	1
BLUE MURDER PG 111	1	0	0	0	0	0	0	1
BLUE MURDER PG 113	1	0	0	0	0	0	0	1
BOARDERS 408	0	0	0	1	2	0	0	3
BOY BAND 306	0	0	1	1	0	0	1	3
BOY'S CLUB 403	0	0	0	1	2	0	1	4
CELL BLOCK 13 409	0	0	0	0	0	1	1	2
COLLATORAL DAMAGE 207	0	0	0	0	1	1	0	2
DEATH AND TAXES	0	0	0	0	1	1	0	2
DR. TARA	0	0	1	0	1	1	0	3
EYEWITNESS 407	0	0	0	1	1	0	1	3
FAMILY MAN	0	0	1	0	0	1	0	2
FAMILY REUNION 413	0	0	0	1	0	0	1	2
FULL DISCLOSURE 302	0	0	1	1	0	0	1	3

	2001	2002	2003	2004	2005	2006	2007	Total
HARD TIME 304	0	0	0	0	1	0	1	2
HOME INVASION 406	0	0	0	1	0	1	1	3
HOMELESS	0	0	0	0	0	1	0	1
INSIDE JOBS	0	0	1	0	0	1	0	2
INTENSIVE CARE	0	0	1	0	1	1	0	3
JANET GREEN 401	0	0	0	1	1	0	1	3
JOHN DOE 311	0	0	1	1	0	0	1	3
LADY KILLERS 312	0	0	1	1	0	0	1	3
LITTLE INDIA 106	0	0	1	0	1	1	0	3
LOVE AND MARRIAGE 301	0	0	1	1	0	0	1	3
Lover's Lane	0	0	1	0	0	0	1	2
MIDNIGHT MAN 404	0	0	0	1	1	0	1	3
MISSING PERSONS	0	0	1	0	0	1	0	2
Necklace	0	0	1	0	0	0	1	2
OUT-OF-TOWNERS - PART I	0	0	0	0	1	0	0	1
OUT-OF-TOWNERS - PART II	0	0	0	0	1	0	0	1
PARTNERS	0	0	1	0	1	1	0	3
PARTY LINE 405	0	0	0	1	0	1	1	3
PAYBACK 211	0	0	0	0	1	0	1	2
REMEMBRANCE DAY (PT. 1 OF 2)	0	0	0	0	1	1	0	2
REMEMBRANCE DAY (PT. 2 OF 2)	0	0	1	0	1	1	0	3
REMINGTON PARK	0	0	1	0	1	0	0	2
Respect	0	0	1	1	0	0	1	3
Search Party	0	0	1	1	0	0	1	3
SPANKDADDY	0	0	0	0	1	0	0	1
SPECIAL DELIVERY 402	0	0	0	0	1	0	0	1
SPEED DEMONS 307	0	0	1	1	0	0	1	3
SPOOKS 412	0	0	0	0	1	1	0	2
UPSTAIRS DOWNSTAIRS 410	0	0	0	1	1	0	0	2

Source: Nordicity tabulations based on data from CRTC logs.

Table 32 Number of airings per episode of *PSI Factor* (Season I) on CIII-TV

Episode #	1999	2000	2001	2002	2003	Total
101	0	0	0	4	0	4
102	0	0	0	4	0	4
103	0	0	1	2	0	3
104	0	0	1	4	0	5
105	0	0	1	2	0	3
106	0	0	1	4	0	5
107	0	0	0	3	0	3
108	0	0	0	4	0	4
109	0	0	0	2	0	2
110	0	0	0	1	0	1
111	0	0	0	2	0	2
112	0	0	0	2	0	2
113	0	0	0	1	0	1
114	0	0	1	2	0	3
115	0	0	0	2	0	2
116	0	0	0	0	0	0
117	0	0	1	2	0	3
118	0	0	1	2	0	3
119	0	0	1	1	0	2
120	0	0	1	3	0	4
121	0	0	1	2	0	3
122	0	0	1	1	0	2

Source: Nordicity tabulations based on data from CRTC logs.

Table 33 Number of airings per episode of *BlackFly* (Season I) on CIII-TV

	2001	2002	2003	2004	2005	Total
101 Beaver Fever	2	2	1	2	0	7
102 The Big Smoke	2	1	1	2	0	6
103 Fool's Gold	2	1	1	2	0	6
104 The Seven Year Itch	2	1	1	0	0	4
105 In the Rough	2	1	1	2	0	6
106 Short Temperance	1	0	1	2	0	4
107 Poetry in Motion	2	0	0	2	0	4
108 Lady and the Tramps	1	0	0	1	0	2
109 Kettles and the land of Cool Stuff	2	0	0	2	0	4
110 The Wealth of Nations	2	0	0	1	0	3
111 Little Drummer Man	2	0	0	1	0	3
112 Bad Betty	2	0	0	2	0	4
113 The Second Son	1	0	0	1	0	2

Source: Nordicity tabulations based on data from CRTC logs.

Drama and Comedy Series – Specialty Television

Table 34 Average number of airings per episode of *Cold Squad* on Showcase Television

	2002	2003	2004	2005	2006	Total	Per-episode average*
Cold Squad Season I	67	104	112	36	37	356	27.4
Cold Squad Season II	52	205	176	46	22	501	38.5
Cold Squad Season III	37	125	123	26	13	324	24.9
Cold Squad Season IV	62	169	113	61	20	425	32.7
Cold Squad Season V	0	124	63	49	1	237	18.2
Cold Squad Season VI	0	0	96	71	30	197	15.2
Total	218	727	683	289	123	2,040	

Source: Nordicity tabulations based on data from CRTC logs.

* Total divided by 13 episodes per season.

Table 35 Number of airings of episodes of *Corner Gas* (Seasons I and II) on The Comedy Network

Episode	2004	2005	2006	2007	2008	2009	Total
EPS# 01	1	8	8	14	12	0	43
EPS# 02	1	8	13	14	12	0	48
EPS# 03	0	12	16	10	12	0	50
EPS# 04	1	8	12	16	12	0	49
EPS# 05	0	6	12	15	12	0	45
EPS# 06	0	8	12	15	12	0	47
EPS# 07	0	13	13	16	12	0	54
EPS# 08	1	10	8	16	12	0	47
EPS# 09	0	10	12	12	12	0	46
EPS# 10	0	10	19	20	12	0	61
EPS# 11	1	10	16	20	8	0	55
EPS# 12	0	12	2	16	12	0	42
EPS# 13	0	12	3	9	15	0	39

Source: Nordicity tabulations based on data from CRTC logs.

Table 36 Number of airings per episode of *Nikita* (Season I) on Showcase Television

	2002	2003	2004	2005	2006	2007	Total
NIKITA I 3Noise	4	8	2	2	5	2	23
NIKITA I Brainwash	7	12	1	2	6	2	30
NIKITA I Charity	6	7	1	2	6	1	23
NIKITA I Choice	5	8	1	2	5	1	22
NIKITA I Escape	5	8	1	2	5	1	22
NIKITA I Friend	5	7	1	2	7	1	23
NIKITA I Gambit	6	7	1	2	8	1	25
NIKITA I Gray	4	5	1	2	5	2	19
NIKITA I Innocent	4	4	1	2	7	1	19
NIKITA I Love	6	4	2	2	5	1	20
NIKITA I Mercy	6	8	2	2	6	2	26
NIKITA I Missing	7	5	2	2	8	2	26
NIKITA I Mother	2	8	1	3	6	1	21
NIKITA I Nikita	7	5	1	2	9	1	25
NIKITA I Obsessed	3	8	1	2	5	2	21
NIKITA I Recruit	4	4	1	3	6	2	20
NIKITA I Rescue	7	4	1	2	8	1	23
NIKITA I Simone	7	6	1	2	6	1	23
NIKITA I Treason	4	7	1	2	9	1	24
NIKITA I Verdict	5	7	1	2	10	2	27
NIKITA I Voices	8	8	2	2	7	3	30
NIKITA I War	3	7	1	2	5	2	20
Total	115	147	27	46	144	33	512

Source: Nordicity tabulations based on data from CRTC logs.
One-Off Documentaries - Specialty Television

Table 37 Number of airings of selected Canadian one-off documentaries on History Television

Title	Number of airings
Vimy Underground	17
Ship Of Ice	15
Vimy Ridge: Heaven ToHell	14
Bloody Italy	13
1917: The Missing	12
The Immortal Beaver	11
Daring To Die	10
Last Soldier	10
Doomed: The Last Voyage Of The Karluk	10
The Road To Passchendaele	7

Source: Nordicity tabulations based on data from CRTC logs.

Documentary Series – Specialty Television

Table 38 Average number of airings per episode of *Frontiers of Construction* on History Television

	2005	2006	2007	2008	Total	Per-episode average*
Season I	82	196	208	27	513	39.5
Season II	39	145	229	24	437	33.6
Season III	0	60	238	45	343	26.4
Total	121	401	675	96	1,293	

Source: Nordicity tabulations based on data from CRTC logs.

* Total divided by 13 episodes per season.

Table 39 Average number of airings per episode of *Turning Points of History* on History Television

	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
A Very Russian Coup	6	0	12	9	6	0	0	0	0	33
Bodies of Evidence	3	0	4	23	11	6	2	5	6	60
Boxcar Rebellion	9	3	0	10	6	0	0	0	0	28
Burn Baby Burn	3	0	11	21	2	0	0	0	0	37
Coup Made in America	6	5	6	16	14	10	2	4	6	69
Crisis at Sir George	6	3	8	10	5	0	1	2	7	42
Doctor's Strike	5	0	3	14	5	0	0	0	0	27
Extreme Measures	2	4	8	10	2	0	0	0	0	26
Fathering Newfoundland	6	0	8	9	5	0	0	0	0	28
Gouzenko	6	4	6	12	4	0	0	0	0	32

	2000	2001	2002	2003	2004	2005	2006	2007	2008	Total
Hockey Night in Moscow	3	6	5	9	4	0	0	0	0	27
Incident at Roswell	3	3	6	9	12	9	2	3	9	56
Lifeline to Berlin	3	3	0	16	12	5	2	3	3	47
Newfoundland on the Somme	6	4	8	11	13	8	2	3	5	60
Pearl Harbour	3	6	11	14	4	0	0	0	0	38
Poison Dream	6	0	3	12	5	0	0	0	0	26
Prescription for Disaster	6	0	9	9	13	8	2	2	4	53
Seal Wars	6	3	10	12	2	0	2	4	8	47
Showdown at Suez	3	2	7	10	14	7	2	2	8	55
Springhill	6	0	8	11	4	0	0	0	0	29
The Asbestos Strike	6	0	0	9	11	7	1	7	5	46
The Battle of the Scheldt	9	6	17	9	4	10	3	5	5	68
The Berlin Wall	3	14	14	15	7	0	0	0	0	53
The Eagle Has Landed	5	3	6	10	8	7	2	3	9	53
The Man Who Saved Summer	2	3	0	16	14	8	1	2	5	51
Witness to Persecution	6	0	12	8	4	0	0	0	0	30
Total	128	72	182	314	191	85	24	45	80	1,121

Source: Nordicity tabulations based on data from CRTC logs.

Lifestyle Series

Table 40 Average number of airings per episode of *Til Debt Do Us Part* on Slice

	2005	2006	2007	2008	2009	Total	Per-episode average*
Til Debt Do Us Part I	4	346	253	229	200	1,032	79
Til Debt Do Us Part II	0	148	391	272	211	1,022	79
Til Debt Do Us Part III	0	0	96	312	191	599	46
Til Debt Do Us Part IV	0	0	0	283	105	388	30
Til Debt Do Us Part V	0	0	0	83	104	187	14
Til Debt Do Us Part VI	0	0	0	0	71	71	5
Total	4	494	740	1,179	882	3,299	--

Source: Nordicity tabulations based on data from CRTC logs.

* Total divided by 13 episodes per season.

Table 41 Number of airings of individual episodes of *Being Ian* on YTV Canada

	2005	2006	2007	2008	2009	Total
Adventures in Kelley Sitting	0	0	0	8	2	10
Animal House	5	25	13	13	5	61
BAND OF BRUTHAZ	2	32	12	14	5	65
Behind Bars	0	5	11	17	5	38
Being Principal Bill	0	7	14	11	4	36
Blah Blah Blog	0	0	0	7	2	9
CATCH ME IF YOU CANE	1	26	11	15	7	60
COOL STATUS QUO	3	29	9	15	7	63
CRIME-CORDER	0	24	11	13	5	53
CYRANO DE MILLE	2	28	10	20	8	68
Doofus	0	0	3	11	2	16
Dorkbusters Inc.	0	2	9	14	3	28
Dummy Up	0	0	7	14	3	24
Everykid 13	0	0	0	8	2	10
FOR WHOM THE WEDDING BELL TOLL	2	24	11	11	6	54
GREATEST STORY NEVER TOLD	1	30	13	16	7	67
HAL-LITTLE CAMP OF HORRORS	0	29	13	4	2	48
Health Nut	0	8	14	10	4	36
HOCKEY NIGHT IN BURNABY	3	26	9	11	1	50
Home Alone	0	0	8	14	3	25
Hurry For Hollywood - Pt 1 & 2	0	7	7	0	0	14
Ian Kelley is History	0	0	0	5	2	7
Ian Kelley's Day Off	0	2	5	19	2	28
IAN'S LOUSE-EY DAY	5	26	11	13	5	60
IS THERE AN IAN IN THE HOUSE?	4	23	12	15	7	61
JOUST KIDDING AROUND	2	21	11	19	6	59
Kelley Vs. Kelley	4	26	13	13	5	61
Kelley's Seven	0	4	8	17	3	32
Ken Kelley and the Keyboard Factory	0	4	11	15	4	34
LINKS FOR LOVE (MATCH	2	21	10	17	3	53
Midnight Madness	0	0	0	3	1	4
Million Dollar Sandy	0	8	11	11	4	34
MISS TWEEN-AGE BURNABY	4	27	10	17	7	65
Morning Zoo	0	7	11	12	4	34
O Brother Where Art Thou?	5	24	11	12	4	56

	2005	2006	2007	2008	2009	Total
ONCE A PAWN A TIME	3	21	9	18	7	58
One Week Later	0	0	0	8	2	10
Out of Focus Group	0	5	12	12	3	32
Pecky Head	2	21	12	12	4	51
PIANO MAN	2	28	10	18	8	66
PLANET OF THE IMPS	2	31	9	12	6	60
SASK-WATCH	4	26	9	15	1	55
School Unfair	0	0	0	6	2	8
Scream, I know what you did to that psycho last summer	3	24	10	12	5	54
SHOW ME THE BUNNY	2	25	13	13	5	58
SNOW FUN	3	36	10	9	0	58
Spells Like Teen Spirit	0	0	7	14	2	23
That's Ridonkulous	0	0	0	6	2	8
THE BOY WHO CRIED UFO	2	22	13	15	6	58
THE CURSE	2	25	12	12	5	56
The Fifth and Half Sense	0	0	3	18	2	23
The Five O'Clock Snooze	0	0	8	13	3	24
The Good Egg	0	4	10	15	4	33
The Great Escape	0	0	6	15	2	23
The Ians	0	0	0	8	2	10
THE KELLEY BOYS & MYSTERIOUS	2	33	12	17	6	70
THE KELLEY'S	3	26	10	16	8	63
TRUTH IN ADVERTISING	2	27	13	16	8	66
What's Comb Over You	5	24	13	12	4	58
WHITE ROCK	0	25	10	12	2	49
Winning Isn't Ian's Thing	0	0	0	1	2	3

Source: Nordicity tabulations based on data from CRTC logs.

Table 42 Number of airings of individual episodes of *Team Galaxy* on YTV Canada

	2005	2006	2007	2008	2009	Total
Adventures In Alien Sitting	0	0	0	9	3	12
Alien Brett	0	4	19	14	5	42
Brett Squared	0	0	16	14	3	33
Brett's Brain	0	4	24	15	12	55
Circus of the Stars Part 1	0	0	47	36	10	93
Class of 2051	0	0	18	15	5	38
Comet Surfing	0	2	17	14	4	37
Conference-tation	0	4	15	15	5	39
Cool Hand Marshals	0	0	0	7	2	9
Cosmic Crisis	0	0	18	12	5	35
Cosmic High	0	0	0	11	3	14
Cybercop 4000	0	0	0	9	7	16
Dance Dance Elimination	0	0	19	13	6	38
Dragodor Madness	0	0	0	9	6	15
E-I-E-O-No!	0	0	0	9	2	11
Emperor Brett	0	5	17	15	10	47
H2O-No	0	4	18	14	8	44
How Much is that Human in the Window?		0	19	13	3	35
Intergalactic Ahoy	0	4	17	14	6	41
Intergalactic Exchange	0	0	0	8	3	11
Intergalactic Roadtrip	0	6	24	16	11	57
Marshal For A Week	0	0	0	13	3	16
Mega Moon Mints	0	0	20	14	6	40
Mini Marshals	0	0	17	16	3	36
Miss Cosmos	0	4	24	14	10	52
Monkey Business	0	0	0	9	4	13
Mr. 6025-A46	0	0	0	9	3	12
Planet Goodtimes	0	0	0	9	5	14
Predator Plants from Outer Space (Pts 1, 2 &3)		0	0	5	8	13
Psycho-Cycle	0	3	20	15	6	44
Recycle Rampage	0	0	20	14	3	37
Robot Reboot	0	2	20	14	5	41
Shades Of Gray... Matter	0	0	0	8	3	11
Shipwrecked	0	4	24	14	10	52
Space-Squatch	0	0	0	10	3	13
Star Maps	0	0	0	9	4	13
Strange Fruit	0	0	0	8	2	10

	2005	2006	2007	2008	2009	Total
Super Spavid!	0	0	0	7	4	11
Team Galaxy	0	2	0	0	0	2
Team Galaxy II	0	0	62	23		85
The Belly Of The Beast	0	0	0	11	3	14
The Matchmaker	0	0	0	8	5	13
The New Recruit	0	3	19	14	9	45
The Toe Is The Foe	0	0	0	8	3	11
Toy Galaxy	0	0	0	13	2	15
Treasure Of The Solara Moonray	0	0	0	11	2	13
Trick or Treat	0	0	0	5	2	7
When Josh Attacks	0	3	23	15	11	52
Yoko-Mania!	0	0	0	9	4	13
Yoko's Secret	0	4	22	14	9	49

Source: Nordicity tabulations based on data from CRTC logs.

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