



November 25, 2016

Honourable Mélanie Joly
Minister of Canadian Heritage
House of Commons
Ottawa, ONT
K1A OA6

VIA: Consultations@ipsos.com

Dear Honourable Mélanie Joly:

Re: Consultation on Canadian Content in a Digital World.

Super Channel is the only Canadian licensed national English language premium pay television network, consisting of four HD channels, four SD channels and Super Channel On Demand. Super Channel's vision is to expand the Canadian premium TV experience by offering a broad range of fresh, entertaining movies, series, documentaries and concerts. Super Channel is owned by Allarco Entertainment 2008 Inc., an Edmonton-based media company.

Super Channel wishes to thank you for having initiated this consultation on the future of Canadian content in a digital world. As it was mentioned in the government's Consultation paper there are increasing challenges and opportunities that can result from moving towards a digital economy particularly when considering the impact on cultural industries.

In order to make a constructive contribution to the consultation we will limit our comments to providing answers to the questions that have been raised under the governments three Principles and Pillars.

Principle no. 1: Focusing on citizens and creators

Pillar 1.1: Enabling choice and access to content

How can we reflect the expectations of citizens and enable Canadians to choose the content they want to see, hear and experience?

We believe in offering choice to Canadians, and as we all witness every day, Canadian's are increasingly choosing what they want to see, hear and experience. However the government has to ensure that when Canadians choose to move from one platform to another, Canadian

content is available on all of these different platforms. Super Channel already exists in a competitive environment of pick and pay so we are used to dealing with having to respond to what Canadians want to see. We would, however, caution the government that offering choice is one thing but letting un-licensed competitors into the Canadian market in no way contributes to offering Canadians with more Canadian content choices.

Pillar 1.2: Supporting our creators

How can we fairly support creators in the creation and production of content that stands out? What partnerships will be needed to achieve this? How can we help creators have successful and viable careers in a digital world?

The Canadian government has to continue supporting the development, distribution and export of quality Canadian content that will interest not only Canadians but also other consumers in markets around the world. To do so, all government programs and agencies have to adapt to the changing market realities for Canadian content and adjust financial assistance programs to the requirements of digital content aimed at multiplatform applications throughout the world.

In addition, Super Channel would like to add our voice to those that will be writing to the government about this consultation that will ask for a level playing field in Canada for broadcasters, producers and creators that have to compete in our own market with services such as Netflix that pay no taxes in Canada and that have no conditions of licence tied to their activities in Canada. We join with others in recognising that cord cutting is an increasing phenomenon in Canada with more and more Canadians consuming Canadian content and content from elsewhere through the Web, thereby avoiding contributing to the creation of Canadian content through the Canadian Media Fund (CMF). **For this reason, we are in favour of a financial contribution being required of Internet providers towards the development of Canadian content.** Such new funding could go to the existing Canadian Media Fund and be earmarked to the production for digital content.

Principle no. 2: Reflecting Canadian identities and promoting sound democracy

Pillar 2.1: Redefine Canadian content for contemporary Canada

With so much online content available today and given Canada's diverse and multicultural makeup, does the concept of "Canadian content" resonate with you? What does "Canadian" mean to you? Do we need to be more flexible in how we support the production of content by Canadians? In an ultra-competitive, global market, how can private sector support the production of content made by Canadians? What is the role of Canada's national cultural institutions, such as the CBC/Radio-Canada and the National Film Board?

Canadian content is what differentiates us from the rest of the world. Such content is created, developed, produced, distributed and broadcast in the first instance in Canada and is the reflection of our values, our stories, our creators and artists. Canadian content in a digital environment is our way as Canadians to share our talent with the world.

Concerning Canada's national cultural institutions we are of the view that these organisations play an important role in supporting the creation and distribution of Canadian content. In the context, of increasing competition for private broadcasters in a digital world, it becomes increasingly important that national cultural institutions be prime supporters to the creation of Canadian content.

Pillar 2.2: Strengthen the availability of quality information and news in local markets

What models can we build to support the creation of and access to local information and news in a global context?

Super Channel is aware of the increasing difficulties local broadcasters have been facing in the area of local news. The CRTC has been grappling with this issue for the last couple of years and no easy solutions have surfaced. We believe that local news is critical to developing a sense of being Canadian and local news should strive to reflect both the diversity of our citizenship and the diversity of interests of viewers.

Pillar 3.1: Positioning Canada as a culture and digital content leader

Canadians make great content: how can we build our exceptional cultural industries and support growth of new creative enterprises as part of Canada's innovation agenda? What tools do the government and the private sector already have at their disposal? What new tools could we consider? How do we incent more risk-taking from creators and cultural entrepreneurs?

Canadians already, produce excellent award winning content and we believe the federal government should use the proposed new National Innovation Strategy to highlight the important role of producers of digital Canadian content for multiplatform's not only in Canada but also within the international market place. The federal government should foster more collaboration between public and private funding entities that are involved in producing Canadian content and ensure that there is sufficient funding available to develop the expertise that is required to succeed in the digital marketplace.

Pillar 3.2: Leveraging Canada's national cultural institutions

How do we ensure that our national cultural institutions, such as the CBC/Radio-Canada and the National Film Board, are a source of creativity and ingenuity for the creative sector more broadly?

As previously mentioned Super Channel believes the public sector national cultural institutions should be at the forefront of fostering Canadian content that reflects our creative and production talents including the diversity of our citizenship.

Pillar 3.3: Promoting Canadian content globally

What is needed to best equip Canadian creators and cultural industries to thrive in a global market and exploit the country's competitive advantages? In a global market, what conditions need to be in place to encourage foreign investment in Canada's cultural industries? How can we better brand Canadian content internationally?

Canadian music, television programming, feature films, animation, video games and mobile apps have successfully found access to foreign markets over the years. The export capacity of such Canadian content is well established but we cannot take this for granted. The digital market is increasingly competitive and it will be critical in the coming years that we have solid government support in this area. For us to succeed in foreign markets we have to be market driven and we have to continually adapt to changing technologies and changing consumer habits.

Once again Super Channel thanks you for offering us this opportunity to take part in this important consultation on Canadian content. We are of course available to contribute further to your thinking on this subject if you, or the Consultative committee you have set up, wish to meet with us.

Thanking you for your consideration,

Allarco Entertainment 2008 Inc.



Don McDonald, CPA, CGA
Chief Operating Officer