



November 25, 2016

FILED ELECTRONICALLY

The Honourable Mélanie Joly
Minister of Canadian Heritage

Re: Canadian Content In A Digital World – Response to Consultation Paper

1. Blue Ant Media Inc. (“**Blue Ant**”) is pleased to provide this submission in connection with the Department of Heritage review referenced above. We welcome this opportunity to propose five key areas of focus that we believe will meaningfully support the objectives set out in the DigiCanCon consultation paper. Blue Ant also actively participated in and supports the submission from CACE-ACEC in the current process.

Introduction

2. Blue Ant Television General Partnership, an affiliate of Blue Ant, is the licensee of the following national, English-language specialty services: Cottage Life, Travel + Escape, Aux TV, Makeful, Smithsonian Channel, HIFI, radX, and Love Nature.
3. Blue Ant HDTV Productions Inc. and Blue Ant Productions Inc., also affiliates of Blue Ant, are the producers of compelling linear and digital content in the genres of lifestyle, nature, music and travel that is telecast domestically on Blue Ant’s 8 linear channels, that is published internationally over multiple platforms (including Internet and mobile through its proprietary websites, SVOD apps and social media platforms) and that is distributed internationally through Blue Ant’s international distribution arm.
4. In addition the Blue Ant group of companies own and operate linear channels in New Zealand and Asia, which offer a further avenue of international distribution and exploitation of its proprietary content.
5. As a Canadian content producer and distributor that has built its business on the belief that international focus is required in order to succeed in a world where geographic borders and platform distinctions are crumbling, Blue Ant’s focus with respect to digital media policy is five-fold. Firstly, in order for Canadian content companies to continue to be able to compete on the global stage, the policies relating to the availability of, and eligibility for, Canadian funding (through CIPFs, tax credits or the CMF) should be aligned with the evolving global content consumption trends. Canadian companies that export Canadian content and compete in the international arena while maintaining jobs, talent

and growth in Canada should be supported through government policy. The historical focus on distribution through conventional domestic channels and solely on a project (vs. business) basis is out-dated. In order to ensure the growth of internationally relevant Canadian content and related businesses, stakeholders will need to be rewarded and incentivized for exporting content and competing internationally with scale.

6. International relevance however, must not come at the cost of dollars within the Canadian sector. That is, the export of content should be supported while the maximum level of equity and financial reward stays in Canada. Accordingly Blue Ant's second focus is on building policy that incentivizes the use of Canadian distributors. The use of a Canadian broadcast license as a trigger for funding has become outdated given the morphing of platforms. The relevance of a Canadian distributor, however, is a platform agnostic distinction that should play a role in the crafting of incentives.
7. Next, in order to promote a robust and healthy Canadian digital production sector, any new policies should mirror recent Canadian broadcast policy decisions that have recognized the need to (a) open up the market to more players and support diversity in voices; and (b) try to mitigate against the current imbalance in opportunity and market power in the Canadian broadcast/production sector between (i) parties that are related to signal carriers (e.g. BDUs and other "pipe" owners) and (ii) those that operate independently and are not related to signal carriers. We echo the sentiments of the IBG in noting that much of the innovation in digital content and use of new platforms in Canada has come from independent companies as described in (ii) above, like DHX, Stingray and others. Blue Ant recommends that funding and regulatory support must continue to recognize the importance of specific funding and regulation in support of independent content companies.
8. And, finally, in considering any changes to policy, Blue Ant strongly supports principles such as tax parity, requiring contributions from OTT providers and ISPs to the Canadian production sector, and the creation of incentives to encourage all platforms to promote Canadian content and services.
9. Blue Ant thanks the Department for the opportunity to participate in this submission and would be pleased to participate in the review on an ongoing basis.

Sincerely,

[original signed by A. Daniere]

Asha Daniere
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