



WGC says BCE Benefits Proposal Woefully Inadequate

For Immediate Release – Toronto – January 11, 2011 – The Writers Guild of Canada (WGC) voiced its conditional support today for BCE's acquisition of CTVgm's broadcasting assets, noting that its support is contingent on BCE revising what is in large part a self-serving benefits proposal. The WGC trusts that the CRTC will conduct its usual due diligence and require that the resulting benefits package contribute to the strength of the entire Canadian broadcasting system and meet the 10% threshold established by policy and precedent.

The WGC and its industry partners also issued today a joint report which outlines the ways in which BCE's valuation of the deal is far lower – in the magnitude of hundreds of millions of dollars – than it should be. CTV is a healthy and promising group of businesses which BCE is acquiring for clear shareholder benefit. The WGC sees no reason why BCE should not be held to the full requirements of the CRTC benefits policy and present a package worth 10% of the true value of the deal.

Maureen Parker, Executive Director, WGC, says, "BCE's tepid proposal misses the mark. The allocation to onscreen programming, the centrepiece of the benefits policy, is woefully inadequate. Most of what BCE is proposing as benefits are really benefits for BCE – to cover infrastructure costs such as conversion of facilities to HD production - and that's not what the CRTC policy is about."

The WGC is requesting that the CRTC require BCE to re-file its benefits proposal with a more appropriate allocation of 85%-90% to be spent on onscreen programming, 65% of which should be allocated to drama - the kind of quality production most difficult to finance in the marketplace. The WGC also noted that it would be appropriate and beneficial for BCE to allocate funds to the development of Programs of National Interest, specifically drama.

Jill Golick, President, WGC, noted that "a true commitment to development will have substantial and concrete benefit for the production of Canadian programming and ultimately for Canadian audiences. We'd be happy to work again with CTV on the creation of new development programs. The Writer Only Program, from which the hit *Flashpoint* emerged, was created through previous benefits packages. This is a new opportunity to jump start future hits."

The WGC is concerned that the BCE application is yet another example of an organization trying to deny or decrease its obligation to CRTC policy. Maureen Parker added that "yet again the creative community is put to the expense and effort of having to intervene because these large corporations won't own up to their obligations. There is a policy – live up to it."

For more information, please contact David Kinahan, Writers Guild of Canada, at d.kinahan@wgc.ca