

September 17, 2012

**VIA ACCESS KEY**

M. John Traversy  
Secretary General  
CANADIAN RADIO-TELEVISION AND  
TELECOMMUNICATIONS COMMISSION  
Ottawa (Ontario) K1A 0N2

**Re: Follow-up to Broadcasting Regulatory Policy CRTC 2012-385 –  
Review of the Local Programming Improvement Fund (LPIF) – Cogeco  
Report**

Dear Mr. Traversy:

### **Introduction**

1. In Broadcasting Regulatory Policy CRTC 2012-385 (BRP 2012-385), the Commission “*directs all licensed broadcasting distribution undertakings (BDU)s to report to the Commission within 60 days of the date of this policy:*
  - *to describe the measures they have taken or will take, commencing 1 September 2012, to reduce subscriber bills by amounts corresponding to the reduced contribution levels described above, including evidence that they have notified subscribers concerning these reductions; or*
  - *to submit evidence that subscribers have never paid contributions associated with the LPIF”.*
2. Cogeco Cable Inc (Cogeco) hereby submits, as enumerated below, the steps taken or to be taken, to reduce subscriber bills by amounts corresponding to the

reduced contribution levels as described in BRP 2012-385, and evidence of subscriber notification.

### **Measures Taken by Cogeco to Reduce Subscriber Bills**

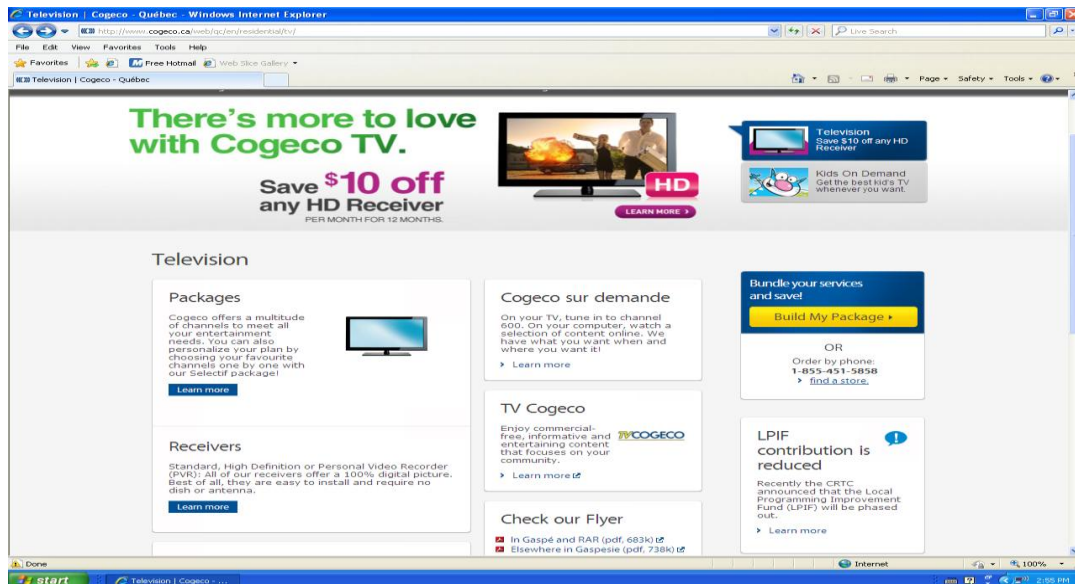
3. Effective 1 September 2012, Cogeco reduced, where the LPIF fee was applicable, its television customers' invoices by the corresponding LPIF reduced contribution level amount. Therefore, effective 1 September 2012, the LPIF fee charged was reduced from 1.5 percent to 1 percent for all affected Cogeco television customers.
4. The reduced LPIF contribution rate is, and will continue to be, reflected on a separate line item on television customer invoices.
5. Effective 1 September 2013, the LPIF contribution rate will be further reduced from 1 percent to 0.5 percent. Cogeco, on or near the effective date of this second reduction in contribution rate, will again reflect and report this reduction on its television customer invoices.
6. Effective 1 September 2014, the LPIF contribution rate will be eliminated. Consequently, effective 1 September 2014, Cogeco will cease collecting this fee from its television customers.

### **Evidence of Subscriber Notification by Cogeco**

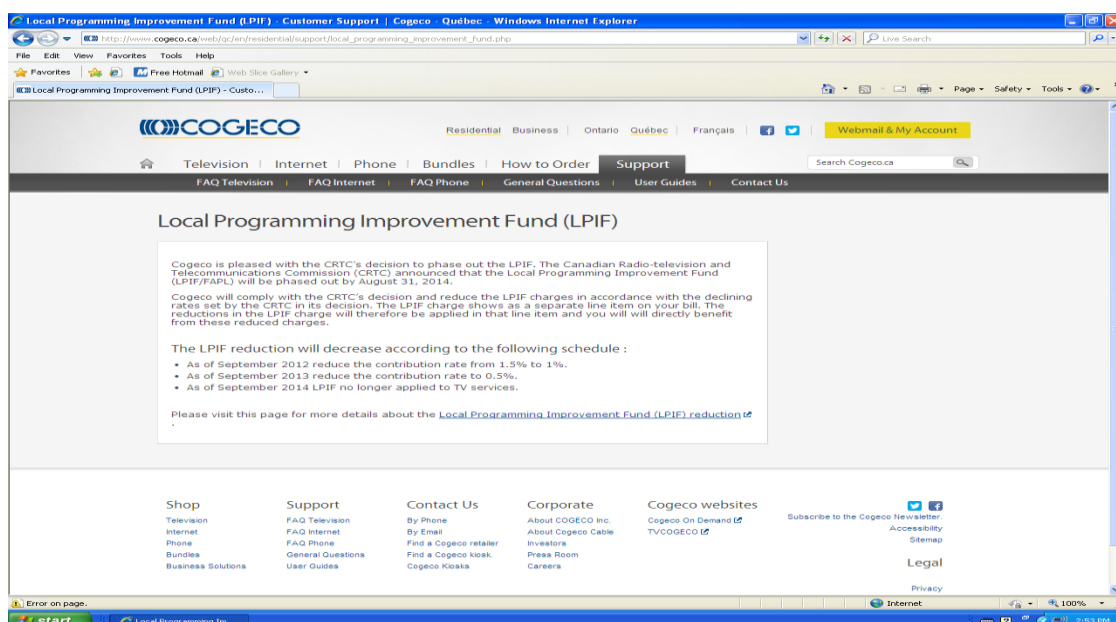
7. Cogeco has been informing, and will continue to inform, its customers of the LPIF phase-out using various vehicles.

### **Cogeco Websites**

8. Every version of the *Cogeco.ca* website, one version of which is reproduced below, contains an LPIF contribution notice on the Television landing page.



9. From the Television page, additional details on the LPIF phase-out can be obtained by clicking on “Learn more”. Visitors are then redirected to a more detailed notice found on the Local Programming Improvement Fund (LPIF) landing page, reproduced below, which informs visitors to the Cogeco website of the Commission’s directive on the LPIF.



10. The LPIF landing page includes a link to the CRTC website that brings the visitor to: [http://www.crtc.gc.ca/eng/info\\_sht/tv13.htm](http://www.crtc.gc.ca/eng/info_sht/tv13.htm).
11. The Cogeco website LPIF message on the Television page and the LPIF landing page were posted on 13 August 2012. The Television page message will remain online until 15 October 2012; the LPIF landing page will be available until 15 October 2014.

### **Customer Invoices**

12. Beginning August 2012 with the first phase of the billing cycle and continuing until the last phase of the billing cycle in September 2012, television customers' invoices included a box message announcing the phasing out of LPIF charges and associated reductions beginning 1 September 2012.
13. Although the LPIF fee will continue to be reported as a separate item on customer invoices on an ongoing basis until the elimination of the LPIF fee, the message text appeared only on the first invoice received by a television customer on which the reduction of the LPIF became effective.
14. An equivalent message as was published for the LPIF reduction effective 1 September 2012 will be published for the reduction effective 1 September 2013 and yet another for the elimination of the LPIF in 2014.

### **E-marketing and Social Media**

15. Cogeco has informed its television service customers who have a valid email address of the changes to the LPIF regime via email message.

16. Additionally, the same LPIF phase-out message was posted on Cogeco social media platforms beginning 1 August 2012.

### **Service Agreements**

17. Cogeco will have a new version of its customer service agreement in place in order to inform new television service customers, or any customer who makes a service change which includes television services, of the LPIF phase-out.

18. Service agreements will be further modified in 2013 and 2014 to reflect the changes that will be effective on 1 September 2013 and 1 September 2014.

### **Sales Tools**

19. Cogeco sales tools have been adjusted with the new LPIF contribution rate of 1% for the period effective 1 September 2012. The same change will be made to sales tools with the corresponding LPIF contribution adjustments for 2013 and 2014.

20. Please direct all inquiries or correspondence regarding this report to the undersigned at (514)764-4749 or by email at [bianca.sgambetterra@cogeco.com](mailto:bianca.sgambetterra@cogeco.com).

Yours truly,

Bianca Sgambetterra  
Advisor, Regulatory Affairs, Telecommunications

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