



Broadcasting Decision CRTC 2005-39

Ottawa, 3 February 2005

4239130 Canada Ltd. (a corporation controlled by Doug Rankine)
Across Canada

Application 2004-0530-0
Public Hearing in the National Capital Region
29 November 2004

XXX Clips AOV – Category 2 specialty service

*In this decision, the Commission **approves** the application for a broadcasting licence to operate a new Category 2 specialty programming undertaking.*

The application

1. The Commission received an application by 4239130 Canada Ltd. (a corporation controlled by Doug Rankine) for a broadcasting licence to operate a national, French- and English-language Category 2¹ specialty programming undertaking to be known as XXX Clips AOV.
2. The applicant proposed to offer a service that would consist of sexually explicit adult programming in the form of documentaries, dramatic films, talk shows, phone-in shows and other programs on the theme of sexuality.
3. The Commission did not receive any interventions in connection with this application.

The Commission's analysis and determination

4. Based on its examination of this application, the Commission is satisfied that it is in conformity with all applicable terms and conditions announced in *Introductory statement – Licensing of new digital pay and specialty services – Corrected Appendix 2*, Public Notice CRTC 2000-171-1, 6 March 2001 (Public Notice 2000-171-1). Accordingly, the Commission **approves** the application by 4239130 Canada Ltd. (a corporation controlled by Doug Rankine) for a broadcasting licence to operate the national, French- and English-language Category 2 specialty programming undertaking, XXX Clips AOV.

¹ The Category 2 services are defined in *Introductory statement – Licensing of new digital pay and specialty services*, Public Notice CRTC 2000-171, 14 December 2000.

5. The licence will expire 31 August 2011, and will be subject to the conditions set out in Public Notice 2000-171-1, as well as to the **conditions of licence** set out in the appendix to this decision.

Issuance of the licence

6. A licence will be issued once the applicant has satisfied the Commission, with supporting documentation, that the following requirements have been met:
 - the applicant has entered into a distribution agreement with at least one licensed distributor; and
 - the applicant has informed the Commission in writing that it is prepared to commence operations. The undertaking must be operational at the earliest possible date and in any event no later than 36 months from the date of this decision, unless a request for an extension of time is approved by the Commission before 3 February 2008. In order to ensure that such a request is processed in a timely manner, it should be submitted at least 60 days before this date.

Secretary General

This decision is to be appended to the licence. It is available in alternative format upon request, and may also be examined at the following Internet site: <http://www.crtc.gc.ca>

Appendix to Broadcasting Decision CRTC 2005-39

Conditions of licence

1. The licence will be subject to the **conditions** set out in *Introductory statement – Licensing of new digital pay and specialty services – Corrected Appendix 2*, Public Notice CRTC 2000-171-1, 6 March 2001, as well as to the following conditions of licence:
2. The licensee shall provide a national French- and English-language Category 2 specialty programming undertaking devoted to sexually explicit adult programming in the form of documentaries, dramatic films, talk shows, phone-in shows and other programs on the theme of sexuality.
3. The programming must be drawn exclusively from the following categories, as set out in Schedule I to the *Specialty Services Regulations, 1990*, as amended from time to time:
 - 1 News
 - 2 (a) Analysis and interpretation
(b) Long-form documentary
 - 5 (b) Informal education/Recreation and leisure
 - 7 Drama and comedy
 - (c) Specials, mini-series or made-for-TV feature films
 - (d) Theatrical feature films aired on TV
 - (g) Other drama
 - 10 Game shows
 - 11 General entertainment and human interest
 - 14 Infomercials, promotional and corporate videos
4. The service must only be distributed at the specific request of the subscriber. Distributors are not permitted to package XXX Clips AOV in such a way that subscribers are obligated to purchase it in order to purchase any other programming service, other than an adult programming service. Distributors are required to take measures to fully block the reception of both the audio and video portions of XXX Clips AOV to subscribers that request it not to be receivable in their home, in either unscrambled or scrambled analog form.
5. The licensee shall adhere to Section D.3 of the *Industry code of programming standards and practices governing pay, pay-per-view and video-on-demand services*, Broadcasting Public Notice CRTC 2003-10, 6 March 2003.

6. The licensee shall adhere to its internal policy for adult programming as filed with the Commission.

For the purposes of the conditions of this licence, *broadcast day* refers to the 24-hour period beginning at 6 a.m. each day.