

# BCE - CTV Benefits

2003



**PRIORITY PROGRAMMING:**  
PRODUCTION

*The BCE-CTV Benefits are meant to break some paradigms - they are intended to produce Canadian programming that is widely embraced by Canadian audiences, as well as the critics, and to create productions that have a financial return.*

*This year, we have started to see the results.*

**GROUNDBREAKER**

The **GROUNDBREAKER** benefit supports interactive entertainment television series. This year, two exciting projects, *Canadian Idol* and *Corner Gas*, were supported.

*Canadian Idol*, a 28-episode series, became an overnight phenomenon, in which the audience voted to determine their national pop idol. This past summer, an extraordinary audience of 3.6 million viewers watched 23-year-old Ryan Malcolm, from Kingston, Ontario, become the first-ever Canadian Idol. With an average audience of 2.06 million viewers, *Canadian Idol* is, according to Nielsen Media Research, the most-watched English-language Canadian series ever, since electronic measurement began.

The series, which began June 9 on CTV and aired through the summer, ended with a cross-country bang as news of Ryan Malcolm's victory made front-page headlines across Canada. Along the way, the series earned recognition from inside the House of Commons, print and broadcast media across Canada, mainstream American entertainment shows and as far away as South America.

Programming produced under the Groundbreaker benefit is intended to marry conventional television with interactive features. Millions of viewers voted over the course of the series to determine the identity of the first Canadian Idol. This interactive component of *Canadian Idol* was an integral part of the show and fundamental to its success. It was the first time, on such an ambitious scale, that Canadian viewers had the opportunity to interact with and determine the outcome of a Canadian show. In all, 20.5 million votes were cast by millions of Canadians from Newfoundland and Labrador to Vancouver Island to Nunavut, making *Canadian Idol* the television event of the year.

After careful analysis, voting by telephone, rather than by the Internet, was chosen as the primary tool for viewer interaction. Further, using

telephone and wireless technology for the voting process enabled us to control the security of the voting process at the necessary level to ensure that all results were correct.

The Web site and message board for the series further enriched the interactive experience, and created the means by which people across Canada shared experiences, and their delight or frustration, as their favourite idols moved through, or fell out of, the competition. Geography divides us in Canada, but television has the power to unite people in spite of geography, and *Canadian Idol* took that to a new level. From April to September 2003, the Web site had 38 million page views, and in the month of September alone, there were 405,324 unique users and 9.44 million page views. The message board had almost 15,000 members, with top topics naturally being messages about the competitors, host and judges.

*Canadian Idol* is based on a UK format that has been licensed and adapted by 22 countries around the world, so far. In each country, despite sharing certain elements such as the overall "look", the show has been modified to reflect that country's culture and the tastes of its own unique audience. *Canadian Idol* departed from other "Idol" productions in its use of so many locations (in an effort to bridge Canada's enormous size and unique geography), and in its story-telling by documenting more about each contestant - documenting more of their life, their community and their personality off-stage.

Auditions were held in eight cities across Canada, (Halifax, St. John's, Montréal, Ottawa, Toronto, Winnipeg, Calgary and Vancouver) over a seven-week period, and the response was overwhelming. Thousands of Canadians aged 16-26, from all regions, lined up, sometimes for days, in snowstorms and in rain, to seize a chance to share their talent with the rest of the country. In each audition city, local press coverage and

excitement was enormous, and this built to a national fever pitch. The excitement and energy of the competitors was astonishing, and the series reflected their diverse styles and enthusiasms. *Canadian Idol* was a local show in the best sense: the heart of the show—the talent that was showcased and the widespread interest and enthusiasm amongst viewers—came from all parts of the country. More than any other English-language show on Canadian TV, Canadians felt an ownership and pride in *Canadian Idol*.

And Canadians of every age and from every part of the country watched—including teenagers: 43% of 12-17 year-olds watched some part of the series. Furthermore, viewers from across Canada and particularly from her home province of Quebec, celebrated the strong performance of Audrey de Montigny, who made it to the Top 4. This was truly a show that attracted all age groups and an experience that all Canadians could share.

Moreover, there is every reason to think that the finalists will become Canadian music stars—even the participants who only made it to the Top 100 were celebrities in their hometowns, and each of the Top 11 contestants is poised for a music career. At the time of writing, Canadian Idol Ryan Malcolm's single was at #1 on the charts, and he performed the national anthem at Canada's most popular sporting event: the Grey Cup. In December, 2003 he will travel to London, England to participate as Canada's representative in *World Idol*. Finalist Audrey de Montigny has also been signed by BMG to record her first album. This is true star building, where the audience itself judges the talent and creates a star.

All of the projects supported by the BCE-CTV Benefits are more ambitious and on a larger scale than could normally be afforded without benefit

funding, and this was especially true for *Canadian Idol*. The series posed a large risk to CTV and its producers because the scope of the show was enormous and included so many logistical hurdles, the budget was very large, and there was no guarantee that Canadians would watch it. It is safe to say that without the benefit dollars, CTV would not have licensed *Canadian Idol*. However, the risk paid off; the series was an enormous success and has shown that a Canadian series can attract millions of Canadians of all ages from across the country. This result is exactly what the BCE-CTV Benefits have been aiming for.

A completely different Groundbreaker is the new 13-episode half-hour comedy series entitled *Corner Gas*. Respected, popular and award-winning comedian Brent Butt returns to small town Saskatchewan to portray the life he might have led had he ever gotten a real job: manning the pumps as the new owner of "Corner Gas". Brent Butt, named Canada's best stand-up comic at the 2001 Comedy Awards, has, through his performances, shared his love of small town prairie life with television and live audiences around the globe. *Corner Gas* brings his comic genius back home and allows him to reveal to Canada and the world what Saskatchewan is really about—both on screen and on-line. Filmed entirely on location, the series is now in post-production with an anticipated air-date in 2004.

The *Corner Gas* Web site will be one of the largest on-line endeavours that CTV has ever initiated. The site will allow visitors to become one of the residents of the fictional town of Dog River, contributing to an adaptive, 3D on-line community. Similar to SimCity™, people can be characters in the on-line games and build a virtual life for themselves in Dog River, Saskatchewan.

# GROUNDBREAKER

# GREAT BIG SHOW

SHANIA TWAIN | **HOST**



The *2003 Junos* was an event variety show with mega-watt star power. That it drew a record audience of 2.2 million viewers (2+) was no surprise given that it showcased top Canadian music stars, including host Shania Twain. This lavish celebration of Canadian talent featured performances by such Canadian artists as Avril Lavigne, *Blue Rodeo*, *Our Lady Peace*, Remy Shand, Sam Roberts, *Swollen Members* and Tom Cochrane. Twain was also joined by a virtual “who’s-who” including Alanis Morissette, Chantal Kreviazuk, Doc Walker, James Ehnes, Jane Bunnett, Kathleen

Edwards, Danko Jones, Glenn Lewis, July Black, Molly Johnson, Sarah Slean, Shawn Desman, and groups *K-O-S*, *Nickelback* and *Theory of a Deadman*. This year the show aired live from the Corel Centre in Ottawa, with an audience of 14,000 people at the event. This spectacular celebration brought out the best in Canadian music talent, and Canadian viewers and the industry responded: it won the Gemini for Best Music, Variety Program or Series at the 18th Annual Gemini Awards.

SWOLLEN MEMBERS

AVRIL LAVIGNE

REMY SHAND

TOM COCHRANE

# HEROES, CHAMPIONS & VILLAINS MOVIES

LIVES OF THE SAINTS

**CANADIAN MOWs** have arguably been the most important success story of CTV's Canadian drama to date, telling important Canadian stories that have struck a chord with viewers. They have showcased powerful acting, writing and directing talent through impressive ratings, and distribution and broadcast overseas.

And we think that the movies produced under the Heroes, Champions and Villains strand will continue this success. Two movies, *Lives of the Saints* and *Zeyda and the Hitman*, were “greenlit” under this strand this year. Both are event movies that CTV believes will play to large audiences, both Canadian and international.

*Lives of the Saints* is the first in this new strand of dramatic movies supported by the BCE-CTV Benefits. This four-hour mini-series, directed by Jerry Ciccoritti, stars Sophia Loren, Fabrizio Filippo, Jessica Paré, Sabrina Ferilli and Kris Kristofferson in an epic love story that spans four decades and two continents. Based on a trilogy of critically acclaimed, award-winning novels by Italian-Canadian author Nino Ricci, *Lives of the Saints* chronicles the saga of the Innocente family, and the consequences of pride, the violence of war, the disorientation of immigration and the promise and power of love.

*Zeyda and the Hitman* is a black comedy about Gideon Schub, a retired Jewish grandfather who takes out a “hit” on his own son-in-law. After

being denied access to his beloved 5-year-old grandson, mild-mannered Schub is at his wits' end until he meets Nathan Winkler, a would-be mobster. Together they conspire to solve Schub's domestic problems, using peanut butter as their lethal weapon. Judd Hirsch, Danny Aiello, Mercedes Ruehl and Gil Bellows are part of the stellar cast of this movie that was shot in Winnipeg this past summer. The movie was initially developed under Writer Only Drama Development, another BCE Benefit.

#### **ZEYDA AND THE HITMAN**

# DRAMATIC SERIES EXTENSION

This year, CTV is pleased to have supported the popular family series *Degrassi: The Next Generation* using the Series Extension benefit for a second time. Under this benefit strand, CTV provides the majority of the financing needed to produce additional episodes of a series. Typically, Canadian producers can only raise sufficient financing to produce a series cycle of thirteen episodes, while international programming is more often produced as 22 episodes to a cycle, which is more attractive to many buyers as it builds audiences more readily. This benefit therefore allows a Canadian series to better compete with international programming on the world stage, as well as allowing a series to build a larger audience domestically.

*Degrassi: The Next Generation* has proven the worth of this benefit—the series is successful at home and abroad, airing in 11 countries. Providing the resources to produce nine additional half-hours for its second and third seasons has helped to achieve this success and viewer loyalty. Receiving eight Gemini nominations this year, the series won five awards, including “Best Children’s or Youth Fiction Program or Series.” The series and its Web site, *degrassi.tv*, won “Best Interactive” and “Most Popular Web site.” *Degrassi.tv* provides enhanced story-telling that is co-ordinated with CTV’s television broadcasts and a vivid on-line experience for more than 250,000 registered users of the Web site.

# DOCUMENTARY EVENTS

Responding to a devoted fan base and the near-mythic status of one of Rock ‘n’ Roll’s founding fathers, CTV supported the production of *Ronnie Hawkins: Who Do You Love?* This moving documentary follows the tumultuous journey of the legendary musician as “The Hawk” is diagnosed with inoperable cancer, confronts with inimitable style his mortality, and then has a mysterious and sudden recovery. Filled with music, larger than life characters and his celebrated friends, *Who Do You Love?* is an affectionate tribute to a music icon.

Significant work continued this year on developing several documentaries, some of which are serious and some less so. All of them, however, explore thought-provoking and timely issues. Some of these projects include: an examination of the cult and the power of celebrity; a major investigation

into the 1988 Olympic drugs scandal; the search for hundreds of women and children kidnapped during the Taliban era and exported as sex slaves; the rocky road to stardom as a handful of Canadians strive to be the next Kung-Fu superstar; an exploration of the genie that was uncorked when Viagra came out of the bottle; and the mix of design and urban politics as world famous architect Frank Gehry is invited home to Toronto to create a new masterpiece.



**RONNIE HAWKINS**



# **PRIORITY PROGRAMMING: DEVELOPMENT**

*Development is at the core of all great television production.*

# WRITER ONLY DRAMA DEVELOPMENT

Development continued on a broad slate of dramatic movies and series this year. More than 19 projects are in active development with writers under the “Writer-Only” development initiative. The success rate of this initiative is strong: three projects from the past two years have already been produced, another is in pre-production, one project has been “greenlit” for production with a producer, and four more have been transferred to producers.

Critical to this initiative is the fact that writers develop their dramatic story ideas directly with CTV. During this development work, CTV funds the entire development budget, allowing a writer to pursue his or her creative vision as fully as possible. At an appropriate stage (generally, after first draft), projects are transferred to independent producers who then assume the further development and possible production of the project. From comedies, to mysteries, to powerful stories about current issues that affect us all, the projects in development cover a wide spectrum of ideas. CTV is proud to be working with so many talented and creative writers—who range from new talents to multi-award winning pros—as they pursue their stories.

As mentioned, three Writer-Only projects have been produced thus far: *Zeyda and the Hitman* (described under the Heroes, Champions and Villians benefit), *The Death and Life of Nancy Eaton*, and *Choice: The Henry Morgentaler Story*.

*The Death and Life of Nancy Eaton* explores the infamous murder of Nancy Eaton (Jessica Paré), the beautiful 23-year-old department store heiress by her 17-year-old friend (Brendan Fletcher), a bloody encounter that shook the core of two of Canada’s wealthiest families and robbed a mother of her only daughter.

*Choice: The Henry Morgentaler Story* chronicles the career of Dr. Henry Morgentaler (David Eisner) the unstoppable force behind the freedom of choice movement. Single-handedly, he set about to challenge the abortion law in Canada—sacrificing friends, family, and personal safety in his fight for women’s right to choose.

THE DEATH AND LIFE  
OF NANCY EATON



# CROSS-CULTURAL DEVELOPMENT INITIATIVES

Under this initiative, independent producers receive vital development funding for their dramatic and documentary projects, bringing them one step closer to production. The key premise of this initiative is that the stories must have, at their heart, the complexities, connections and experiences that arise when one culture interacts with another. This year, CTV was pleased to support a number of projects, including four dramatic movies, two dramatic series and one mini-series. Of these, the mini-series has been produced and one series is poised to commence production. Further, two projects from previous years were produced this past year, *Sleep Murder* and *Team Spirit* (aka *Team Indigenous*).

The mini-series, *Lives of the Saints*, explores the immigrant experience through the saga of the Innocente family (see description under Heroes, Champions and Villains).

Developed under the Cross Cultural benefit and produced this year, *Team Spirit* is a story of tragedy and triumph. Inuit brothers, Jordin and Terence Tootoo dreamed of playing together in the NHL with the talent and potential to go all the way. Tragically, Terence chose suicide, shocking his Inuit community and the country. *Team Spirit* documents the inspiring story of Jordin's battles with cultural pressures and the demons of his brother's death to become a national hockey hero.

Jason Priestley stars in *Sleep Murder* as an ambitious young lawyer who defends an Inuit man (Natar Ungalaq) accused of the baffling murders of his best friend and adoptive mother. Developed with the support of the Cross Cultural strand, *Sleep Murder* was shot in Nunavut and Halifax in 2003 and is expected to air during the 2004 season.

*Keys Cut Here* is a new series that will feature stories from Vancouver's multicultural West End. The unlikely tenants of the Robson Arms apartment building know very little about their neighbours—but that's about to change. This ambitious and innovative 13-episode series will showcase emerging filmmakers and talent from Western and Atlantic Canada.

*Note:* Following the production funding crisis in the spring of 2003, \$300,000 from Cross Cultural development was committed, on an emergency basis, to finance the production of *Keys Cut Here*, a project developed under the Cross Cultural benefit. Without this additional commitment, the series could not have moved forward. As the series received limited funding from the Canadian Television Fund, the 6.5 hours of programming will not be counted toward the fulfillment of the 175 hours of incremental programming required by Decision 2000-747.



**PRIORITY PROGRAMMING:**  
NEWS & INFORMATION PROGRAMMING

*Thoughtful and thought-provoking coverage of events at home  
and around the world, from a Canadian perspective.*

## FOREIGN BUREAUS

2003 was a year of dramatic news events, and this benefit, which allows for additional foreign bureaus, enabled CTV to provide enhanced Canadian coverage and analysis of diverse stories around the world.

During the lead up to the Iraq war, our Sydney bureau was moved to Doha, Qatar where it remained throughout the war. This allowed us to report on a daily basis on troop movement, war preparations, the changes and developments in war strategy and how that affected Canadians.

Our correspondent in Delhi, Matt McLure, made three key trips to Afghanistan to report on the ongoing war on terrorism. He was there to mark the arrival of the first advance team of Canadians setting up Camp Julian in Kabul. On his second trip, he greeted the first group of Canadian soldiers who were arriving as peacekeepers. And his third trip involved “embedding” with the Canadian troops and reporting on events as they formally took over peacekeeping duties from the Germans.

CTV’s Kampala bureau travelled to the Congo twice to report on the ongoing civil wars ravaging that country. As part of its efforts to resolve the attendant humanitarian crisis, the UN had enlisted the help of former Canadian General Maurice Baril to help negotiate an end to the civil war, bringing a significant Canadian angle to this important story. The bureau also travelled to Liberia to report on the civil war that led to the exile of Charles Taylor to Nigeria. Our correspondent was the only Canadian reporter to travel to Liberia to cover this story, demonstrating the value of this benefit to Canadian audiences—without it, such coverage would be impossible.

## REGIONAL SPECIALISTS AND TRAINING

This unit of specialists in the areas of Health/Safety, Science and Technology continues to provide local communities and our national audience with expert coverage and a high standard of journalism, drawing upon diverse backgrounds and points of view.

This year a variety of stories were covered by these specialists. A small sample: our food specialist in Kitchener reported on the tainted meat story in Aylmer, Ontario, the black market for milk and the ingredients in all that junk food we eat. Our environment specialist in Calgary reported from the South Pole while, closer to home, our rural affairs reporter in Regina told viewers about the impact of the Prairie drought and the devastation wrought by Mad Cow Disease. Our mental health specialist in Edmonton dealt with stress, depression and the pressures that teenagers face.

These regional journalists also continued to take part in training sessions on voice training, writing for television, story structure and presentation. Their video journalism skills have been honed as they study shooting and editing techniques. Their stories are constantly reviewed and critiqued to assist them in developing their skills as top-notch storytellers. This kind of training and feedback has been instrumental in their development.

### 21C

In its second season, 21C brought documentary and current affairs programming to Canadian teens and young adults. The second season saw 21C covering such topics as parent abuse, self-injury, reality television and

DOMINIC PATTEN & ANNE-MARIE MEDIWAKE | 21C

celebrity culture, illegal street racing, schizophrenia, and young women working in the sex industry to pay their way through university.

The 21C Web site, [www.21c.ca](http://www.21c.ca), continued to complement the on-air version of the series with interactivity and additional material. Along with the proven successes of the site's message boards, video links, story summaries, and on-line exclusives, this year saw the addition of the Reporter's Diaries to the Web site. In the Reporter's Diaries, journalists Dominic Patten and Anne-Marie Mediwake took viewers behind the scenes to

detail their experiences in putting the documentaries together from beginning to broadcast. Dominic and Anne-Marie had even more opportunities to talk directly to the audience when they, with special guests, participated in two live coast-to-coast Web chats.

## DIVERSITY IN NEWS INITIATIVES

Our commitment to diversifying our news programming continued to be a key focus for national and local news. CTV extended its diversity training across the country, holding workshops in Ottawa and Halifax, and more are scheduled for the months to come. In addition, our second Community and Culture producer, hired this year, has focused on diversifying our story selection and approaches. To assist in this effort, we released our Community Contacts database across the CTV News system. This database has more than 1200 names and numbers, providing new faces and contacts which producers and reporters can turn to for research, comment or an interview. This process has led to a greater diversity of ideas and expressions reflected in our news programming.

Our highly successful editorial boards continued to meet regularly, providing senior news managers at CTV with the opportunity to meet directly with members of various communities in order to develop a better understanding of the concerns and questions of both sides on a variety of issues. For example, members of the Gay and Lesbian community, the South Korean community, and the Iranian community met with CTV for meetings, tours and discussions on issues of importance to them. These editorial boards also are now being held in the local stations across the country.



# AUDITORS' REPORT

## TO THE CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSION ("CRTC")

At the request of Bell Globemedia Inc. (the "Company") (formerly 1406236 Ontario Inc.), we have audited the attached schedules 1 to 11 detailing program exhibition, program production, program expenditures and tangible benefit expenditures and the Company's compliance with the requirements established by the CRTC as defined in Appendix II of Decision CRTC 2000-747 dated December 7, 2000, for the period from September 1, 2002 to August 31, 2003. This programming and financial information and the Company's compliance with the requirements established in Appendix II are the responsibility of the management of the Company. Our responsibility is to express an opinion on this programming and financial information and the Company's compliance with the requirements of Appendix II based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the programming and financial information is free of material misstatement and whether the Company complied with the requirements established in Appendix II referred to above. Such an audit includes examining, on a test basis, evidence supporting the amounts in the programming and financial information and the overall compliance with Appendix II, and where

applicable, assessing the accounting principles used and significant estimates made by management.

In our opinion, (i) the attached schedules 1 to 11 of program exhibition, program production, program expenditures and tangible benefit expenditures present fairly, in all material respects, the production, exhibition and program expenditures of the Company for the period from September 1, 2002 to August 31, 2003 in accordance with the requirements established in Appendix II referred to above and (ii) the Company is in compliance, in all material respects, with the requirements set out in Appendix II referred to above for the period from September 1, 2002 to August 31, 2003.

*Deloitte & Touche LLP*

Chartered Accountants

Toronto, Ontario  
November 4, 2003



## LIST OF SCHEDULES

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<b>Schedule 2</b>	Expenditures on base level of eight hours per week of priority programming.
<b>Schedule 3</b>	Incremental priority programming hours.
<b>Schedule 4</b>	Priority programming benefits expenditures on incremental hours.
<b>Schedule 5</b>	Incremental benefits expenditures on news and information programming.
<b>Schedule 6</b>	Broadcast licence fees for incremental programming received from specialty services operated by, or related to, CTV Inc.
<b>Schedule 7</b>	Sale or distribution proceeds received by CTV Inc. or any related company in respect of incremental programming, demonstrating that these proceeds are being reinvested in additional priority programming.
<b>Schedule 8</b>	Programs in which BCE or any related company has taken an equity investment using benefits expenditures, including details that proceeds earned from the equity investment have been reinvested into additional priority programming.
<b>Schedule 9</b>	Expenditures by CTV Inc. or any related company on third party promotion in the 2002/2003 broadcast year, and incremental benefits expenditures on third party promotion of CTV-licensed television productions.
<b>Schedule 10</b>	Description of the television initiatives undertaken in fulfilment of benefits commitments, including a list of expenditures associated with each.
<b>Schedule 11</b>	All other benefits expenditures as set out in Appendix 1 to Decision CRTC 2000-747, which are not covered in the schedules above.

**BASE LEVEL PRIORITY PROGRAMMING HOURS, SEPTEMBER 1, 2002 TO AUGUST 31, 2003**

Repeat	The Holmes Show	W-FIVE	Mysterious Ways	Sue Thomas F.B. Eye	Cold Squad	Open Mike	Comedy Now	Comedy Now	This Sitcom Is Not To Be Repeated	Just For Laughs Gags	Degrassi: The Next Generation
Duration CRTC Category Credit	0.5 hour 07B 150 %	1 hour 02B 100 %	1 hour 07A 125 % and 100 %	1 hour 07A 125 %	1 hour 07A 150 %	1 hour 110(MAG) 100 %	0.5 hour 07F 100 %	1 hour 07F 100 %	0.5 hour 07B 150 %	0.5 hour 07F 100 %	0.5 hour 07A 150 %
DATE											
Sept. 01											
02-08			1.25		1.50	1.00					
09-15			1.25		1.50	1.00					
16-22					1.50			1.00			
23-29	0.75		1.25		1.50			1.00			
30-06	0.75		1.25		1.50		0.50		0.75		
Oct. 07-13	0.75	1.00	1.25		1.50		0.50		0.75		
14-20	0.75	1.00	1.25		1.50		0.50		0.75		
21-27	0.75	1.00	1.25		1.50						
28-03	0.75										
Nov. 04-10	0.75	1.00					0.50		0.75		
11-17	0.75	1.00	1.25		1.50						
18-24			1.25		1.50		0.50		0.75		
25-01			1.25		1.50		0.50		0.75		0.75
Dec. 02-08		1.00					0.50		0.75		0.75
09-15		1.00	1.25			1.00					
16-22											
23-29	1.50				1.50					0.50	1.50
30-05			1.25		1.50						2.25
Jan. 06-12										1.00	1.50
13-19		1.00							0.50		0.75
20-26		1.00	1.25		1.50						0.75
27-02			1.25		1.50						0.75
Feb. 03-09			1.25		1.50					1.00	0.75
10-16					1.50					1.00	0.75
17-23			1.25	2.50	1.50					0.50	0.75
24-02		1.00	0.98	1.25							0.75
Mar. 03-09		1.00		1.25	1.50						0.75
10-16		1.00			1.50					0.50	0.75
17-23		1.00			1.50					0.50	
24-30		1.00		1.25							0.75
31-06		1.00	1.25	1.25							
Apr. 7-13		1.00	1.25	1.25	1.50			1.00			0.75
14-20			1.25	1.25	1.50			1.00		0.50	0.75
21-27	0.75	1.00	1.00	1.25	1.50			1.00		1.00	0.75
28-04	0.75	1.00	1.00	1.25	1.50			1.00		0.50	
May 05-11	0.75		1.00	1.25	1.50			1.00		1.00	
12-18	0.75		1.00		1.50		1.00				
19-25	0.75	1.00	1.00	1.25	1.50		1.00				
26-01	0.75	1.00		1.25	1.50		1.00				0.75
June 02-08	0.75		1.00	1.25	1.50		1.00			1.00	0.75
09-15	0.75	1.00		1.25	1.50		1.00			0.50	0.75
16-22		1.00		1.25	1.50			1.00		1.00	
23-29		1.00		1.25	1.50			1.00		1.00	
30-06				1.25	1.50			1.00		1.00	
July 07-13	1.50	1.00		1.25	1.50		1.00			0.50	0.75
14-20	1.50	1.00		1.25	1.50			1.00		1.00	
21-27	1.50	1.00		1.25	1.50		1.00			1.00	
28-03	1.50			1.25	1.50			1.00		1.00	
Aug. 04-10	1.50	1.00		1.25	1.50			1.00		1.00	0.75
11-17	1.50			1.25	1.50		1.00			0.50	0.75
18-24	1.50	1.00		1.25	1.50		1.00			1.00	0.75
25-31	1.50			1.25	1.00			1.00		1.00	0.75
	<b>25.50</b>	<b>28.00</b>	<b>30.73</b>	<b>32.50</b>	<b>62.50</b>	<b>3.00</b>	<b>12.50</b>	<b>14.00</b>	<b>5.25</b>	<b>20.00</b>	<b>22.50</b>



**BASE LEVEL PRIORITY PROGRAMMING HOURS, SEPTEMBER 1, 2002 TO AUGUST 31, 2003**

Repeat Duration CRTC Category Credit	Movies 2 hours 07C See list	The Eleventh Hour 1 hour 07A 150 %	Documentaries See list 02B 100 %	Sausage Factory 0.5 hour 07B 125 %	The Associates 1 hour 07A 150 %	Variety See list 08A/090 100 %	etalkDAILY See list 110(MAG) 100 %	Little Men 1 hour 07A 125 %	Other See list See list See list	Total
DATE										
Sept. 01			1.00							1.00
02-08				0.63	1.50					5.88
09-15	4.88			0.63		1.00				10.26
16-22			1.00				2.00			5.50
23-29										4.50
30-06										4.75
Oct. 07-13										5.75
14-20										5.75
21-27			1.00							5.50
28-03										0.75
Nov. 04-10						2.00				5.00
11-17										4.50
18-24			2.00							6.00
25-01		1.50								6.25
Dec. 02-08		1.50								4.50
09-15	2.50	1.50								7.25
16-22	5.50	3.00					7.50	1.00		17.00
23-29	9.00	3.00				2.00	7.50	1.25		27.75
30-05	2.50	4.50								12.00
Jan. 06-12		1.50	0.50							4.50
13-19		1.50				2.00				5.75
20-26		1.50								6.00
27-02		1.50	1.00							6.00
Feb. 03-09			1.00							5.50
10-16										3.25
17-23										6.50
24-02										3.98
Mar. 03-09										4.50
10-16							0.50			4.25
17-23							1.00			4.00
24-30										3.00
31-06						2.00	1.00			6.50
Apr. 7-13										6.75
14-20		1.50	1.00				0.50			9.25
21-27		1.50								9.75
28-04		1.50								8.50
May 05-11		1.50	1.00							9.00
12-18										4.25
19-25		1.50								8.00
26-01		1.50								7.75
June 02-08		1.50	1.00							9.75
09-15		1.50	1.00				2.50			11.75
16-22		1.50	1.00				2.50			10.75
23-29		1.50	1.00				2.50			10.75
30-06	3.00		2.00			1.00	2.50			13.25
July 07-13		1.50					2.50			11.50
14-20		1.50					2.50			11.25
21-27		1.50					2.50			11.25
28-03	3.00		1.00				2.50			12.75
Aug. 04-10		1.50					2.00			11.50
11-17		1.50	0.50				2.00			10.50
18-24		1.50					2.50			12.00
25-31		1.50	3.00				3.00			14.00
	<b>30.38</b>	<b>46.50</b>	<b>20.00</b>	<b>1.26</b>	<b>1.50</b>	<b>10.00</b>	<b>34.50</b>	<b>15.00</b>	<b>2.25</b>	<b>417.87</b>

**BASE LEVEL PRIORITY PROGRAMMING HOURS, SEPT. 1, 2002 TO AUG. 31, 2003  
SUPPLEMENTARY INFORMATION FOR PRIORITY HOURS, SEPT. 1, 2002 TO AUG. 31, 2003**

<b>1 DOCUMENTARIES</b>				
Title	Broadcast Date	CRTC Credit	Duration	Category
First Person Shooter	Sept. 1/02	100%	1 hour	02B
National Stress Test	Sept. 20/02	100%	1 hour	02B
Fame & Fortune: Ozzy Uncut	Oct. 26/02	100%	1 hour	02B
Pretty Boys	Nov. 21/02	100%	1 hour	02B
Depression: Fighting The Dragon	Nov. 22/02	100%	1 hour	02B
Winterlude 2003	Jan. 11/03	100%	0.5 hour	02B
Fame & Fortune: Ozzy Uncut	Jan. 28/03	100%	1 hour	02B
Undying Love	Feb. 7/03	100%	1 hour	02B
Friends First: Story of Team Schmirler	Apr. 18/03	100%	1 hour	02B
Say I Do	May 9/03	100%	1 hour	02B
The Parkinson's Enigma	June 6/03	100%	1 hour	02B
Canadian Idol	June 14, June 21, June 28 and July 5/03	100%	4 x 1 hour	02B
Golf: The Ridiculous Obsession	July 4/03	100%	1 hour	02B
Pretty Boys	Aug. 1/03	100%	1 hour	02B
The Health Specials Anthology (Obesity)	Aug. 16/03	100%	0.5 hour	02B
Inside The Teenage Brain	Aug. 29/03	100%	1 hour	02B
Best and Worst of Canadian Idol	Aug. 28 & Aug. 31/03	100%	2 x 1 hour	02B
<b>2 MOVIES</b>				
Title	Broadcast Date	CRTC Credit	Duration	Category
Tagged: The Jonathan Wamback Story	Sept. 10/02	150%	2 hours	07C
The Hound of the Baskervilles	Sept. 11/02	125%	1.5 hours	07C
The Magician's House: The Secret Cavern Pt. 1	Dec. 14/02	125%	2 hours	07C
Stolen Miracle	Dec. 16/02	150%	2 hours	07C
The Magician's House: The Secret Cavern Pt. 2	Dec. 21/02	125%	2 hours	07C
Nico The Unicorn	Dec. 23/02	125%	2 hours	07C
Borrowed Hearts	Dec. 24/02	100%	2 hours	07C
Rent-A-Kid	Dec. 25/02	100%	2 hours	07C
Jewel	Dec. 27/02	125%	2 hours	07C
Crossed Over	Dec. 31/02	125%	2 hours	07C
A Killing Spring	July 4/03	150%	2 hours	07C
Verdict In Blood	Aug. 1/03	150%	2 hours	07C

<b>3 etalkDAILY</b> All etalkDAILY episodes are 0.5 hour in length, except for the following episodes:				
	Broadcast Date	CRTC Credit	Duration	Category
	Sept. 20/02	100%	1 hour	110(MAG)
	Sept. 21/02	100%	1 hour	110(MAG)
	Mar. 22/03	100%	1 hour	110(MAG)
	Apr. 6/03	100%	1 hour	110(MAG)
<b>4 VARIETY</b>				
Title	Broadcast Date	CRTC Credit	Duration	Category
Amanda Marshall: Everybody's Got A Story	Sept. 15/02	100%	1 hour	08A
Figure Skating: Skate Canada Gala	Nov. 9/02	100%	2 hours	090
Rita MacNeil's Christmas Special	Dec. 23/02	100%	1 hour	090
Amanda Marshall: Everybody's Got A Story	Dec. 27/02	100%	1 hour	08A
Figure Skating: BMO Canadian Championships Gala	Jan. 18/03	100%	2 hours	090
Figure Skating: World Championships Gala	Apr. 5/03	100%	2 hours	090
The 2003 Junos Concert Celebration	July 1/03	100%	1 hour	08A
<b>5 OTHER</b>				
Title	Broadcast Date	CRTC Credit	Duration	Category
Vicki Gabereau Presents Diana Krall	Dec. 20/02	100%	1 hour	110(MAG)
Elfkings First Christmas	Dec. 25/02	150%	0.5 hour	07E
The Christmas Angel	Dec. 25/02	100%	0.5 hour	07E

SCHEDULE 2

BASE LEVEL PRIORITY PROGRAMMING EXPENDITURES, SEPTEMBER 1, 2002 TO AUGUST 31, 2003	
Category 02B: Long-form Documentaries	\$ 3,538,722
Category 07: Drama and Comedy	25,238,823
Category 08 and 09: Music and Variety	101,580
Category 110(MAG): Entertainment Magazines	955,184
Total expenditures on base level priority programming	\$ 29,834,309

SCHEDULE 3

PRIORITY PROGRAMMING INCREMENTAL HOURS COMMITTED TO, INCLUDING HOURS BROADCAST, AS OF AUGUST 31, 2003								
Program Title	Producer (Independent or Affiliated)	Benefit Strand	Benefit Year Spent	CRTC Program Category	Total Number of Incremental Hours	Program Length Per Episode (Hours)	Date/Time Original Broadcast	Cdn Recog.#
Total programming for which all reporting information has been reported in prior annual reports					23.35			
Programming that aired before August 31, 2002 but for which CRTC Program Category, Date/Time Original Broadcast or Canadian Recognition number were not available at the date of the last annual report								
Jamie & David: A Golden Homecoming	Insight Sports Ltd. (independent)	Great Big Canadian Show	Year 2 - 2002	Music and Dance (Category 08A)	2	2	Mar. 12, 2002: 9:30pm	C19759
Programming that aired between September 1, 2002 and August 31, 2003 for which CRTC Program Category, Date/Time Original Broadcast and Canadian Recognition number is available								
Golf: The Ridiculous Obsession, Parts 1 & 2	International Documentary Television Corporation (independent)	Documentary Event	Year 1 - 2001; Year 2 - 2002	Documentary (Category 02B)	2	1	Part 1: Sept 8, 2002: 7pm; Part 2: Sept 15, 2002: 7pm	C19285
21C	CTV	2-Way Hot	Year 3 - 2003	Documentary (Category 02B)	5	1	Oct. 4, 2002: 9 pm; Nov. 29, 2002: 9pm; Jan. 3, 2003: 9 pm; Jan. 31, 2003: 9pm; Feb. 14, 2003: 9pm	N/A
Degrassi: The Next Generation (eps. 201-209)	Epitome Pictures Inc. (independent)	Series Extension	Year 2 - 2002	Drama Series (Category 07A)	4.5	1 x 1; 7 x 0.5	Sept. 29, 2002: 7pm; Oct. 6, 2002: 7pm; Oct. 13, 2002: 7pm; Oct. 20, 2002: 7:30pm; Oct. 27, 2002: 7:30pm; Nov. 3, 2002: 7:30pm; Nov. 10, 2002: 7:30pm; Nov. 17, 2002: 7:30pm	C20386
The 2003 Juno Awards	Insight Productions Ltd. (independent) & CARAS (independent)	Great Big Canadian Show	Year 3 - 2003	Variety (090)	2	2	Apr. 6, 2003: 8pm	C21428
Total programming for which all reporting information has been reported as of August 31, 2003					38.85			
Programming that aired between September 1, 2002 and August 31, 2003 for which Canadian Recognition number has not been received								
Canadian Idol	Insight Production Company Ltd. (independent)	Groundbreaker	Year 3 - 2003	Documentary (02B) Music & Dance (08A)	17.5	1 x 1.5; 12 x 1; 8 x 0.5	June 9, 2003: 8pm; June 16, 2003: 8pm; June 23, 2003: 8pm; June 30, 2003: 8pm; July 7, 2003: 8pm; July 8, 2003: 7:30pm; July 14, 2003: 8pm; July 15, 2003: 7:30pm; July 21, 2003: 8pm; July 22, 2003: 7:30pm; July 28, 2003: 8pm; July 29, 2003: 7:30pm; Aug. 4, 2003: 7pm; Aug. 4, 2003: 7:30pm; Aug. 5, 2003: 7:30pm; Aug. 11, 2003: 8pm; Aug. 12, 2003: 7:30pm; Aug. 18, 2003: 8pm; Aug. 19, 2003: 7:30pm; Aug. 25, 2003: 8pm; Aug. 26, 2003: 8pm	
The Health Specials Anthology	90th Parallel Film and Television (independent)	Documentary Event	Year 3 - 2003	Documentary (Category 02B)	3	0.5	Feb. 15, 2003: 7 pm; Mar. 15, 2003: 7pm; Apr. 19, 2003: 7pm; May 17, 2003: 7pm; June 14, 2003: 7pm; July 12, 2003: 7pm	
Programming that has not aired as of August 31, 2003								
Degrassi: The Next Generation (eps. 314-322)	Epitome Pictures Inc. (independent)	Series Extension	Year 3 - 2003	Drama Series (Category 07A)	4.5	0.5		C21818
Lives of the Saints	Capri Lives Productions Inc. & RTI S.p.A. (independent)	Heroes, Champions and Villains	Year 3 - 2003	Drama/Movie (Category 07C)	4	2		
Zeyda and the Hitman	My Zaida Inc. & Frantic Zaida Inc. (independent)	Heroes, Champions and Villains	Year 3 - 2003	Drama/Movie (Category 07C)	2	2		
Ronnie Hawkins: Who Do You Love?	Real Hawk Productions Inc. (independent)	Documentary Event	Year 3 - 2003	Documentary (Category 02B)	1	1		
Corner Gas	Prairie Pants Productions Inc. (independent)	Groundbreaker	Year 3 - 2003	Comedy series (Category 07B)	6.5	0.5		
The Ocean Ranger Disaster	Ocean Ranger Productions Inc. (independent)	Documentary Event	Year 1 - 2001; Year 2 - 2002	Documentary (Category 02B)	1	1		B79917
<b>TOTAL INCREMENTAL HOURS</b>					<b>78.35</b>			



<b>PRIORITY PROGRAMMING INCREMENTAL BENEFIT EXPENDITURES COMMITTED TO, INCLUDING AMOUNTS SPENT, AS OF AUGUST 31, 2003</b>							
<b>PRIORITY PROGRAMMING</b>	Total Amount Committed for 7 years	Amount Committed in 2002-2003	Amount Committed to Date	Amount Spent in 2002-2003	Amount Spent to Date	Balance	Producer (Independent or Affiliated)
<b>Drama Series Extensions</b>	25,000,000	3,699,353	11,345,359	4,176,136	10,692,542	14,307,458	
The Associates (201-205)							Independent
DeGrassi: The Next Generation (201-209)							Independent
DeGrassi: The Next Generation (314-322)							Independent
<b>Groundbreaker</b>	23,000,000	17,075,709	17,490,963	11,448,322	11,762,741	11,237,259	
Bad Hall Director (development)							Independent
Canadian Idol							Independent
Corner Gas							Independent
Enter at Your Own Risk							Independent
Exchange, The (development)							Independent
Great Chase, The (development)							Independent
Laughabout (development)							Independent
Test the Nation (development)							Independent
<b>Promotion of Priority Programming</b>	7,000,000	1,218,093	2,516,478	1,218,093	2,516,478	4,483,522	
<b>Documentaries</b>	18,000,000	1,991,635	3,634,127	917,960	2,552,753	15,447,247	
Afghanistan (development)							Independent
Christina O (development)							Independent
Cure for Cancer (development)							Independent
Demon in the Freezer (development)							Independent
Dream-O-Rama (development)							Independent
Frank Gehry							Independent
Golf: The Ridiculous Obsession							Independent
The Health Specials Anthology							Independent
Ocean Ranger Disaster, The							Independent
Paparazzi (development)							Independent
Race of the Century (development)							Independent
Ronnie Hawkins: Who Do You Love?							Independent
Searching for Jackie Chan (development)							Independent
Viagra (development)							Independent
Wrath of God (development)							Independent
<b>Great Big Canadian Show</b>	10,500,000	3,225,966	7,116,952	2,031,899	5,710,101	4,789,899	
The 2002 Juno Awards							Independent
The 2003 Juno Awards							Independent
Jamie and David: A Golden Homecoming							Independent
Rita MacNeil and Men of the Deeps Special							Independent
Sonic Temple							Independent
<b>Toronto Documentary Forum</b>	1,000,000	200,000	600,000	200,000	600,000	400,000	Not Applicable
<b>Documentaries at Banff</b>	1,000,000	143,000	429,000	143,000	429,000	571,000	Not Applicable
<b>National Broadcast Reading Services</b>	2,000,000	400,000	1,200,000	400,000	1,200,000	800,000	Not Applicable
<b>TOTAL PRIORITY PROGRAMMING</b>	<b>\$ 140,000,000</b>	<b>\$ 37,634,340</b>	<b>\$ 55,383,892</b>	<b>\$ 29,461,146</b>	<b>\$ 45,310,768</b>	<b>\$ 94,689,232</b>	

SCHEDULE 5

<b>NEWS AND INFORMATION INCREMENTAL BENEFIT EXPENDITURES AS OF AUGUST 31, 2003</b>				
<b>NEWS AND INFORMATION PROGRAMMING</b>	Total Amount Committed for 7 years	Amount Spent in 2002-2003	Amount Spent to Date	Balance
Regional Specialists	\$14,000,000	\$2,463,787	\$4,685,159	\$9,314,841
Diversity in News	3,500,000	969,312	1,691,104	1,808,896
2-Way Hot	11,000,000	1,191,825	2,964,530	8,035,470
Eyes on the World	12,000,000	1,507,510	3,361,241	8,638,759
Newslinks	10,000,000	1,683,843	3,362,938	6,637,062
APTN	3,000,000	1,200,000	1,800,000	1,200,000
<b>News and Information Programming Total</b>	<b>\$53,500,000</b>	<b>\$9,016,277</b>	<b>\$17,864,972</b>	<b>\$35,635,028</b>

SCHEDULE 6

<b>LICENCE FEES RECEIVED FOR INCREMENTAL PROGRAMMING FROM SPECIALTY SERVICES OPERATED BY OR RELATED TO CTV INC. AS OF AUGUST 31, 2003</b>
No fees were received from specialty services during the reporting period.

SCHEDULE 7

<b>SALE OR DISTRIBUTION PROCEEDS RECEIVED BY CTV INC. OR ANY RELATED COMPANY IN RESPECT OF INCREMENTAL PROGRAMMING AS OF AUGUST 31, 2003</b>				
	Amount received in 2002-2003	Amount received to date	Amount reinvested in 2002-2003	Amount reinvested to date
<b>Sale or distribution proceeds received by CTV Inc. or any related company in respect of incremental programming, net of distribution expenses:</b>	<b>\$343,277</b>	<b>\$343,277</b>	<b>\$-</b>	<b>\$-</b>
Golf: The Ridiculous Obsession				
Degrassi: The Next Generation				
Lives of the Saints (expenses only)				
This will be reinvested in future programming projects.				

## SCHEDULE 8

<b>EQUITY INVESTMENTS USING BENEFITS EXPENDITURES AS OF AUGUST 31, 2003</b>			
<b>PROGRAM TITLE</b>	Equity Commitments as of August 31, 2003	Equity Recovered	Net profit reinvested in Benefits
The Associates (201-205)			
The Ocean Ranger Disaster			
Golf: The Ridiculous Obsession, Part 1			
Golf: The Ridiculous Obsession, Part 2			
The 2002 Juno Awards			
Degrassi: The Next Generation (201-209)			
The 2003 Juno Awards			
Lives of the Saints			
Degrassi: the Next Generation (314-322)			
Corner Gas (1-13)			
<b>TOTAL</b>	<b>\$5,989,795</b>	<b>\$-</b>	<b>\$-</b>

## SCHEDULE 9

<b>THIRD PARTY PROMOTION EXPENDITURES AS OF AUGUST 31, 2003</b>		
	Amount Spent In 2002-2003	Total Amount Spent as of August 31, 2003
<b>Base Level of Third Party Promotion Expenditures, September 1, 2002 to August 31, 2003</b>		
Promotion of Priority Programming	\$544,579	\$948,180
<b>Incremental Benefits Expenditures On Third Party Promotion</b>		
Promotion of Priority Programming	\$1,218,093	\$2,516,478
<b>Total Spending On Third Party Promotion</b>		
<b>PROMOTION OF PRIORITY PROGRAMMING</b>	<b>\$1,762,672</b>	<b>\$3,464,658</b>

## SCHEDULE 10

<b>TELEVISION INITIATIVES UNDERTAKEN IN FULFILMENT OF BENEFITS COMMITMENTS AS OF AUGUST 31, 2003</b>
Please see Schedules 3, 4 and 5.



## SCHEDULE 11

## OTHER BENEFITS EXPENDITURES AS OF AUGUST 31, 2003

OTHER BENEFITS EXPENDITURES	Total Amount Committed for 7 years	Amount Spent in 2002-2003	Amount Spent to Date	Balance	Recipient
<b>PIPELINE TO SCREEN</b>					
Content Innovation Network	\$5,000,000	\$1,000,000	\$3,000,000	\$2,000,000	Canadian Film Centre, L'INIS, Banff New Media Institute
National Screen Institute	1,000,000	-	285,714	714,286	National Screen Institute
Women in the Director's Chair	100,000	12,000	52,000	48,000	Creative Women Workshops (Banff Centre)
iTV specialists	3,000,000	386,815	660,625	2,339,375	iTV specialists
Canadian Media Research Consortium	3,500,000	500,000	1,500,000	2,000,000	UBC - the School of Journalism; Université Laval; York University
Ryerson Polytechnic University: BCE Chair in Convergence	2,500,000	-	2,500,000	-	Ryerson Polytechnic University
BCE New Media Centre of Excellence	1,500,000	-	1,500,000	-	British Columbia Institute of Technology
Community Journalism Initiatives	2,000,000	369,949	1,853,846	146,154	Numerous universities and colleges across Canada
Aboriginal Prod. Training - Capilano College	250,000	29,167	133,334	116,666	Capilano College
CFTPA/APFTQ Mentorship	800,000	114,857	344,571	455,429	CFTPA
St. John's Women's Film & Video Festival	100,000	-	100,000	-	Memorial University
Canadian Women in Communications	750,000	107,143	321,429	428,571	Canadian Women in Communications
History of Canadian Broadcasting	250,000	83,334	250,000	-	Canadian Communications Foundation
Museum of Canadian Broadcasting	250,000	-	250,000	-	Canadian Museum Broadcast Foundation
Canadian TV Image Bank	3,500,000	965,364	1,382,943	2,117,057	Not applicable
Academy of Canadian Cinema & Television	1,000,000	142,857	428,571	571,429	Academy of Canadian Cinema and Television
MNet: Media Awareness Network	500,000	71,429	214,287	285,713	MNet: Media Awareness Network
Leave Out ViolencE (L.O.V.E.)	500,000	167,334	500,000	-	L.O.V.E.
Bell Broadcast & New Media Fund	10,000,000	1,750,000	6,500,000	3,500,000	Bell Broadcast & New Media Fund
<b>TOTAL</b>	<b>\$36,500,000</b>	<b>\$5,700,249</b>	<b>\$21,777,320</b>	<b>\$14,722,680</b>	

*Changing the notion that good Canadian programming can't be good Canadian business.*



2003

