

CANADIAN OVERVIEW

INTRODUCTION

Canada is actually larger than the United States in land mass, but Canada's population of 32 million people, represents about 10% of the United States. As a country, Canada is equal to the combined metropolitan populations of New York City and Los Angeles. Due to climatic conditions, the majority of Canadians reside within 100 miles of the U.S. Border. CBC, CTV, and Global are the three national networks that cover all of Canada. All three networks individually reach over 98% of the English speaking households in Canada. There are stations and signals that can provide coverage for a single city, a combination of cities, an entire province, or a combination of provinces in Canada. City TV, A Channel, and the Omni stations are found in most of the larger markets in Canada. A Channel is owned by CTV, while City TV and Omni are owned by Rogers.

Cable television in Canada began in 1984 with 2 English cable stations. There are far fewer cable stations in Canada compared to the United States, and these stations can only be purchased on a network basis and are not available for specific markets.

SRC, TVA, and, V are the three French networks that broadcast primarily in the province of Quebec. The vast majority of French speaking Canadians reside in the province of Quebec. In all, 22% of all Canadians consider French as their primary language, and that number rises to 85% when talking about the province of Quebec. The city of Montreal represents nearly all of the English-speaking residents of Quebec, and still 70% of Montreal is French speaking. In Quebec City 99% of the population is French speaking along with most other cities in Quebec.

PROGRAMMING

The CBC airs primarily Canadian produced programs. These programs represent about 90% of the station's schedule and are seen only in Canada. The CBC also airs numerous sporting events such as Hockey Night In Canada, NHL Playoffs, The Stanley Cup Series, Amateur Sports, World Cup Soccer, and Raptors Basketball. CTV and Global both air programming from the United States. These programs represent about 50% of the station's daily schedule and include many well-known properties from each of 5 major network stations in the United States. CTV also airs NBA Basketball, The Olympics, and a variety of award shows; while Global would air a majority of the PGA events.

The SRC, TVA and V are the three major French speaking networks in Quebec. SRC and TVA produce the majority of their programming, which is directed to French speaking Canadians. SRC and TVA also air some programming from the United States that is dubbed into French, but that works out to only a handful of shows on each network. The majority of V's programming is originally from the United States and dubbed into French.

SIMULCASTING

Many of the American programs that are shown in Canada are simulcast to reduce the effect of U.S. stations spilling into Canada. Simulcasting occurs when a broadcast program airing in the United States, is shown in Canada on a Canadian station at the same time. When programs in Canada are simulcast, the commercials from an American station that spills into Canada are not seen in favor of the commercials airing on the Canadian station. Some U.S. cable networks are carried by Canadian cable operators. When these stations are re-broadcast, the commercials are pre-empted and the cable operator airs promotional material.

TAPE DELAY

In the United States, broadcast networks air one feed that is seen simultaneously throughout the Eastern, Central, and Mountain time zones. In Canada, each time zone delays their programming so it can be seen at the same scheduled time. However, live sporting events and some specials are aired throughout the country simultaneously regardless of time zone. Ontario and Quebec are located in the Eastern Time Zone, Manitoba and Saskatchewan are in the Central Time Zone, Alberta is in the Mountain Time Zone, British Columbia is in the Pacific Time Zone, and the Atlantic provinces are an hour ahead of the Eastern Time Zone with Newfoundland :30 minutes further ahead. Cable television in Canada operates on a network feed only, and airs programs simultaneously throughout Canada.

FALL LAUNCH

Canadian broadcast and specialty channels kick off the new broadcast season at their annual Fall Launch. A Fall Launch is usually held in the first week of June. This event allows the stations to announce the upcoming fall schedule and provide buyers with the necessary information to plan their fall buys.

FIRST COME, FIRST SERVE

When a spot is bought in Canada, it will not be pre-empted for a spot at a higher rate. This is the standard regardless of any movie, or local business that may arise.

CANCELLATION POLICY

Once an order is booked, the first four weeks of the flight are non-cancelable. Any remaining weeks can be cancelled with 4 weeks notice. Specials and sporting events are non-cancelable.

SPONSORSHIP OPPORTUNITIES

Sponsorship opportunities are available in many programs, specials, and sporting events. Similar to those found in the United States. Product placement is also available, but would require approval from the producers of the program.

SALES REPRESENTATION

Just about all of the major broadcast and cable station airing in Canada will have a sales representative located in the United States. These representatives have the same insight, ability, and authority as those sales representatives located in Canada.

COMMERCIAL APPROVAL

Before any type of commercial can go to air in Canada it must first be approved by one of the two review committees. This is true for broadcast and specialty channels that air in Canada. CBC Advertising Standards Committee reviews all tapes that are to be broadcast on the CBC, CBC Newsworld, Bold, and Documentary. The TVB reviews all tapes that are to be seen on all of the other stations in Canada. Once a tape is received by a committee it is approved or denied within 1-3 business days. When a commercial is deemed acceptable, an approval code is granted and the tape is ready to air. When a commercial is not deemed acceptable, the changes necessary for approval are listed and an updated version would need to be reviewed before approval is granted.

TRAFFIC REQUIREMENTS

Canadian stations require creative material and traffic instructions 5 working days prior to the beginning of the flight. Not meeting this requirement can result in a portion of your order being pre-empted.

RATINGS SERVICES

Nielsen/BBM is Canada's rating service and is used throughout all of the television markets. Nielsen/BBM issues annually a fall, spring, and summer book to track all programs airing within a 3-4 week time period. The Nielsen rating service has been adapted for use in the markets of Toronto, Calgary, and Vancouver where daily numbers are reported for the stations in those markets. The demographic audience options for Canada are Male, Female, or Total Adults; within the age groups of 12-17, 18+, 18-34, 18-49, 25-54, and 50+. The stations can provide estimates for other demos, but will not guarantee against those estimates.

POST ANALYSIS

Canadian television stations guarantee 90% of the audience estimated on core demographics. When multiple cable stations are bought together for the same advertiser/campaign, the group of stations will deliver an audience as a group and not individually. Stations will endeavor to deliver 100% and not penalize for overdelivery.

AGENCY COMMISSION/ G.S.T

The standard 15% agency commission is applied to all buys in which a registered agency executes. When an agency in Canada places a buy, a 7% Goods and Services tax is applied to the contracts net value. This is standard in Canada, and is strictly enforced. Buys executed by a U.S. agency are exempt from this tax.

CONVERSION OF DOLLARS

Invoices and contracts are quoted in Canadian Dollars. Payment can be made in either Canadian or U.S. funds. The conversion rate fluctuates daily, and it is regularly updated on the CTS website www.canadiantvsales.com. Once an invoice is received, payment should be made based on the current exchange rate in order to avoid any billing discrepancies.